

## **Comprehensive Energy Management Project Feedback Summary – February 2016**

**Status:** In December 2015, the university received responses to its Request for Information on the Comprehensive Energy Management Project. The project team has been evaluating the responses and seeking feedback from three advisory groups on key elements.

In addition, the project team has been sharing information about this stage and soliciting feedback in public meetings, with governance groups and with other interested parties.

- The Undergraduate Student Government organized a town hall on Jan. 28 that was attended by about 70 people.
- On Feb. 4, more than 130 students, faculty and staff attended two campus meetings hosted by the Office of Academic Affairs.

This document provides responses to the most common questions and points of feedback from these discussions. In addition to providing this overview to the university community, this input has been provided to senior leaders and our [three advisory groups](#).

**Organization:** The first section of this document deals with overarching questions about the project. The rest is broken into sections addressing the process and issues related to sustainability, service, financial and employment questions.

Individual questions and points of feedback are also listed below the general themes section of this document.

### ➤ **How will we ensure that this project advances sustainability?**

Sustainability is the driving force for this project, and the university will consider a comprehensive energy management partnership **ONLY** if we are confident that the project will propel progress toward our sustainability goals.

If a partnership is sought, the university would continue to set the sustainability agenda and a partner would be responsible for meeting those goals. For example:

- We would require that a partner meets our sustainability goal to achieve a 25 percent improvement in our building energy efficiency within 10 years.
- We would choose the types and amounts of energy sources.
- We would review substantial conservation projects. Only those deemed to increase energy efficiency — while being cost-effective — would proceed.
- We would oversee any improvements to our energy grid.

➤ **Why can't we do this internally? Why use a partner?**

**Answer:** We could, but not without devoting significant resources — including more than \$250 million upfront to take on a campus-wide energy conservation project.

These projects can be time- and labor-intensive.

A recent five-building project took more than two years to install and required dozens of full-time workers (employees of the contractor) to complete. With a campus of more than 400 buildings, that pace would not generate significant progress toward our sustainability goals, which includes a campus-wide 25 percent improvement in building energy efficiency within 10 years.

In short, incremental action is not good enough.

It's worth noting that the university already employs partners for many of the functions envisioned in this project. We use expert contractors to perform energy conservation projects and to upgrade our energy grid. We buy our energy supply on the commercial market. The question is whether using a single team to manage all of these elements, as well as our energy operations, would propel progress on our sustainability goals while maintaining high quality standards and keeping rates affordable for users.

➤ **Why 50 years? Isn't that a big risk to enter into such a long-term relationship?**

**Answer:** After studying various timelines, a 50-year term seems to offer the right balance for meeting our long-term energy and sustainability needs. If we move forward, we would want a partner to be aligned with our long-term interests, not just short-term returns.

For instance, a shorter term might create incentives for smaller-scale conservation projects because a partner would not be able to recoup the cost. Utilities are capital intensive investments, with utility infrastructure typically having a life span of 30 or more years.

For those who note that 50 years is a long time, and many elements of this project might evolve during that span – you are right, and this is an important consideration for the project team.

The team is working to carefully build in the appropriate controls and flexibility so that the partnership can evolve over time but be guided by common principles. The university would control our sustainability goals and policy decisions, and the partner would propose how to best meet those.

➤ **Isn't this really about a big check more than sustainability?**

**Answer:** No. If the project would not move us forward toward our sustainability goals, we will not pursue a comprehensive energy management partnership.

We have been open about the possibility that a partnership might also generate additional resources to support our academic mission. But we won't even consider that element unless the sustainability question is answered first.

➤ **How would any proceeds be used?**

**Answer:** The first priority for this project is to obtain the information needed to ensure that a Comprehensive Energy Management Project would enhance our sustainability mission.

We have focused on that question because a partnership will be considered only if it advances our sustainability goals.

If the project moves forward, it will become important to address this question in a thoughtful way. When the time is right to consider choices about any proceeds, we'll share information about that process.

## SUSTAINABILITY

➤ **If we use a partner, will we end up more reliant on fossil fuels?**

**Answer:** No. Ohio State will continue its current policy, in which we choose what kind of energy sources (including renewables) to use.

At present, an average of 21 percent of Columbus campus electricity comes from wind resources — even though renewables account for only 3 percent of the energy generated in Ohio (Energy Information Administration, Electric Power Monthly, October 2015). This is a result of a university contract with a northwest Ohio wind farm.

Currently, we buy electricity and other sources of energy directly from various energy suppliers. Under Comprehensive Energy Management, we would direct a partner to do so based on our energy priorities. If anything, a partner that specializes in energy may have access to options that are currently not available to us, increasing our flexibility to buy renewables or other desired sources at competitive market prices.

