

# student sustainability committee

university of illinois at urbana-champaign



July 17, 2013

Applicant: John Dempsey, Facilities & Services (F&S)  
Project: Solar Farm Project

Re: Clean Energy Technology Fee – Award Recommendation

Dear Dr. Dempsey:

On behalf of the University of Illinois at Urbana-Champaign Student Sustainability Committee (SSC), I would like to thank you for considering the funds raised by the Clean Energy Technology Fee to implement a project that improves the sustainability of our campus.

SSC is pleased to inform you that we are recommending to the Center for a Sustainable Environment that your project receive a **\$1,050,000 loan** in three yearly installments of \$350,000 beginning in Fiscal Year 2014 and ending in Fiscal Year 2016. This loan will be repaid per the following conditions:

- At the point when the cumulative difference between the actual cost and the avoided cost (as defined below) is positive, 25% of the positive balance will be transferred back to the Student Sustainability Committee (or equivalent) at the end of each fiscal year until the full amount is returned
- The University of Illinois actual average daytime grid purchased electricity rates per kWh per fiscal year will be used to determine the avoided cost

An annual financial performance report will be provided at the end of each fiscal year. Additionally, annual collaborative evaluations between SSC and F&S shall commence after payback is achieved. Information about the project shall be made available to SSC students upon request.

In order to remain eligible for this award, you must agree to the following conditions:

1. All funds must be utilized by June 30, 2016.
2. A final report of all work completed should be provided by July 31, 2016.
3. Project status updates and detailed account statements must be provided at the end of each semester until the project is completed.
4. Any substantial modifications to project scope, budget, or timeline must first be approved by SSC.
5. All projects will be expected to follow campus policies and procedures as well as any applicable State and Federal laws.
6. SSC reserves the right to revoke funding if the project does not comply with the terms and conditions outlined in this letter.

If you agree to the terms and conditions for the funding, please sign on the designated line at the bottom of this letter. You will be notified when the Center for a Sustainable Environment officially approves this project. Again, thank you for your interest in improving the sustainability of the University of Illinois at Urbana-Champaign.

## SSC Signatories

  
\_\_\_\_\_  
Marika Nell  
Chair, Student Sustainability Committee

  
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Teresa Tousignant  
Treasurer, Student Sustainability Committee

## Awardee Signatory

  
\_\_\_\_\_  
John Dempsey  
Director, Facilities & Services

## Center for a Sustainable Environment Signatory

  
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Pradeep Khanna  
Associate Chancellor, Acting Director, Center for a Sustainable Environment

**Project:** Solar Farm

**Funding Source:** Clean Energy Technology Fee

**Funding Amount:** \$1,050,000 loan to be paid in three yearly installments of \$350,000 beginning in Fiscal Year 2014 and ending in Fiscal Year 2016

**Award Code:** 1-302571-876011-876021-876SOF

**Receiving Campus Unit:** Facilities and Services

**Unit Financial Contact:** Mike Marquissee

**E-mail:** mlmarqui@illinois.edu **Phone:** (217) 333-4909

**Primary Contact Person:** Jack Dempsey

**E-mail:** jgdempse@illinois.edu **Phone:** (217) 333-2501

**Secondary Contact Person:** Morgan Johnston

**E-mail:** mbjohnst@illinois.edu

**Project Description:**

This project is the first major step towards using renewable energy sources for campus power needs. The 2010 iCAP: A Climate Action Plan included the goal of using renewable energy sources for at least 25% of campus energy by 2025. This will help the University of Illinois achieve its climate commitment to being carbon neutral by 2050. The first interim target for renewables is to obtain 5% of campus electrical needs from renewables by 2015. The Solar Farm project was conceived as a method to reach that full 5%; however due to space limitations only 20.5 acres was available for the Solar Farm. This acreage will generate 2.18% of the anticipated 2015 electrical demand combined with the Business Instructional Facility rooftop solar array.

The full 20 year project cost is estimated as \$15,525,926, including the inverter warranties. The Solar Farm will increase the cost of electricity over 20 years by \$5,297,218. The majority of this subsidy will come from utility rates for the campus, which will increase approximately \$0.0006/kwh. SSC is providing a subsidy for the net present value of 25 percent of the subsidy. This request is for \$1,050,000, payable in annual installments of \$350,000 per year for three years, starting in fiscal year 2014.

This project will have three primary impacts on campus. 1) It will reduce our carbon emissions by nearly 6000 metric tons of carbon-dioxide-equivalent each year. 2) It will be a highly visible and notable sustainability project that will be included in numerous sustainability discussions both on and off campus. 3) It will be the first major implementation of an iCAP project taking social, environmental, and economic aspects of sustainability into consideration, rather than only economic pay-back considerations. Additionally, although this project is on a greenspace site, there will not be increased run-off from the site because of the many open areas between panels. After ten years, there will be an opportunity for campus researchers to seek ways to continue to produce food from land that holds solar panels. Finally, while the old barn at the Cruze site is not on the historic register, the wood will be salvaged from the barn so that it does not go into a landfill or get burned for disposal.