APRIL 11, 2024

COALITION

ENERGY SUSTAINABILITY PROGRAM

SOLAR FINANCING SOLUTIONS

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FIRST AMERICAN™

AN RBC/CITY NATIONAL COMPANY

AGENDA

- Background
- Meet the ESP Team
- About the Energy Sustainability Program (ESP)
- Case Study: Spelman College
- Questions & Answers, Program Resources

The Coalition ESP

Drivers to Launch

- ✓ *The Coalition* targets large-expense line items – **Energy Expenditure is in the top 5**
- ✓ More comprehensive strategies → greater results
- ✓ *The Coalition + First American* identified opportunities for a comprehensive approach to campus energy needs
- ✓ Needed technical experts for the best possible outcome – *SFS + Ecosystem*

Meet the ESP Team

An Experienced Team Dedicated to Serving Member Schools

Introductions

Meet the ESP Team

Lyen Crews
The Coalition for College Cost Savings

Chad Wiedenhofer
First American Education Finance

Annie Pike
Jean-Philippe (JP) Drouin
Bob Mancini
Ecosystem

YOUR TEAM


Coalition Collaboration | Program Management | Custom Capital Solution | Technical Expertise |
COALITION
FOR COLLEGE COST SAVINGS
SOLAR FINANCING SOLUTIONS
Associations & Member Schools
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First American Education Finance

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- **Exclusive Education Focus** - Working with more than **800 schools** nationwide, FAEF is a financial services company dedicated exclusively to serving **Higher Education**
- **Financial Strength –** An **RBC/City National Bank** company
- **Specialty Financing –** Customized financing solutions to solve schools' greatest challenges - from equipment management to complex school projects and energy initiatives
- **Innovative Technology** – Digital tools that make project management easy
- **Concierge Service Model** - A dedicated project manager exclusively serves the Higher Education industry, so they know the ins and outs when it comes to working with schools

Program Scope

FAEF: $150MM Capital Target by 2025

First American is committed to helping our clients progress toward a carbon neutral/low-carbon campus.

Qualifying Projects*

- Energy Efficiency
- Renewable Energy
- Clean Transportation

Customized Structures

- Improved Rates
- Enhanced Terms
- Leases and Loans
- PPAs and ESAs
- 5-20 Year Terms – Maximize ROI

Independent Capital

- Attractive Alternative to ESCO Financing
- Vendor & Tech Agnostic
- Support Sustainability Plan
- Ability to address other Deferred Maintenance Needs

**Financing subject to bank underwriting requirements and project diligence*

Program Scope

Grant Funding for Strategic Assessments

5 Launch Grants

Benefit to Coalition Members

- **5** Coalition Energy Program Launch Grants sponsored by First American
- Launch Grants covered the cost of a strategic assessment
- Available to Coalition member schools interested in performing campus strategic assessments and/or have an outdated assessment

Recipients

Launch Grants
& Strategic Assessment

Lewis & Clark College
Portland, OR

Marquette University
Milwaukee, WI

Morehouse College
Atlanta, GA

Spelman College
Atlanta, GA

The New School
New York, NY

Polling Question #1

How far along is your campus in meeting its energy conservation and decarbonization goals?

Polling Question #2

Which of these is the greatest challenge to achieving your energy conservation and decarbonization goals?

Energy Sustainability Program

Goals & Strategies

Program Goals

Help member schools assess, build, and advance their Energy & Sustainability Program (ESP) by addressing:

- ✓ Decarbonization
- ✓ Energy operating expenses
- ✓ Resiliency/business continuity
- ✓ Asset renewal and deferred maintenance

ESP Services

1 Planning

2 Projects
Development, Implementation & Financing

ESP Services

Develop campus-specific energy and sustainability programs

1. Planning

- Stakeholder Engagement
- Strategic project-oriented assessment
- Master plan / Peer Review
- Processes and tools for max value
  - Project development approach
  - Project delivery method
  - Project analysis – LCC

2. Projects

- Design, build, finance
  - Heating Electrification
  - Heat Recovery
  - Asset Renewal/Deferred Maintenance
  - Solar Energy
  - Improving Resiliency and Comfort
  - Steam to hot water conversion
  - EUI Reduction

Program Commitment Overview

Who will benefit from this program?

Group 1:

Have always wanted a strategic assessment

Group 2:

Have a strategic assessment but are stalled

Group 3:

Ready to begin implementing projects

Why Ecosystem

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- Integrated planning, design, and construction = single point of contact
- Deep expertise in energy and decarbonization on campuses
- Accountability for delivering outstanding results