➤ **Would a partner be responsible for meeting our goals related to carbon neutrality?**

**Answer:** A partner would be responsible for playing a key role in meeting any sustainability goals related to energy use.

That said, carbon neutrality involves many elements that are not part of this project, such as the fuel used by our fleet, dynamics of our campus (such as when classes are scheduled and where) and other issues.

## SERVICE AND SUPPORT QUESTIONS

➤ **How will we maintain reliability of our energy system?**

**Answer:** A partner would be held to the same — or better — quality, reliability and customer service standards as our current operation.

The performance of our system would be the baseline if the university pursues this project. That sets a high standard — for instance, our utilities operation has a 99.96 percent reliability target.

We recognize that our university is truly a 24/7 city. We have specialized requirements to meet the needs of our medical center, libraries, labs, researchers and students.

Any partnership would have strict protections to ensure safety, stability and standards that protect the unique and specific requirements of a major research university.

- **How will we protect the service needs of the campus community, such as faculty with specific energy requirements for research and students living in residence halls?**

**Answer:** In-building operations will continue to be maintained by university employees, who would respond to service calls as they do today.

In other words, university employees will continue to ensure that living and academic spaces are at the appropriate temperature and have appropriate lighting.

What would change is the utility operation that brings steam, chilled water, and electricity to our buildings. Any interruption in that service would be required to be coordinated as is done today. The same team that currently serves our community's energy needs inside individual buildings would not change.

- **How will we hold a partner accountable for actually living up to the standards?**

**Answer:** Contractually, there will be performance requirements built into the contract with penalties if a partner does not live up to their responsibilities.

Should the project move forward, the project team will develop a specific plan for how those performance requirements would be enforced. This plan would be reviewed by the faculty advisory committee.

## THE DECISION-MAKING PROCESS

- **Why haven't you named the companies?**

**Answer:** Companies offer their best proposals when they cannot evaluate their competition, which has been especially important in the idea-generation portion of this process. This is standard practice in the bidding process for large projects at the university.

In addition, the university has asked companies to provide trade secret competitive information that is connected to how they derive economic value in the marketplace.

To balance the need for informed feedback from campus experts and the need to generate the best possible outcome for the university, the project team has been working closely with the faculty advisory committee. That committee has been provided with the names of the teams and is providing input throughout the project.

➤ **What is the role of the advisory groups?**

**Answer:** The university has been sharing information and seeking input from three advisory groups throughout our evaluation process. Each has a distinct charge:

- **Faculty experts:** This group includes experts in fields related to this project, and they are focused on technical and feasibility issues. This group has reviewed and provided input on the confidential technical materials, including the names of the teams, throughout this process.
- **President and Provost's Council on Sustainability:** This group of students, faculty and staff is focused on sustainability. PPCS developed the university's sustainability goals, which have been incorporated in project plans.
- **Council on the Physical Environment:** This Senate committee has been charged with reviewing impacts to employees and other campus issues.

If the university moves forward into writing a Request for Proposal, each group will be charged with providing advice for what should be included in the RFP and reviewing RFP language as it pertains to their committee's area of focus.

➤ **When will we share more details?**

**Answer:** We recognize that the university community wants to learn more about this project, and the project team is committed to sharing more details if the university proceeds to next steps.

This has been a deliberate process, with each stage garnering different types of information that are valuable to consider before determining whether to move to a next stage.

The intention all along has been to share more information as it becomes available.

## **FINANCIAL QUESTIONS**

➤ **Will we charge colleges/units based on energy use? Will rates spike?**

**Answer:** Nothing about this project would change the way energy costs are distributed on campus. That's a policy choice for our governance system.

The question probably arises because of the possibility that a comprehensive approach to energy management would include adding meters in buildings throughout campus. Many of our current buildings do not have meters, which means we can't do detailed analyses to answer basic questions like "Where is energy use out of line with what we would expect, given the activity?" and "How much energy are we saving from a particular energy conservation measure?"

The addition of meters would not require the university to change the way colleges and units pay for energy. The Senate Fiscal Committee, which currently oversees the per-square foot

rates that include energy costs, would host that discussion if the members determined it was appropriate.

If the university pursues a partnership, rates are expected to be in line with historical norms.

➤ **Won't we end up paying for sustainability investments, regardless of whether we put up the capital or a partner does?**

**Answer:** That's right. Any large investments in conservation — whether funded by the university or a partner — would be built into our energy costs.

At the same time, sustainability improvements would have both environmental and financial benefits. By improving our energy efficiency, we would be reducing consumption rates.

If an outside partner provides the funding for these improvements, we can preserve our capital investments for strategic priorities, including classrooms and labs.

