



*Director
Utilities and Engineering Services
Facilities Operations and Maintenance
Central Utilities Plant
Tallahassee, Florida 32306-1098*

Telephone: (8504) 6444878

FAX: (850) 644-3171

MEMORANDUM

Aug. 1, 2011

To: STARS Review Team:

Re: Letter of Affirmation

Since the 1990's, The Florida State University has had an aggressive energy conservation program (including retrofit and upgrade projects and performance contracting) that has grown to be a part of our campus culture. A revolving fund was the next logical step to further establish our campus as a leader in sustainability.

The Florida State University has allocated funding to support ongoing energy conservation projects. Projects that can offer a 7 year or less payback are eligible. We manage the group of projects similar to that of a stock portfolio. The concept is to push shorter pay back projects ahead of lower pay back projects. By investing approximately \$1,000,000 per year in energy conservation projects and selecting projects with a pay back of less than 7 years, we can reinvest our savings over 5 times during the same 40 year period that it would take to pay back a single photovoltaic installation project. The approach maximizes the rate in which we can reduce greenhouse gas production while also maximizing energy conservation savings.

We consider our fund to be innovative in that it:

- Prioritizes short pay back projects
- Re-invests savings
- Maximizes greenhouse gas reduction
- Maximizes energy conservation
- As a revolving type of fund, the funding is somewhat perpetual
- Pay back calculations are based on energy savings alone.
- The fund only includes retrofits. New buildings are built to be energy efficient, but have their own funding for those features.

Alan Peck
Director of Utilities
Florida State University

A.R.P.