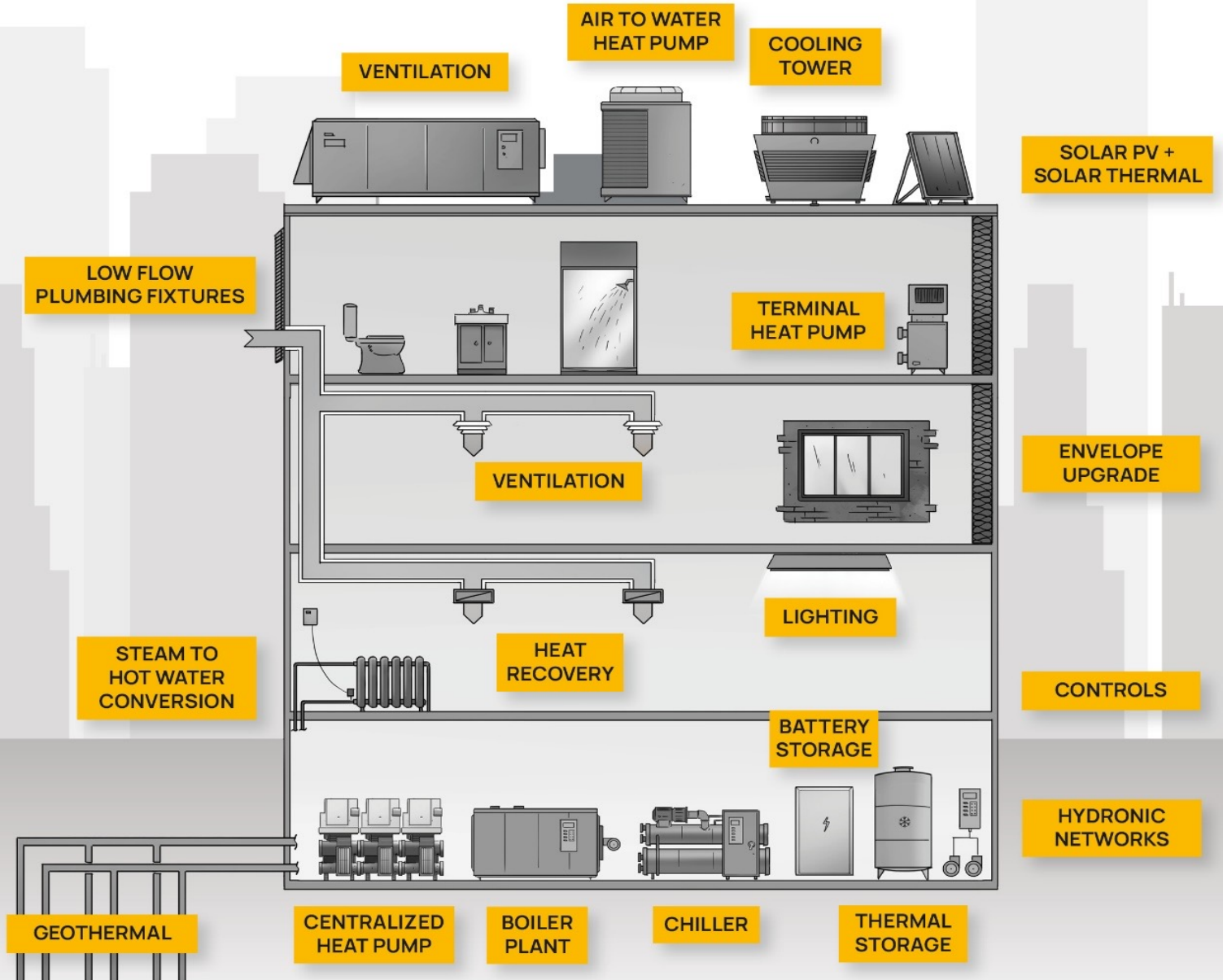
280
Projects

1,760
Buildings

$1.1BN
Worth

HOLISTIC APPROACH

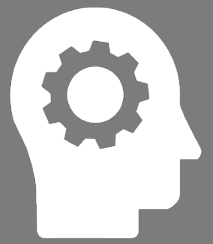
Your campus as an energy ecosystem



CO-DEVELOPED SOLUTION

Gather key stakeholders

Framing goals sessions to define key outcomes



Develop project options

We focus on the most important outcomes:

Modernize
Equipment

Meet/Exceed
Environmental Targets

Enhance
Student Experience

Secure
Resiliency

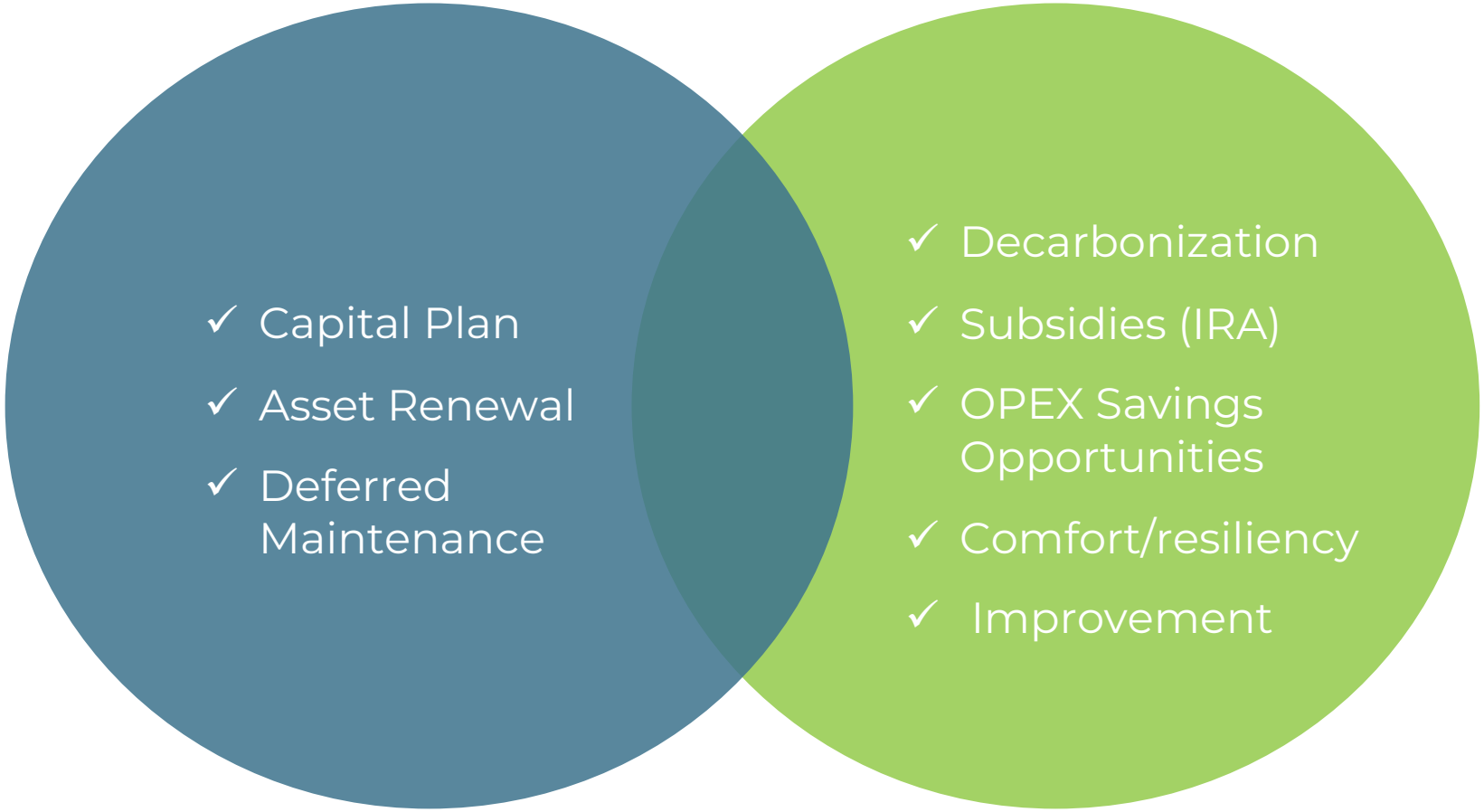
Maximize
Financial Performance

Maximize
Energy Performance

Simplify
Operations & Maintenance

Improve
Comfort

Capital Plan Overlap with Other Goals



Strategic Assessment

Education & Process

Polling Question #3

Have you completed some level of strategic assessment for energy conservation and decarbonization on your campus?