➤ **How would a company make their money back?**

**Answer:** At this point, we can explain the broad thinking about why this project is attractive to potential partners.

- First, we are a very large and reliable customer that is likely to continue growing over the next 50 years, even as we become more efficient in our energy use. That is appealing for potential partners.
- The operation of our distribution system and the purchase of our energy supply are designed primarily as pass-through costs, with performance-based incentives that ensure a partner would be focused on maintaining a high level of service.
- Capital investments in both energy conservation measures and upgrades to our distribution system would generate long-term, stable returns on the investment.

We recognize the interest in a more detailed answer to the question. At this point in the process, there is not a formal proposal that would allow us to provide one.

## **EMPLOYMENT QUESTIONS**

➤ **How will this affect utility employees?**

**Answer:** We don't know the answer yet, but we are taking steps to be as transparent as possible with employees and to offer any assurances that we can.

Our staff does a fantastic job running our utility system, and we would hold any partner to at least matching that performance. We have been talking with our employees throughout this process, knowing that they are concerned about their future, and all of the teams have committed to at least interview our staff if we pursue Comprehensive Energy Management. In fact, many expressed strong interest in retaining the expertise of our staff.

The university told potential partners in the RFI phase that their plans for retaining current employees will be factored into the university's evaluation of their responses.

## **INDIVIDUAL QUESTIONS AND FEEDBACK**

The project team captured a wide variety of individual questions and comments from the campus meetings and other settings. Many of these are addressed above, but the full list is being shared with university leaders and the advisory groups for their continued consideration.

### **Overview topics questions and feedback**

- Why is project needed? Why can't it be done internally?
- Why didn't we study if this could be done internally first?
- How can a private company do this if we can't?
- Why can't we partner with AEP or other Columbus-based partners to address energy measurement needs?
- How does the university work with the City of Columbus?
- What makes this approach outstanding?
- How will we ensure this advances sustainability?
- Why a 50-year lease? Isn't that a big risk?
- Would the lease really be for 50 years? Would there be opportunities to review it after a few years?
- Are there things that would protect the university for 50 years if technology changes, or personnel changes, if there are performance or other issues?
- How elastic will the deal be once (and if) the Board of Trustees votes to implement one? Would changing sustainability goals and other standards be integrated into the deal once it is already in effect?
- What controls would be in place to ensure a partner maintained the university's original intent – for example – to use renewable energy – for the entire 50 years?
- How the world is evolving, how do we know that these companies won't be surpassed by some better team later?
- It seems very clear what Ohio State would get out of this. What would a partner get?
- Would affinity go both ways? Meaning would it include ability to direct market to students, faculty and staff?
- Could the affinity piece include public education pieces about energy conservation and the implemented projects for the whole university community?
- Can an affinity relationship protect academic integrity?
- Isn't this really about a big check more than sustainability?
- How big is this opportunity?
- Is this more about short-term financial gain than long-term benefit for Ohio State?
- How are we thinking flexibly? How do we not mortgage our future?
- Would there be a big infusion of money at the start of an agreement? Is there an estimate of how much?
- Would we incrementally spend any money received up front paying back expenses related to the agreement itself?
- How would any proceeds be used? Who will decide?
- What can be done to enhance the standing of research and advance Ohio State (can integration and collaboration with companies be implemented)?
- Will Ohio State have to buy back any hardware installed by the partner?



- What if our assets are run down or in poor condition at the end of a partnership?
- What if we are left with proprietary systems that only a partner can run at the end of an agreement?
- Will staff be considered to receive benefits from any affinity agreement or up-front payment?
- Can affinity be applied broadly to help staff as well?
- My real—and really basic--question is why OSU decided to go outside and get bids in the first place, given the expertise inside the university. It would have made more sense to me that we would look inside first and cost it out before involving private companies.
- We are large research university. Do we not have the people here to do this? Aren't we the innovators? So are we looking in the wrong direction?

