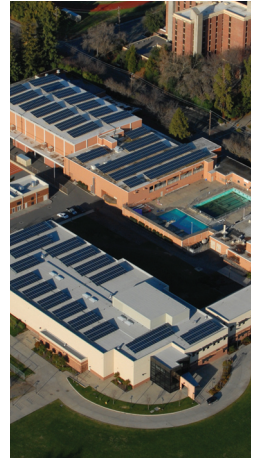


“SunEdison was selected by the California State University system because there were no up-front costs to the University. The entire solar project, the installation, maintenance, and troubleshooting is covered by SunEdison with no out-of-pocket costs to the University.”

Mike Bates, Energy & Facilities  
Trades Manager, CSU, Chico

CUSTOMER  
SUCCESS STORY



## » California State University, Chico

### California State University Improves Campus Sustainability While Spending Less on Power

Founded in 1887 as the second University in the California University System, Chico (popularly known as “Chico State”) provides a diverse academic experience for over 14,000 full-time students. As Chico State is centered in an agricultural community, the campus has long been a leader in energy conservation and sustainability. The California State University (CSU) and University of California (UC) systems jointly contract for their energy and are the eighth largest institutional buyer of green power in the country.

In 2005, the United Nations Educational, Scientific, and Cultural Organization (UNESCO) named the next ten years the Decade of Education for Sustainable Development. CSU Chico’s faculty, students, staff, and administrators took up this challenge, making sustainability a driver behind real changes at the University. As a result of their historic efforts, the campus decreased its energy use by 11% from 1973 to 2000, even though total square footage increased by 58% and many new energy-using devices such as computers and printers were added across campus.

**Challenge** In September 2005, the CSU system revised their policy on energy conservation, calling for a further reduction in energy consumption of 15% by 2010 and a doubling of its self-generated energy supply by 2015. While increasing efficiency and conserving resources is important, economics also plays a vital role in developing sustainable practices. A sustainable campus must have sustainable economics, and renewable energy plays a large role in that equation.

The challenge of implementing CSU policies without straining the University’s finances falls to campus managers like Mike Bates, Energy & Facilities Trades Manager at Chico. According to Bates, “All Universities need to reduce fossil fuel consumption and the demand for power off the grid, and if we can renewably self-generate, then that’s the same as reducing. The driver for bringing solar onto campus was the University executive team insisting that we get something going. Cost is the common challenge preventing universities from deploying solar power on campus. Typically, university systems are at the mercy of the taxpayers, the Board of Trustees, and the Governor, and it’s not really prudent to propose a project that doesn’t have a payback within 8 years.”

**Solution** “We started out looking at multiple vendors for an ownership type project in 2005,” recalls Bates. “In contrast to an ownership model, SunEdison was selected by the California State University system because there were no up-front costs to the University. The entire solar project, the installation, maintenance, and troubleshooting is covered by SunEdison with no out-of-pocket costs to the University. Basically, we are leasing our roof to SunEdison, they come in and install their panels, and we pay them a fixed rate with an annual escalation for the power generated from the solar panels over the next 20 years.”

GOVERNMENT



# Project Profile: California State University, Chico

**Industry:** Public Higher Education/Government

**System Type:** 1,920 roof-mounted solar panels

**Location:** Chico, California

**System Size:** 346 KW

**Company:** California State University (CSU), Chico, is a public university offering over 100 undergraduate majors and options. CSU, Chico is ranked as one of the top four public regional universities in the West.

**Annual Savings:** \$285,000 over 20 years assuming retail power rates only increase at 3% per year

**Capital Outlay:** \$0

With 2.8 million square feet of occupied space and 23 acres of roof in a good sun zone climate, Chico State is a great candidate for leveraging solar power to reduce energy costs during hours of peak demand. Bates says, “We had two rooftops in close proximity and a short pathway to the substation for these two buildings. It was just a matter of setting the panels on these two roofs and cabling that to the substation to get us on the campus’ 12 kV grid. There were no issues or disruptions to the campus community during the implementation.” Bates continues, “It’s nice when you can get a contractor to come in and have no one really notice that they were there. Working with SunEdison, I can’t say enough good things about the construction crew and the company itself. It was just a great group of people to do business with. With the solar panels in place, the system is generating enough power to supply one of our 147,000 square feet building’s total usage during the peak hours of the day.”

**Benefits** The SunEdison Solar Power Services Agreement (SPSA) was a key differentiator for making the project viable from the start. Bates explains, “As the Chico facilities manager, the benefits came on many fronts. We got a new roof for the Gym, and having the panel systems on the roof is providing an insulation benefit that’s reducing cooling costs. On the energy expense side, there is a great advantage. For sustainability, the University is stepping forward and using a generative, natural resource to reduce demand for power off the grid, reducing fossil fuel consumption and the production of carbon dioxide. Financially, there’s no up-front cost to the University and we’re going to see some reduction in cost. Over the 20-year life of the contract, the estimated savings is about \$285,000 assuming retail power rates only increase at 3% per year. The negotiated price allows us to predictably price energy and save money as utility company rates increase over time.

“If the University has the opportunity to work with SunEdison again on this same type of project, we would jump all over that,” Bates concludes. “We would not hesitate with going forward on another project. It’s a great way for universities and commercial entities to get involved with solar. All you’re doing is purchasing generated power at or below market costs over the life of the contract. I would even think that most people would be willing to pay a little more to support renewable energy as a sustainable practice.”



**About SunEdison:** SunEdison is North America’s largest solar energy services provider, and operates across a global marketplace. We deliver predictably priced solar energy services to complement your existing utility services. Unlike other solar companies, SunEdison provides a fully managed service; we finance, install, own, operate, monitor and maintain photovoltaic power plants for our commercial, government and utility customers without the high capital outlays traditionally associated with solar energy.