Strategic Assessment for Decision Makers

- ✓ Engagement / Alignment
- ✓ Education
- ✓ Clarity
- ✓ Actionable Roadmap

Strategic Assessment Process

1. Stakeholders Framing Goals Meeting
2. Energy & Sustainability Diagnostic
3. Identify Potential Strategies and Pathways, with High-Level Financial and Performance Estimates
4. Determine Best Path

Spelman College

Case Study

Spelman College

- ✓ Historically black women's liberal arts college in Atlanta, Georgia
- ✓ 2,400 students
- ✓ 25 buildings: average age of 70 years
- ✓ Campus steam, hot water, and chilled water networks
- ✓ Partial ownership of central plant

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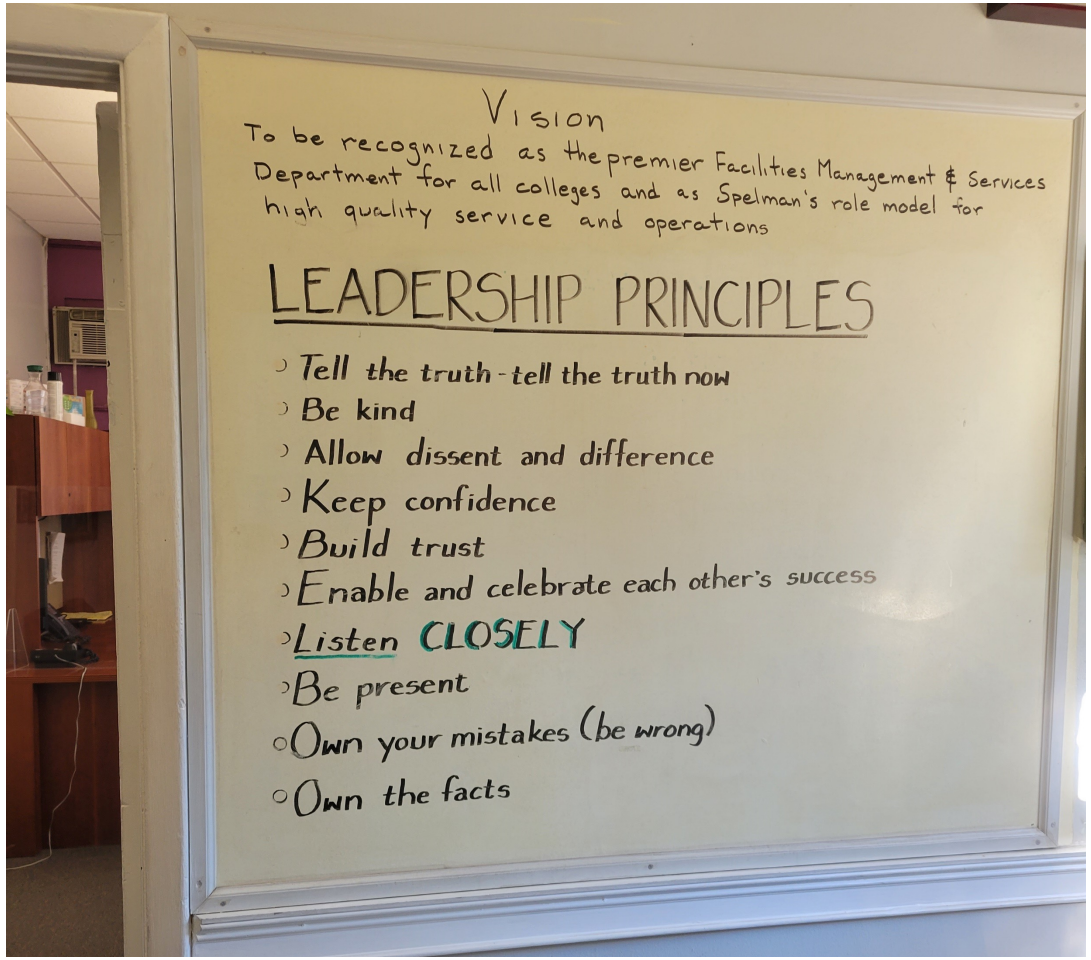
Getting to Know Spelman



Their champion:

- ✓ Arthur Frazier - Director of Facilities Management and Services, Campus Architect, Sustainable Spelman Co-chair

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Getting to Know Spelman

Their priorities:

- ✓ Re-align on sustainability goals
- ✓ Measure and demonstrate impact of sustainability initiatives
- ✓ Water conservation
- ✓ Be smart about asset renewal
- ✓ Take advantage of tax credits, incentives
- ✓ Remain affordable for their student demographic

President's Climate Commitment:
Carbon Neutral by 2056

Getting to Know Spelman

Their Infrastructure:

- ✓ Significant deferred maintenance needs
- ✓ Ongoing steam to hot water conversion
- ✓ Chillers in science building at end of life
- ✓ Upcoming construction of two residence halls