#### Overview – Feedback

- It sounds as though companies will want to make a profit, and the university wants to benefits from this deal as well. This is good if everyone wins.
- I think the university should direct other sources of funding – such as fees paid or money we are putting in hedge funds to support sustainability instead of doing this project.
- I would like the university to consider using any proceeds from this project to lower student debt.
- I feel as though the university will spend the money to make capital improvements anyway in paying back the company.
- My assessment of the parking lease is: I disagree with the way the up-front payment was used; I feel that Arts and Sciences was overlooked; parking rates have increased, and I believe this would not have happened if the university continued to manage parking; finding parking has become more difficult because of the parking lease. I am relieved that there is not a cost for energy that impacts me individually, but I fear that a partner will achieve our goals and reduce costs by doing things that have other impacts – like making classrooms too cold or too hot.
- I'm worried that if the cost to College or units goes up, it will impact individuals by impacting our salaries.
- I do not believe this will benefit the university. Our current employees do a good job. If their work is taken over by a private company that exists to make a profit, how can this not result in costs to units and departments? I also do not believe a private company could do a better job at creating education opportunities than we can ourselves.
- I support the consideration of external financing and innovative utility models as pathways to achieve our energy and academic goals.
- The university has indicated you have invested a lot in the utility system over the past few years. You've clearly done this because you believe it will provide returns on that investment. In order to consider this agreement, we need an assessment on whether the return on investment is better or worse if we do this ourselves or use a partner. Creating this assessment would require having a financial model for if we did this ourselves.
- Senate Fiscal would be a good group to look at a Request For Proposals, particularly as it relates to rates or costs.
- I feel strongly there should be a faculty committee that would guide the integration of student, faculty, and research grants in this proposal. These resources should be used by any partner.
- Sustainability must include energy management. If that's a worthy goal, then we can do it at the university setting. But a private company will be focused on making money. I am concerned a private company would change their renewable energy percentage because of costs.



- As a student, I feel obligated to remind everyone that a university without teaching and learning is not a university. I'm concerned that a proportional amount of any proceeds be directed to students and academics.
- Most of our buildings do need to be upgraded just to provide basic comfort conditions. Sometimes doing this means expending more energy. This is a common problem campuses face when also trying to save energy.
- This is a very critical moment in the politics of energy in Ohio right now. We need to pay attention to not just working with the usual partners in our known scale, but also including others from a much broader perspective.
- I disagree that you are asking about ideas for how funding should be use. You should just tell us what you would do with it.
- I think you should make Comprehensive Energy Management into a business instead of just R&D and create an ecosystem for comprehensive energy management. Maybe make a center for it.

### **Sustainability questions and feedback**

- Will this make us more reliant on fossil fuels?
- How determined is the university to retain the right to choose our sources of energy? Would we include it in a contract?
- Would a partner get us to carbon neutrality?
- What plan or goal is in place to increase renewable energy and decrease fossil fuel use?
- How will the university ensure that improvements made in the name of sustainability really make sense for us, rather than a partner?
- Would sustainability goals be written into the contract?
- Would there be milestones a partner had to meet for sustainability to keep them on track?
- What incentives would be included for additional sustainability gains?
- If this project moves forward, how soon after an agreement would sustainability measures be implemented?
- If this project moves forward, would you specify timelines such as to meter all buildings within a certain number of months?
- What other opportunities might this open up on the environmental and conservation side?
- Where is the university placing priority – on moving forward if the project will meet sustainability goals? Or moving forward if enough money could be generated?
- How will the sustainability aspects of the project be connected to other university efforts, such as [Framework 2.0](#)?
- Have you spoken with our current suppliers of energy? Are they supportive of us becoming more efficient?
- Is immediate sustainability spending necessary? Why not just a consultation contractor?
- If this project doesn't continue, what sustainability projects will be maintained or pursued? Are alternates to this plan still being pursued?
- Has any thought gone into carbon sequestration (i.e. agriculturally and forestry)?
- How would metering work in multi-use buildings?
- How do budgets for building maintenance and repair get prioritized with budgets for energy conservation measures?
- Can outcomes of the Five Building Energy Conservation project be shared?
- Can lessons learned from the Five Building Energy Conservation project be shared?

- I feel that the Five Building project has not been successful and Scott Lab still has opportunity for energy savings. It seems hard to believe that another big contract would benefit the university.
- How did you arrive at the estimate of \$250 million to install energy conservation measures in all of our buildings? Do you know that will achieve our 25 percent efficiency goal?
- How would the 25 percent energy efficiency gain be calculated?
- How long would we be locked into particular energy sources? Would there be room to change them throughout the entire life of a partnership?
- How would work on buildings be prioritized? Biggest energy users first?
- How would the \$250 million investment be broken up throughout the life of a partnership? If a project cost more than expected, would that eat into the amount of funding available for energy conservation measures?
- Would there be any political impact to Ohio's green standards if there is investment from a private company?
- Why do we currently use contractors to install energy conservation measures? Is there a law about this?
- Why can't we go to 100 percent sustainable energy as part of this project?
- How do we currently get wind energy on campus?
- What are the details of the energy initiatives being proposed?
- How would we measure a partner in their sustainability efforts? Would we benchmark this with our current efforts?
- Could making a private partnership actually decrease our use of this wind farm since whoever we contract with will, as is stated on the website, prioritize the cheapest energy?
- Can we have a sustainability goal specific to renewable energy?
- Would this project prevent the University from pursuing opportunities to generate our own renewable energy?
- What is OSU's plan to increase its use of renewable energy?
- How elastic are our sustainability goals? How often does the university intend to reexamine its sustainability goals, and is it too late to change the initial goals set by the PPCS?
- What are the incentives for OSU to build more energy efficient buildings?
- What is the timeline for investments in energy conservation?
- Do we have a document that analyzes the origin of our dismal performance in these [sustainability] rankings, that details which policies other universities have implemented to become greener than we haven't, and asks and gives answers to the question what OSU can do to close the gap?
- Do we have a documented analysis of which of these [sustainability] gap-closing measures OSU can implement without help from an outside vendor? How have other universities ensured implementation of similar measures? What do we know about successes and failures elsewhere and at OSU?
- Have any other universities that are highly ranked on the "green" scale used help from external service providers? If yes, what do we know about successes and failures of such initiatives? Do we know that they are paying off as expected?
- What analysis exists, and where can I read it, that would suggest the validity of the idea that improvements in sustainability, "green-ness" and energy efficiency cannot be achieved as efficiently, economically and successfully by internal actions of, and by

