Facilities Management
6030 Campus Delivery
Fort Collins, Colorado 80523-6030

Innovation Credit Letter
Sustainability Tracking Rating and Assessment System
Energy Reserve Fund

August 26, 2014

To Whom It May Concern:

It is my pleasure to endorse Colorado State University's Energy Reserve Fund as a fulfillment of the STARS Innovation Credit.

As Energy Engineer responsible for energy efficiency and renewable energy programs at Colorado State University, I feel I am qualified to asses the sustainable value of this project. My work experience includes energy and water conservation, solar energy research and applications, green buildings, greenhouse gas accounting, and utility system maintenance & operation. I have devoted many years to the implementation of efficiency projects on Colorado State University's campus. Additionally, I am a licensed Professional Engineer and a LEED AP.

The Energy Reserve Fund (ERF) was created to provide stable and predictable funding for energy and water efficiency projects at a time when budgeting for any projects was challenging. Colorado State has a long history of funding efficiency projects, but like many of our peer institutions, funding projects from year to year was difficult as we competed with academic and other Facilities needs for limited dollars. The VP of Operations, Amy Parsons, designed the ERF in FY12. The structure was to take one time "seed money" of $500,000/year for the first 5 years. On top of that, the savings from the projects implemented with ERF funds would go back to the fund. As a result, after seeding the ERF for 5 years, the fund becomes self sustaining – with savings from previous years' projects continuing to fund new initiatives.

This program has been a great success. The funding has grown from $500,000 in the first year to just under $870,000 in year four. Each year, Facilities staff and members of the President's Sustainability Committee review proposed projects and select the next year's projects based on potential savings and other benefits to the university (maintenance or safety, for example). On average, the ERF funded projects have provided a return of nearly 20% to the university (i.e. for every $500,000 invested, the university saves $100,000/year).

The overall effects of these projects can be seen in the university's utility bills. Since the ERF has been established, total energy use has decreased 13% when normalized for weather and building square footage, water use is down 5% and overall utility costs have remained stable despite an increase in utility rates.

By establishing the Energy reserve Fund, Colorado State University maintains a reliable source of efficiency funding and a serious commitment to sustainability. Clearly, the ERF aligns well with the goals of the STARS Innovation Credit.

Sincerely,

Carol J. Dollard, P.E., LEED AP
Energy Engineer
Facilities Management
Colorado State University