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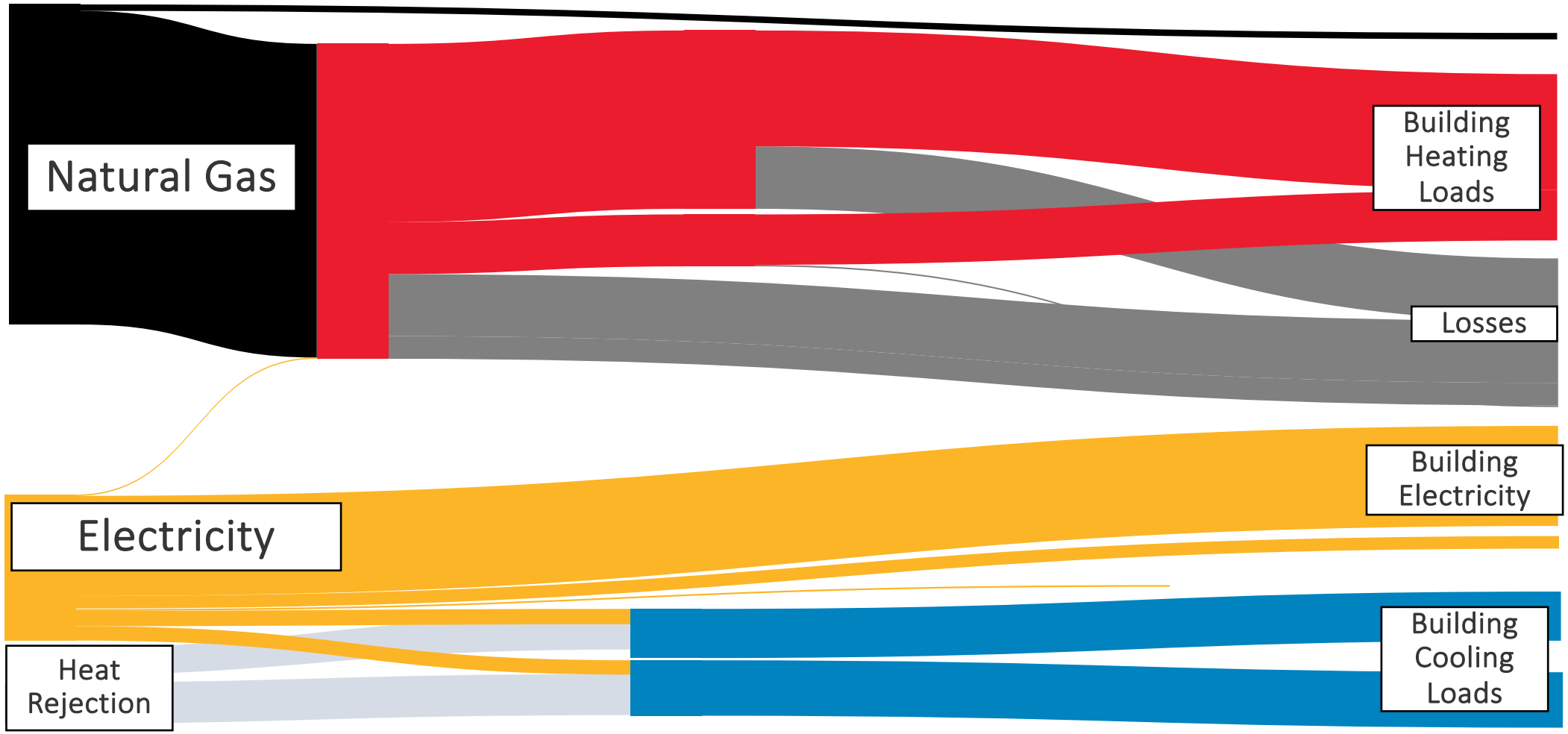
Energy Diagnostic



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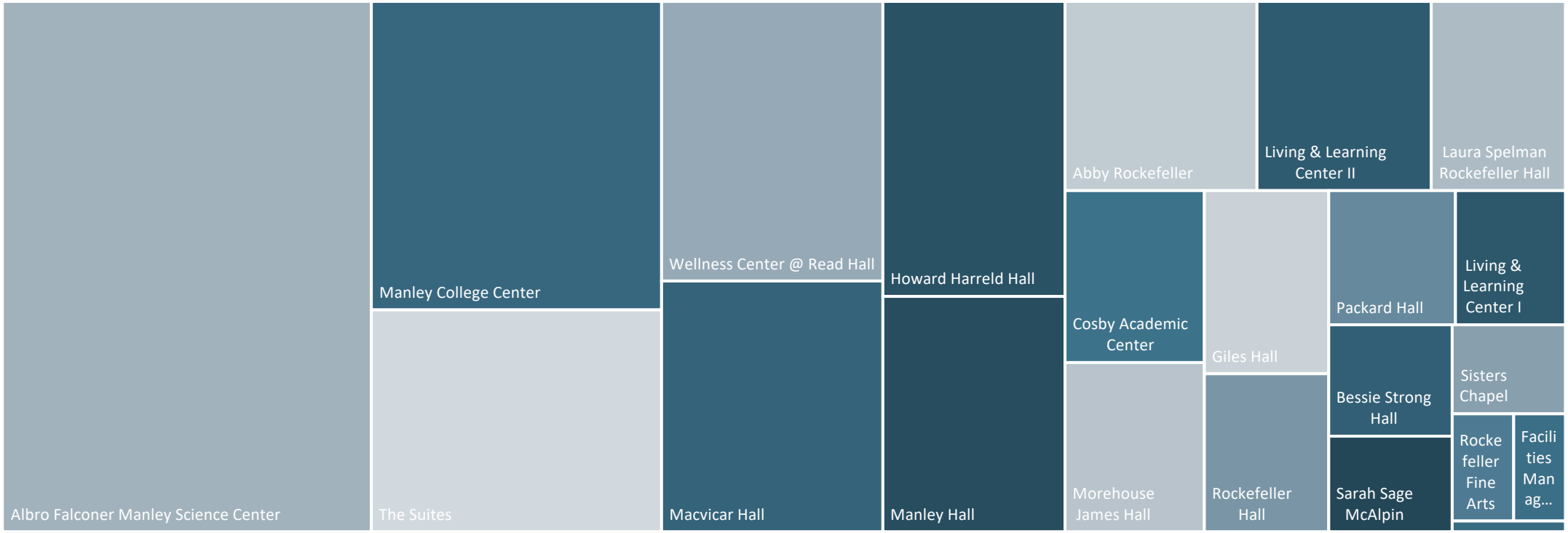
Energy Diagnostic