implementation of forward-looking policies by, our own university administration, as through the involvement of an external service provider?

#### Sustainability – Feedback

- As a student, energy research is important to developing my career path. I'm interested in making sure this project would open up research opportunities on new energy techniques, particularly for students.
- Would like Ohio State to divest completely from all fossil fuels.
- I do not want Ohio State to turn into a case study for what not to do to achieve carbon neutrality.
- I'm glad we are looking at how to achieve our sustainability goals. I would like to be sure we are pursuing all possible options.
- I would like for us to consider the difference in costs for technology fixes to sustainability and behavioral changes to contribute to sustainability.
- I am concerned we could end up partnering with a company who will not be supportive of sustainable legislation.
- I believe that including in the same project both efficiency and a private partner to run our operations is putting conflicting interests into the project in a manner that will not allow us to achieve the best deal.
- Perhaps we should be less ambitious with our goals rather than entering into this type of agreement.
- I want to make sure we continue to coordinate all of the many arms of this university. Energy efficiency is important to sustainability, but we have many other goals as well – for example, increasing our tree canopy. I want to make sure this project would support if not enhance other sustainability goals – or a minimum not impede them.
- I would like to ensure this project also includes social sustainability.
- I have sat through meeting after meeting in other organizations committed to sustainability. Then the price tag comes in and the project doesn't go anywhere. I am hopeful that this project will actually allow Ohio State to implement projects, rather than just talk about them.
- I feel as though the university has tried projects like this in the past and am not sure what is different with this one.
- If we join forces with an energy supplier (consolidator) to get us advantageous prices at which to buy energy, the incentive for this consolidator would lie in the margin between the price they pay for the energy vs. the price we pay them to sell it to us. Obviously, the supplier will do best if the volume of energy traded is maximized. This is in direct conflict with our interest as a university to reduce total energy usage, and with the interests of a partner that helps us reach that "green" goal by making investments to increase energy efficiency on campus.
- Carbon neutrality should be a part of the project.
- We should improve energy efficiency by turning off lights, turning the thermostat down 1 degree and the AC up one degree. Energy efficiency does not equal energy sourcing.
- As a student, I am concerned that we are so focused on using 100 percent renewable energy that we will ignore the costs. I am paying my tuition and I don't want it to go up.
- Not all buildings are the same and the university needs to make sure a company would not treat conservation the same in every building. For example, research facilities have specialized needs.
- My current lab space is bad and I am concerned it could get worse if we pursue a partnership. I am worried we will ignore the specific needs of labs in the name of conservation.

- I want to be sure this project allows us to use new technology and micro-grids. We should be leaders in this.
- I want to be sure this project allows us to use renewable energy.
- We should have more focus on solar power and should be investing in adding solar panels as part of building projects.
- The University should be investing more in generating our own renewable power.
- I love the idea of generating some of our own power.
- An explicit reference to increased use of renewable energy as a result of the comprehensive energy management program would make people feel less suspicious of it.
- I am worried that OSU may fall behind in promoting renewables.
- I think it is important to have aggressive goals for both reductions in energy use and the use of renewable energy if OSU wants to be a leader in sustainability.
- I was disappointed that there was no explicit mention of expanding our use of renewable energy on campus. Carbon neutrality is the closest that the goals came to addressing this, but this term is used a lot and (to my understanding) has various meanings. What does carbon neutrality mean for OSU?

