

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
University of Florida
\$93.1M Cancer and Genetics District ESCO

Projections: Energy Cost Savings vs. Cost of Energy Conservation Measures

Guarantee Year Fiscal Year	Construction / Installation Phase		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	Total	Average
	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35	FY36	FY37	FY38	FY39	FY40	FY41	FY42	FY43	FY44	FY45	FY46		
Energy Cost Savings ¹																							
Utility Savings	\$ -	\$ -	\$ 6,101,246	\$ 6,965,424	\$ 7,382,705	\$ 7,567,273	\$ 7,756,455	\$ 7,950,366	\$ 8,149,125	\$ 8,352,853	\$ 8,561,675	\$ 8,775,717	\$ 8,995,110	\$ 9,219,987	\$ 9,450,487	\$ 9,686,749	\$ 9,928,918	\$ 10,177,141	\$ 10,431,569	\$ 10,692,359	\$ 10,959,668	\$ 167,104,827	\$ 8,794,991
Maintenance, Ops & Infrastructure ²	\$ 1,094,633	\$ 2,233,051	\$ 2,277,712	\$ 2,323,266	\$ 2,369,732	\$ 2,417,126	\$ 2,465,469	\$ 2,514,778	\$ 2,565,074	\$ 2,616,375	\$ 2,668,703	\$ 2,722,077	\$ 2,776,518	\$ 2,832,049	\$ 2,888,690	\$ 2,946,464	\$ 3,005,393	\$ 3,065,501	\$ 3,126,811	\$ 3,189,347	\$ 3,253,134	\$ 55,351,902	\$ 2,635,805
Total Savings	\$ 1,094,633	\$ 2,233,051	\$ 8,378,958	\$ 9,288,690	\$ 9,752,437	\$ 9,984,399	\$ 10,221,924	\$ 10,465,144	\$ 10,714,199	\$ 10,969,229	\$ 11,230,378	\$ 11,497,794	\$ 11,771,628	\$ 12,052,036	\$ 12,339,177	\$ 12,633,213	\$ 12,934,311	\$ 13,242,642	\$ 13,558,380	\$ 13,881,706	\$ 14,212,801	\$ 222,456,729	\$ 11,533,108
Less:																							
Cost of Energy Conservation Measures ³																							
\$3.7M - University funds ⁴	\$ 3,799,867	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,799,867	
\$89.3M - TD Equipment Financing (principal) ⁵	-	-	844,640	2,342,399	3,926,798	4,079,742	4,238,644	4,403,734	4,575,254	4,753,455	4,938,597	5,130,949	5,330,794	5,538,422	5,754,137	5,978,254	6,211,100	6,453,015	6,704,353	5,350,318	2,752,852	\$ 89,307,456	
(interest)	1,722,643	3,445,286	3,437,233	3,404,402	3,284,929	3,131,985	2,973,084	2,807,993	2,636,473	2,458,272	2,273,131	2,080,778	1,880,934	1,673,305	1,457,590	1,233,473	1,000,627	758,712	507,374	261,645	53,130	\$ 42,482,999	
Less: Earnings on invested bond proceeds	(2,609,374)	(2,674,068)	(1,609,097)	(48,198)																		\$ (6,940,737)	
ESCO Measurement & Verification ⁷	-	-	262,573	360,600	371,418	382,560	394,037	405,858	418,034	430,575	443,492	456,797	470,501	484,616	499,155	514,129	529,553	545,440	561,803	578,657	596,017	\$ 8,705,816	
Total Expenses	\$ 2,913,136	\$ 771,218	\$ 2,935,349	\$ 6,059,202	\$ 7,583,145	\$ 7,594,288	\$ 7,605,765	\$ 7,617,586	\$ 7,629,761	\$ 7,642,302	\$ 7,655,220	\$ 7,668,524	\$ 7,682,228	\$ 7,696,343	\$ 7,710,882	\$ 7,725,857	\$ 7,741,280	\$ 7,757,167	\$ 7,773,530	\$ 6,190,620	\$ 3,401,999	\$ 137,355,402	\$ 6,540,733
Projected Annual Savings ⁶	n/a	n/a	\$ 5,443,609	\$ 3,229,488	\$ 2,169,292	\$ 2,390,112	\$ 2,616,159	\$ 2,847,559	\$ 3,084,438	\$ 3,326,926	\$ 3,575,158	\$ 3,829,269	\$ 4,089,400	\$ 4,355,693	\$ 4,628,295	\$ 4,907,356	\$ 5,193,030	\$ 5,485,475	\$ 5,784,850	\$ 7,691,086	\$ 10,810,803	\$ 85,101,327	\$ 4,497,789

Footnotes

- 1) "Energy Cost Savings" is a measured reduction in fuel, energy, or operation and maintenance costs created from the implementation of one or more energy conservation measures when compared with an established baseline for previous fuel, energy, or operation and maintenance costs.
- 2) According to the University, the aggregate \$3.3M in Maint, Ops & Infrastructure savings in FY26 (6 months only) and FY27 reflect the expected savings in the early period of the contract due to the elimination of emergency maintenance and replacement of equipment in Cancer & Genetics and Emerging Pathogens due to the planned implementation of work under this project.
- 3) "Energy Conservation Measures" includes, but is not limited to: energy recovery systems; cogeneration systems that produce steam or forms of energy such as heat, as well as electricity, for use primarily within a facility or complex of facilities; energy conservation measures that provide long-term operating cost reductions; and renewable energy systems, such as solar, biomass, and wind.
- 4) University Funds is comprised of a combination of Carryforward (\$2.7M) and Facilities Services Auxiliary (\$1.0M), which funded the cost of the Investment Grade Energy Audit "IGA" and the Detailed Feasibility Assessment "DFA". Per statutory requirements, the IGA was conducted by Siemens, and signed and sealed by a professional engineer.
- 5) TD Equipment Financing was selected by UF as the third-party financing entity via a competitive procurement process, pursuant to s. 489.145, F.S. The University estimates terms of financing to include a 3.8% fixed interest rate, a contract term of approximately 18 years, and a level payment structure following a period of interest-only payment during construction. The financing agreement will comply fully with the provisions of s. 1013.23 and s. 489.145, F.S. FY28 and FY46 both reflect principal payments of only 6 months.
- 6) Per 1013.23(4), F.S., a university may enter into an energy performance-based contract if it finds that the amount it would spend on the energy conservation measures recommended in in the IGA, and will not exceed the amount to be saved in energy and operation costs over 20 years from the date of complete installation and, among other things, the contractor provides a written guarantee that the energy/operating cost savings will meet or exceed the costs of the system. This project satisfies the statutory requirements.
- 7) Siemens has worked with UF to create a Measurement and Verification Plan, which will annually quantify the energy savings achieved by the projects. This is a crucial process for verifying that the implemented energy conservation measures are delivering the promised savings and, in addition, managing associated risks.