Emission Reduction Potential



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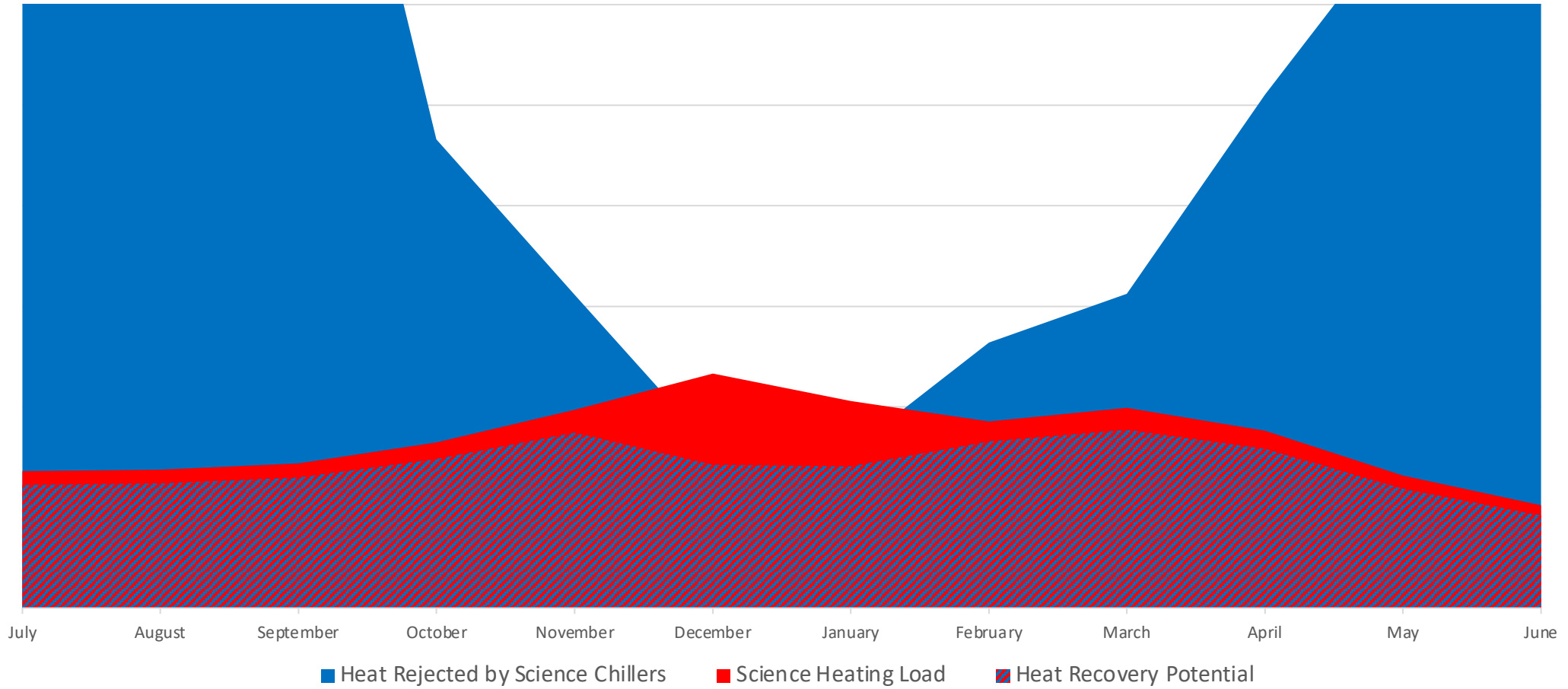
Energy Diagnostic



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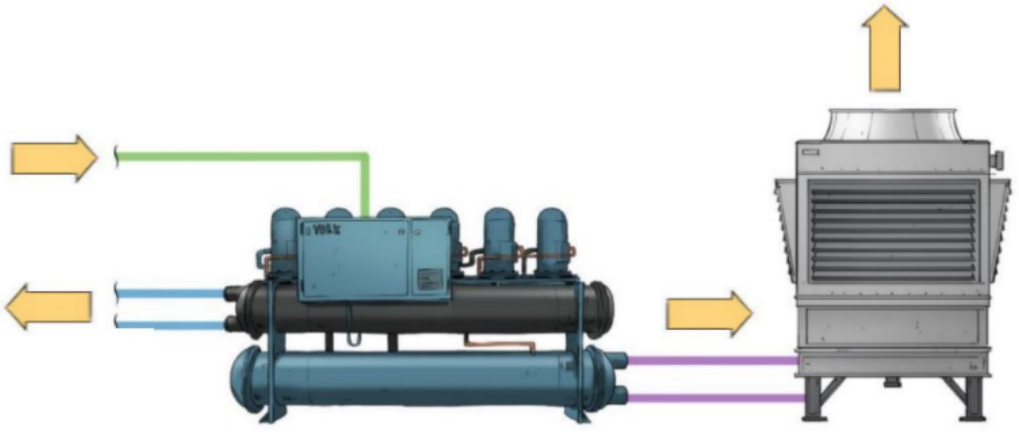
Recommendations

- ✓ **Steam to hot water conversion – prioritize lowering HW temperature**
  - ✓ Opportunities for immediate savings (no CAPEX investment)
  - ✓ Considerations for new buildings and pipe infrastructure
- ✓ **Building EUI (energy use intensity) Reduction Program**
  - ✓ Holistic assessment of building energy systems
  - ✓ Use deferred maintenance budgets strategically
  - ✓ Cost of decarbonization metric

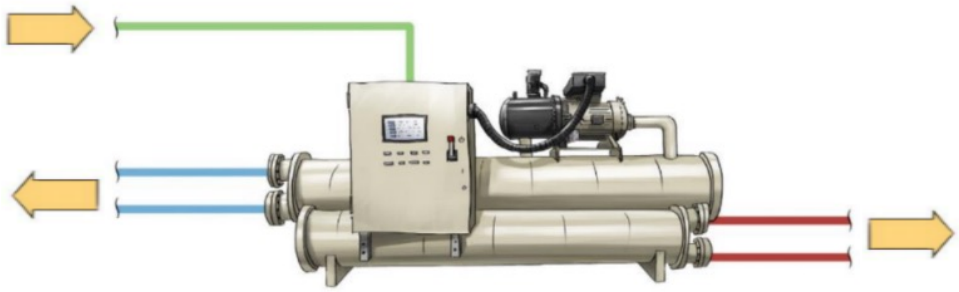
Recommendations

Smart Asset Renewal: Science Center Chiller



One-for-one replacement:

- Heat rejected to environment
- Evaporation losses



Heat recovery chiller:

- Heat rejected to heating loop
- Closed system

Outcomes

- ✓ 22% GHG emissions reduction
- ✓ Understanding of decarbonization investment

	Water Savings	Deferred Maintenance	Improve Resiliency	Improve Occupants Comfort/Safety	Future Proofing, Enables Decarbonization
Heating EUI Reduction Program	X	X		X	
Steam to Hot Water Conversion	X	X		X	X
Science Heat Recovery Chiller	X	X	X		

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Actions

Pursuing funding to include a heat recovery chiller in the science building chilled water hub upgrade.

Reviewing design hot water temperature for upcoming construction.

Exploring plant hot water temperature reduction.

Next Steps:
Upcoming Educational Webinars or Direct Meetings

1. Planning

- Stakeholder Engagement
- Strategic project-oriented assessment
- Master plan / Peer Review
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  - Project development approach
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2. Projects

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Program Resources

For Further Questions on Next Steps

Program Web Page:

https://www.thecoalition.us/energy-sustainability-program

Program Contact Information:

Financing-related questions:

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585-721-6097

Project-related questions:

Bob Mancini

Ecosystem

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401-808-0589

Scan this QR code for the ESP web page


THANK YOU
Questions?

Appendix

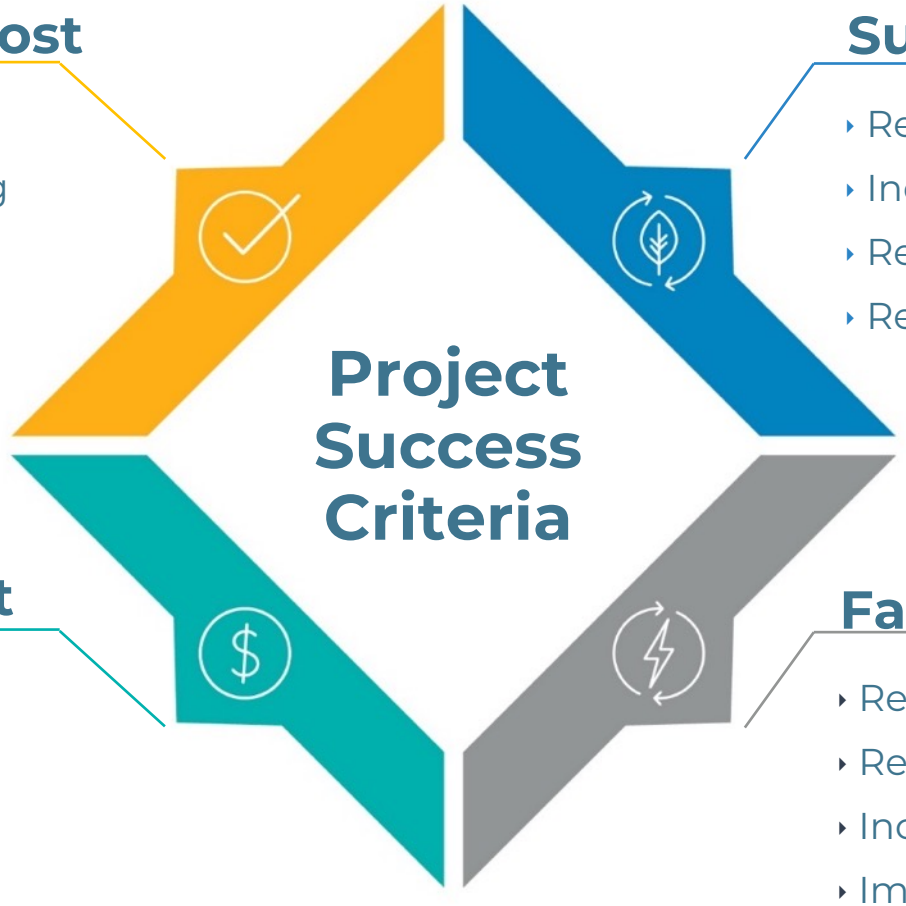
Common Stakeholder Goals

President, Trustees, Provost

- Drive greater enrollment
- Higher quality teaching and learning environment / comfort
- Provide a hands-on learning experience / Living Lab
- Mission relevance

Sustainability & Energy

- Reduce GHG emissions
- Increase renewable energy
- Reduce energy consumption / EUI
- Reduce water usage and waste to landfills



Financial & Procurement

- Best Long-Term Value
- Reduce CAPEX on Deferred Maintenance and Capital Plan
- Maximize Incentives, Grants

Facilities & Operations

- Renew ageing assets / right timing
- Reduce deferred maintenance
- Increase resiliency
- Improve operations

Prioritized Goals

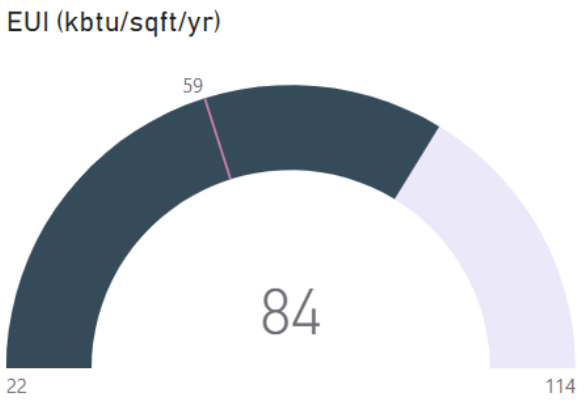
FACTOR	WEIGHT
Scope 1 and 2 GHG Emission Reductions	25%
Alignment with Electrification Goals	15%
Strategic Integration with Capital Projects and Deferred Maintenance	15%
Safety and Comfort Improvements	15%
Long-term Value and Financial Model Viability	30%
	100%