### **Service and standards questions and feedback**

- How would we maintain reliability?
- What standards would we expect a partner to meet?
- How would we protect the needs of our constituents (for instance, research requirements in physics labs)?
- Would there be an audit process for a partner?
- How would we hold a partner accountable for living up to the standards? Who will police the deal?
- How would an agreement be governed and standards enforced?
- How would the university ensure level of service is not compromised in order for a partner to make a profit?
- Would there be incentives to exceed standards?
- What are the implications for a partner for bad service? Fines? Other penalties?
- Would a new company save money by being less reliable by eliminating redundancy in the system?
- Will the university still have a vested interest in making sure standards are enforced?
- Specifically, how would environmental standards and compliance be enforced from a regulatory perspective? If a partner was not in compliance with an environmental regulation would Ohio State have to pay the fine? And if we did, could we recoup that cost from the partner?
- How would we ensure teaching and research are not disrupted during what would seem to be significant capital improvements to all of our buildings?
- Would the university have input on hiring standards or background checks as it related to employees of a potential partner?
- Would employees of potential partners have access to residence halls?
- Would potential partners have sole control over the temperature in all or any buildings?
- Will building occupants or managers still have control over thermostats to meet the comfort and needs of clients by controlling temperature?

- Who would run the projects to install the building improvements? If it's a partner, would we get the same level of service and attention to the specialized needs of our building that we currently get from Facilities Operations and Development during construction?
- What pieces of this would Facilities Operations and Development be responsible for? And how would they interact with a partner?
- How would maintenance be handled?
- How do maintenance and repair get factored into an agreement? How would life-cycle costs be taken into account?
- Would building occupants call Ohio State or the partner?
- How will the university be sure whatever is proposed would be feasible?
- How will information technology security be considered and protected?

#### Service and Standards – Feedback

- I would like to provide input on what we are requesting from bidders.
- Desire to have input on what would go into a Request for Proposals.
- Ohio State has very high standards for background checks of employees who have interaction with students. I would want to be sure we had the same standards for any potential partner.
- It appears as though many of the parking standards are not enforced. I am concerned about how standards would be enforced in this agreement.
- It's unclear how building efficiency would work for units and colleges and if the building structures themselves are included or not.
- I'm confused about who would do what on the operational side.
- I am concerned an outside partner will not have the same vested interest in our goals.
- From the perspective of research at the university, much of the energy we expend is not for creature comforts, but for the needs of specimens or research. I am very concerned about ensuring that we have facilities that can continue to support any kind of research we might bid on or undertake and that we don't limit this in the name of energy efficiency.
- You need to include a termination provision in any contract.
- As a staff employee, I want to make sure temperatures would always be comfortable for clients.
- I want to be sure any partner has experience running a campus utility with multiple energy sources.
- I want to be sure we are including responsiveness, accountability and standards in any agreement.

#### Financial questions and feedback

- Will rates spike as a partner profits from its investments?
- Would changes in costs or rates specifically impact what students living in residence halls pay?
- How do rates or the cost that units and Colleges pay now work?
- Will units pay more? Will we charge units differently?
- In my opinion, however, the proposed Utility Lease as currently structured, is not in the best long term interest of the University. Establishing an administrable lease agreement that keeps utility rates affordable is one of my concerns.
- Would an upfront payment reduce the costs we currently pay?
- If the efficiency measures are effective, would it reduce the costs we currently pay?

- Would the cost of improvements that are needed to reach the energy reduction goals be reinvested?
- Has the university established a discount rate for net-present-value calculations?
- Has a rate impact analysis been performed and will this be considered in the decision to proceed to RFP? If so, have individuals with detailed knowledge of the existing rates and cost allocation system been involved?
- Will this project help with deferred maintenance?
- Do we know the value of maintaining control over our utility systems versus having a partner operate it?
- If units are colleges are charged differently, what will this do to department budgets?
- Will this project change inwardly how we pay for energy? What we charge ourselves?
- Where did the university get the capital for other major campus projects if we don't have it to invest in sustainability or our utility system?
- How would a company make its money back?
- Would OSU then pay back the partner in exchange for its services?
- Would savings be passed through to the university?
- What incentives are there for passing through savings - such as if the cost of oil goes down?
- Would a company profit on money saved in efficiencies or on interest we have to pay for the cost of making the upgrades?
- If a 25% reduction by 2025 is requested, could a budget be implemented that would pay for itself and then some? You would need a 2.835% reduction yearly to meet 25% reduction by 2025 so that cost savings on energy would provide a hard budget which would pay for energy saving projects going forward.
- How would a partner recoup their initial investment?
- Would an initial investment impact rates?
- How would year over year rates work?
- Would the name on billing meters change from Ohio State to a partner?
- Would utility rebate money go back to the pot from which the energy savings projected funding came from?
- On which theory or analysis is the belief based that outsourcing energy management to an outside service provider is a win-win-situation, i.e. that both parties profit from it financially, the university by paying less for energy usage and carbon footprint minimization to the provider than it would have to pay when keeping energy management and its future improvements in-house, and the outside provider by still making a profit by being able to provide these services more cheaply than what the university pays them under the service arrangement? Does there exist a document that shows such an analysis for the specific case at OSU, and where can I read it?
- What do we know about the costs that we are facing, and their future evolution, so that we can tell whether a bid by a service provider is advantageous for us or not? Have people on our faculty that are knowledgeable on such matters created a model for predicting OSU's energy and sustainability costs and their uncertainties? Where can I read up on that model and what it predicts?
- Would a definitive and specific financial plan be released under the assumption the university will maintain total control over its own energy?
- Is the project financially stable?
- Would there be caps on increases in energy rates our units pay?

