



NEWS

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FOR RELEASE

UK Reduces Carbon Footprint With \$25 Million Retrofit

LEXINGTON, Ky. (Dec. 2, 2010) -- It isn't easy to visualize exactly how much the University of Kentucky will save after a yearlong, energy-savings retrofit of 61 campus buildings, totaling 5.2 million square feet. But after doing a bit of math, here are the annual equivalencies.

When UK's \$25 million Energy Savings Project is completed next November, UK will have a dramatically smaller carbon footprint, an annual emissions reduction of about 23,291 tons of CO₂. That is roughly the equivalent of taking 45,755 cars off the road or planting 62,257 acres of trees or powering 5,251 homes -- each and every year. In addition, about 13,987,779 kilowatt hours and 37,673,020 gallons of water will be saved.

Precious natural resources aren't the only things UK will save.

The overall project is funded by UK-issued bonds valued at \$25 million and will produce anticipated annual savings of \$2,430,000. These annual savings are more than sufficient to pay the annual debt service on the bonds. Year one is a small positive savings over and above debt service. The real savings take place over the next 12 years as the university's energy rates increase. This will result in real and significant savings in the future.

"Creating a more energy-efficient campus community is something I have championed for the past nine years," UK President Lee T. Todd Jr. said at a news conference today to announce the project. "Conservation of our natural resources is not only good for our bottom-line, it is good for the future strength and vitality of our Commonwealth."

Todd also announced that much of the university would close three days early for the holiday break. Although many departments and offices, including UK HealthCare, will

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remain open, the early closure will generate additional energy savings. By closing a few days early, the university and its employees will be able to generate reductions in energy, fuel and transportation costs associated with heating and maintaining buildings and vehicles.

"I am proud that our partnership with Ameresco will help us utilize our resources in a more sustainable manner," said Todd.

In an ongoing effort to save energy, reduce cost and maintain a more sustainable campus, the UK Board of Trustees last year approved an energy savings performance contract with Ameresco, an energy service company based in Louisville, Ky. An energy service company (ESCO) provides comprehensive energy and water management analysis plans as well as energy and water-related capital improvement services. Enabled by Kentucky Revised Statute 56.774, energy savings performance contracting is a cost-effective process for energy upgrades. Energy service companies guarantee that utility savings generated by facility upgrades are sufficient to pay back the capital investment over a set period (generally 11 to 12 years). If the project does not provide these returns on the investment, the ESCO is responsible for the difference.

"The University of Kentucky is setting a great example for other state and publicly owned entities in our Commonwealth by pursuing an Energy Savings Performance Contract and implementing these innovative efficiency measures," said Jonathan Miller, secretary of the Kentucky Finance and Administration Cabinet. "Reducing energy consumption in publicly owned buildings is an integral part of Gov. Steve Beshear's energy policy. Kentucky has already made great strides to make state government facilities more energy efficient and environmentally conscientious."

Although preparatory work actually began a year ago, the university announced today the details of its \$25 million initiative to conserve energy and improve efficiency in 61 campus buildings. The yearlong project will install a wide variety of technologies that focus on lighting, mechanical systems and water usage. The retrofits, which are now under way, should be completed by the end of 2011.

Efficiency improvements will include lighting upgrades, water conservation, insulation, upgraded boilers, steam system improvements, domestic solar water heating, and HVAC system replacements. Along with the efficiency improvements to the buildings, the project will feature an innovative energy education and awareness program to help students and university faculty and staff embrace a more sustainable lifestyle that will help reduce energy consumption even further.

For more information and a building-by-building work schedule, visit <http://energysavings.facilities.uky.edu> .

"Ameresco is delighted to have been selected by the University of Kentucky to institute efficiency and sustainability measures while assisting the university in significantly

reducing campus energy usage and its overall carbon footprint,” said Louis P. Maltezos, executive vice president and general manager of Ameresco. “In addition to the significant environmental impact and benefits, these energy improvements will deliver meaningful savings for the university for many years to come.”

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We "see blue" at the University of Kentucky. We're home not only to powerhouse basketball and the best of intercollegiate athletics; we're also nationally ranked in more than 70 academic programs. We're charting an aggressive, exciting path toward becoming a Top 20 public research institution. "see blue." is a lot of things, but most of all it's about helping students realize their potential and harness the power of their dreams. For more about UK's efforts to become a Top 20 university and how we "see blue," visit www.uky.edu/OPBPA/business_plan.htm