Metrics Used

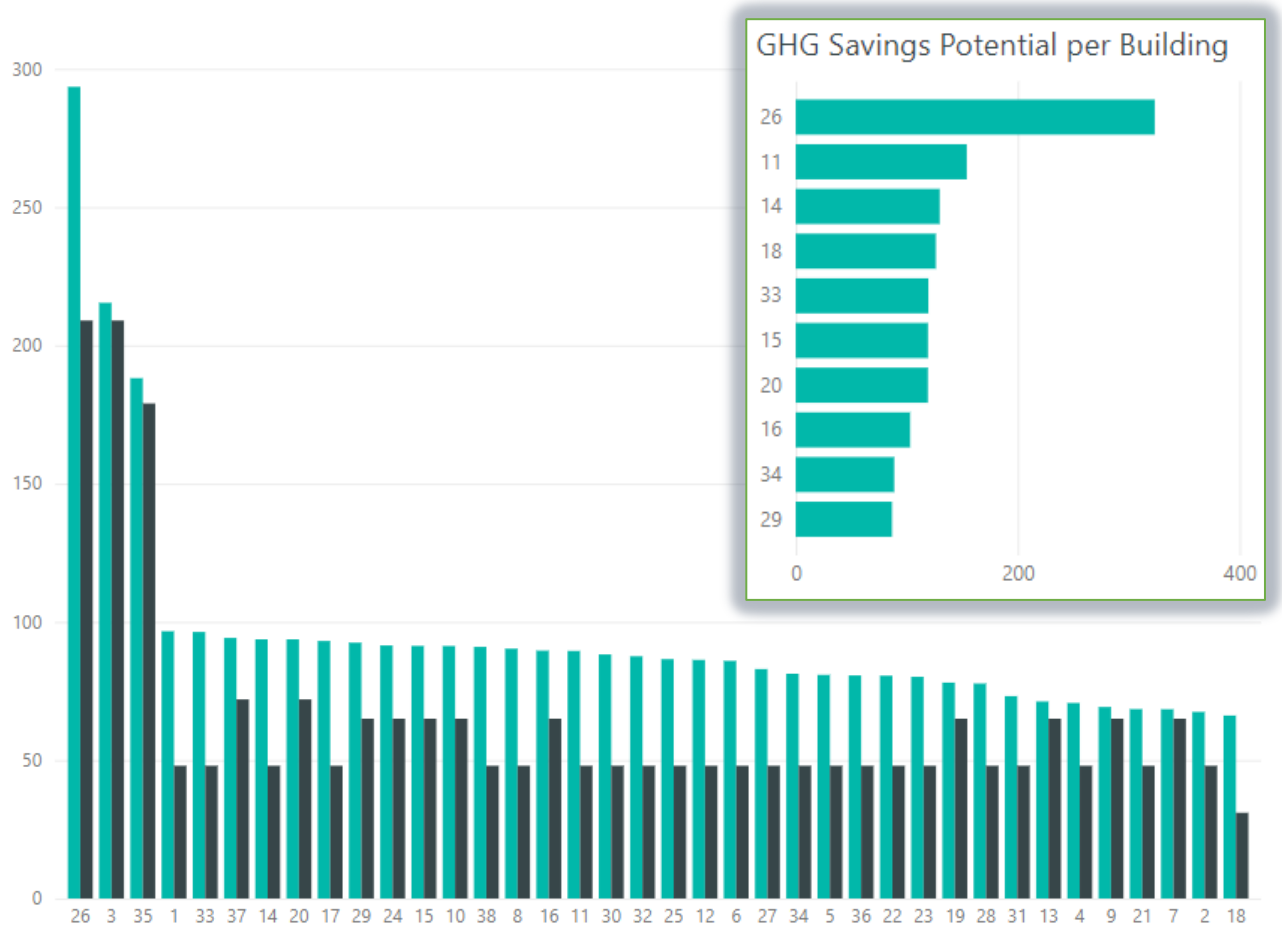
- CAPEX $ / mTon saved
- CAPEX $ / bldg gross sq. ft.

Energy Diagnostic

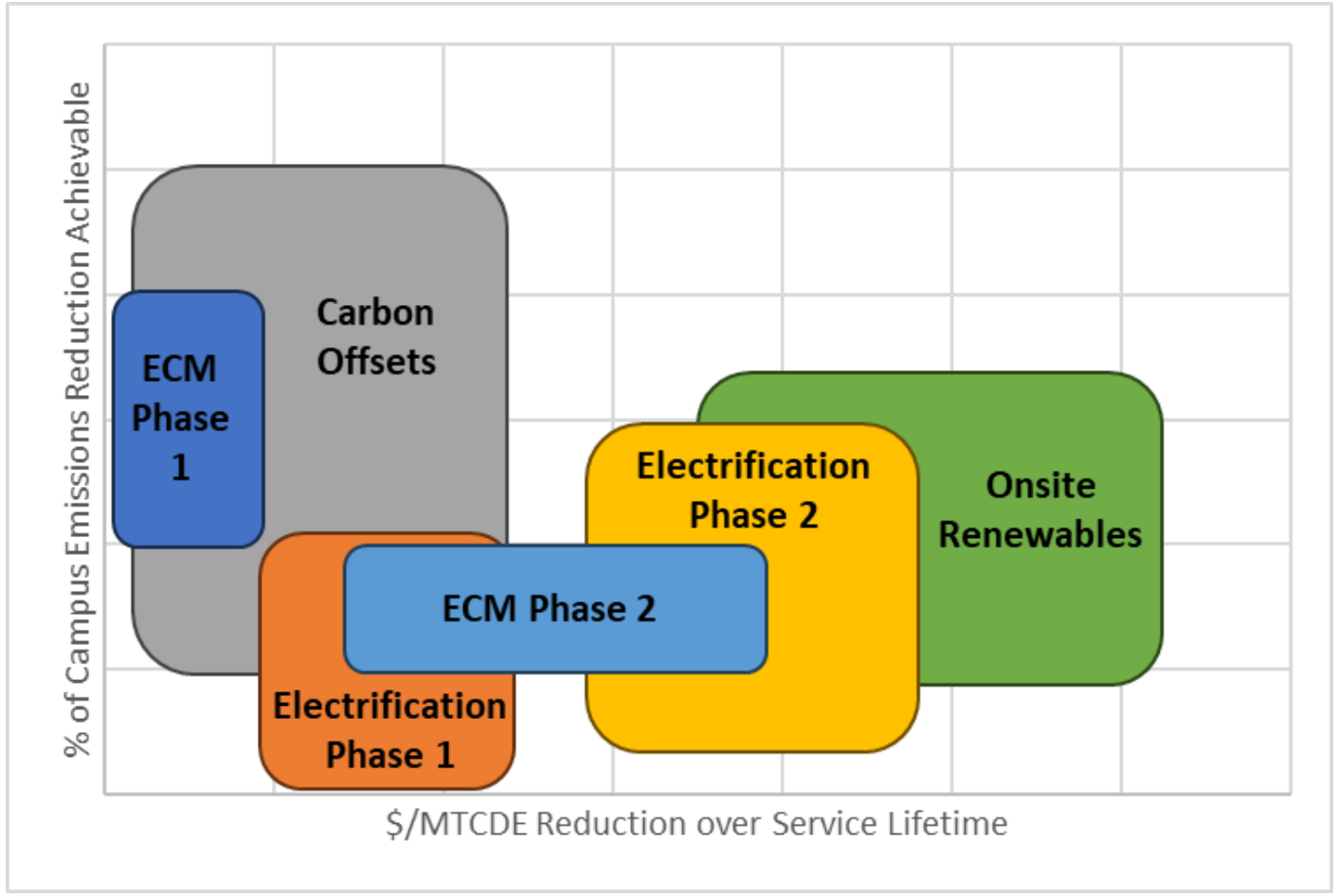
YOUR CAMPUS...