## Employment questions and feedback

- How will this affect utility employees?
- What will we do to guarantee equivalent job/benefits?
- How has the Communications Workers of America labor union had a voice in this project?
- Is the internal team who does this now being given the opportunity put forward a proposal for how they would do this internally?
- Are you asking current utilities employees what is important to them as you look at HR plans?
- If our employees are doing such a good job that a partner would want to hire them, why can't we do this ourselves?
- Private companies cut costs by cutting labor – how would this be any different?
- Would a partner hire our current employees? If they did, would their pay be reduced?
- Why hasn't the university guaranteed employment for any impacted employees?
- Would there be training for current employees on new technology and systems being installed?
- Will the university have input on background checks and employment standards, access to residence halls, etc.?
- What would be the impact on central Ohio jobs if people are outsourced? Wouldn't there be a ripple effect?

### Employees – Feedback

- I feel as though this project is disregarding the people who serve this university
- I think that jobs for our workers will balance out. I don't think we need to have this level of concern for our workers, but I do think we need to be concerned about the university's finances.
- It's good to hear options for staff are being considered. I'm a university employee that is funded by a separate state entity. Perhaps you could consider an option where staff remained university employees but were funded by a partner.
- I think consideration of the effects to jobs, wages and benefits should be prioritized.
- I feel as though this is impacting morale for our employees – this process is taking a long time and causing a lot of uncertainty for the staff.
- I do believe there is a way to do this that benefits everyone, but want to confirm that employee issues are being reviewed.
- I am concerned over jobs for employees and their wages.
- I do not believe offering to interview impacted employees is enough.
- I'm very glad to see you are being transparent with staff about what the current options are. Words are very important to setting expectations as to what the options are.
- I would like employees to be able to receive their same benefits.
- I want to ensure employees are treated fairly and offered future employment with the university or a partner with equal benefits.



## Project details questions and feedback

- Why won't you/when will you name the companies?
- Could we just see the names of the companies? Not their proprietary information?
- What is the role of the advisory groups? Why can't they (PPCS/COPE) see more detail?
- How are decisions being made?
- What are the evaluation criteria for making decisions?
- Who is the point person for this project?
- How were companies qualified to participate?
- When will you share details – how will governance be involved?
- Would there be a clause that allowed the university to end the agreement?
- Why can't you share what you requested of partners in the Request for Information?
- Why doesn't the university wait to do this until you have additional data points from other universities doing something similar or even from the parking lease?
- How can students get more information?
- Even those students on advisory groups have seen only redacted or little information.
- How will faculty continue to be involved in this process?
- Will there be additional opportunities to hear about/give feedback on the process in a similar setting to the public meetings held this February?
- How will the overall university continue to be engaged in this project? And on what timeline?
- Who would write a Request for Proposals and who would be consulted?
- If we moved to an RFP, would partners have to disclose the structure of any consortium they are forming? Would this include disclosing a majority stakeholder?
- How would a partner be required to protect the security of IT systems they might manage or interact with as part of the agreement?
- How would funding for projects work? Some units fund their own improvements now. Could they continue to do that?
- How would cost recovery for improvements in buildings that fund themselves work?
- Would old buildings need to be brought up to code to add sustainability improvements, and who would pay for that?
- Are there case studies on other universities or entities that have done this? Can those be shared publicly?
- Has the university talked to Oklahoma?
- Knowing this project is unique, is there anyone or anything the university can benchmark? Even just pieces of this?
- What, if anything are other universities doing?
- Is this different from the parking lease? Has that benefitted the university?
- Has a decision been made on which assets in our utility system would be included? Are the "mini-plants," that serve a number of buildings included, such as the geothermal plant?
- Is there opportunity for competition? For instance, if another group sets up a plant adjacent to campus, can they sell? Or if a unit finds extra capacity in their system, could they sell it to another unit?
- Is there anything restricting our ability to structure the contract?
- How would conflicts of interest be addressed?
- Are there plans for additional privatization projects on campus beyond this one?
- Does the university know if there are state-imposed regulatory barriers to doing this the right way? For example, if a partner wanted to build a co-generation facility, can we even get the energy across utility jurisdiction lines?

- Would Ohio State be willing to lead academic campuses in exploring new technologies such as micro-grids and net zero buildings?
- Could this be challenged in court?
- Would our current system even allow for distribution of co-gen produced energy?
- Is the university keeping a list of details that need to be resolved before entering into an agreement?
- Would Ohio State be willing to participate in new standards for campuses such as those being led by IEEE IA society?
- Are regional campuses included?
- Why is water not included?
- Are Wexner Medical Center Buildings included? Do they currently pay the same rates as other university buildings?
- Could buildings that are included opt out?
- Are business unit buildings included in the energy savings goals? Does it make sense for a concessionaire to be responsible for buildings they do not manage?
- How would an agreement account for advances in technology over the lifetime of the agreement?
- What will the impact be on West Campus buildings? Will they be treated the same as other campus buildings?
- What have we learned from parking that could be applied here?
- If we enter into a partnership, what will our ability be to plan and build on campus in the future?
- What, if anything, would the university learn that would stop this process?
- Are there third parties that would be impacted by this project?
- Would this project impact other services or areas of the university? Such as custodial services?
- What is the next step?
- What is the timeline for this project? Are you able to publish status checkpoints?
- When will this project go to the Board of Trustees?
- How will the opinions expressed at the public meetings be factored into the decision-making process?
- Will this project affect or include off-campus facilities?
- How does the university decide what goes into a Request for Proposals?
- What if the company we partnered with went out of business? How would we continue interfacing with their technology or software and equipment?
- What about affinity? Will there be student internships? Will there be capstone projects? Will there be research?
- Would affinity include a budget for undergraduate capstone projects?
- How significant is the affinity part of the project? Is the university asking for a particular amount or percent or rank of priority?
- Who is on the project advisory groups?
- What will happen with stranded assets?
- What will become of current assets in our Arsenal? Would they be managed or owned by a partner?
- How will prudence review happen?
- University of Chicago had a liquidation and is now in the hole. What are the lessons learned?
- Who is looking at OSU's interests?

- Do we know the Overall costs if we did ourselves v others when those costs have been separated?
- In the RFP process, do they have to disclose who would be the majority stakeholder, who is driving the staff culture, who is taking the lead?

#### Project Details – Feedback

- Students, faculty and staff voiced opposition to the parking lease and feel the proceeds from the lease have not been used as intended.
- It seems as though there will be no turning back if a Request for Proposals is issued. I would like to understand more details of the project before that time.
- I feel that 50 years is too long of a timeframe for a contract.
- 50 years seems like a long time.
- I do not trust the decision making process.
- I feel this decision has already been made.
- Faculty need to be more involved in this process.
- I am having a difficult time trying to get engagement from students because I feel like I do not know enough details of the project to talk about it.
- I would like to see the financial model – before it is included in a Request for Proposals.
- I do not feel as though there is enough time for discussion before a deal could be made.
- I feel like this is a good explanation of the pieces of the project, but I would like to understand all of the details.
- Students care about transparency. We care about increased tuition and fees and having an understanding if this project will positively impact these things.
- The updates you have been providing are pretty good. But we would like more information than what is available right now.
- Faculty should have major input on how any proceeds from affinity agreements are spent. The university should seriously consider funding faculty-led education abroad opportunities.
- Affinity is more than just student scholarships. I would like you to add benefits for the staff and community and patients in addition to student benefits.
- Please consider affinity beyond scholarship – students of all need levels deserve attention too – rate companies on their creativity. Examples: green space, money for seed projects, money for post graduate career services, etc.
- I feel like there are many unanswered questions and I am concerned about how and when they will be addressed.
- I am interested in the boundaries (technical, financial, educational, and employment-wise) specified by OSU in the RFP within which the bids have to maneuver.
- The university should look at the MIT energy model. It is much better and very important to look at.
- The university should look at a revolving fund concept – like Harvard.
- Add an alternative to external RFI responses – a consultant to organize, provide the “infrastructure,” to coordinate university stakeholders to propose internally driven solutions/experts as part of the answer or proposal.
- I would like this deal to be studied by an independent professional in an open and public way.
- I want to ensure there would be transparency into how funding it used post-deal.
- I would like you to consider if the return on investment is fair to taxpayers.
- The cost of a group that would operate like the Parking Advisory Committee needs to be included into the decision.

- I would like any Request for Proposals to be public before it is issued so the full university community can comment on it.
- I would like the university to consider using a portion of any proceeds to address old infrastructure on campus.
- I would like for you to continue this engagement with the community as well as an evaluation of if the university could do this project itself.