Uses 42% more energy per square foot than the median college campus



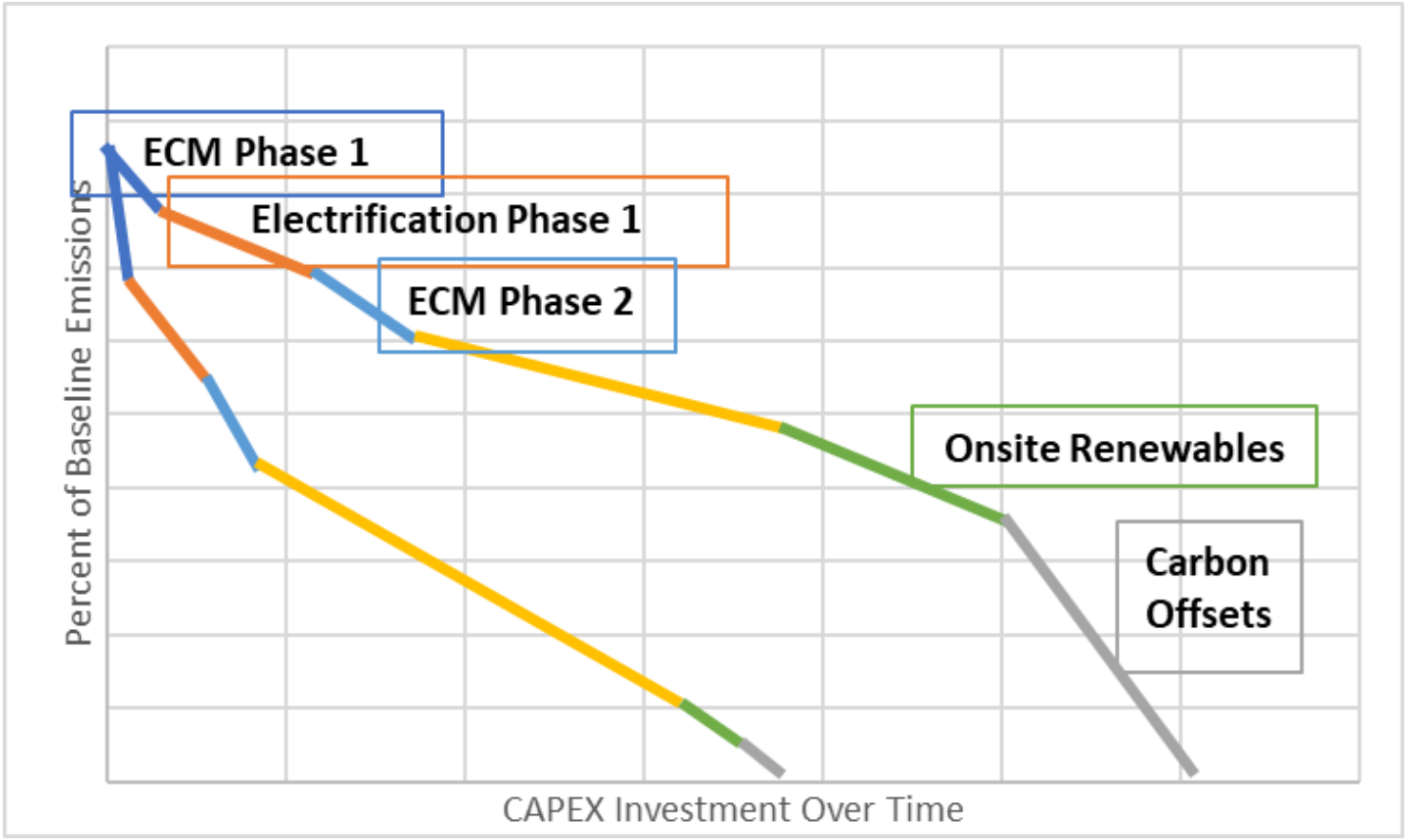
Decarbonization Efforts



Alignment with Prioritized Goals

	Goal #1	Goal #2	Goal #3	Goal #4	Goal #5
Strategy #1	✓	=	=	✓	✓
Strategy #2	✓	✓	✓	=	=
Strategy #3	✓	✓	=	=	✓
Strategy #4	✓	✓	✓	✓	✗
Strategy #5	✓	✓	=	=	✗

Setting a Direction to Reach Your Goals



Why Ecosystem?

For Strategic Assessments

- Data-driven
- Based on hands-on experience

For Project Implementation

- Turnkey approach
- Commits to results (cost, performance)

For Both

- Very innovative
- Technology agnostic