

# **GREEN BANK OF KENTUCKY PROGRAM STATUS UPDATE December 16th, 2011**

The Green Bank of Kentucky was created by an administrative order of the Finance and Administration Cabinet (FAC) in July 2009 and is funded by \$14.17 million federal stimulus dollars through the American Recovery and Reinvestment Act (ARRA). Green Bank is administered by FAC through a partnership with the Energy and Environment Cabinet (EEC), Department for Energy Development and Independence (DEDI). The Green Bank is a revolving loan fund for energy performance service contracts (ESPC) on state-owned facilities. Since its creation, Green Bank has financed nine projects for a total of \$14.4 million. With the initial balance of funds loaned out, hereafter funds repaid into the Green Bank will be 'rolled over' to finance future energy-efficient improvements in other state buildings on an on-going basis.

Below is a summary of the loans to date and the preliminary applications that have been received.

## **COMPLETED LOANS:**

### **09-01 Kentucky Department of Education**

Kentucky School for the Blind in Louisville, KY, Kentucky School for the Deaf in Danville, KY, and Future Farmers of America Training Camp in Hardinsburg, KY.

- \$1.3million ESPC loan at 3.25% for 14 years
- Return on Investment is 18%
- Simple Payback of 9.26 years
- 18 million gallons of water savings
- 100,000 KBTU energy savings
- \$2 million in savings

#### Scope of Work:

Lighting Improvements,  
Water Conservation  
Vending Machine Controllers  
Chemical Rinse of Dishwashers  
Mechanical Improvements

### **09-02 Kentucky Educational Television**

Kentucky Educational Television Network Center, Cooper Drive, Lexington, KY

- \$1.8million ESPC loan at 3.25% for 14 years
- Estimated savings of \$2.7million, 9.3million KBTU, and 618,000 gallons of water
- Return on Investment is 31%
- Simple Payback is 10.7 years

#### Scope of work summary:

Lighting upgrades  
Sealing doors, windows, and loading docks

Insulating walls and roof  
Replace existing heating and cooling equipment and controls  
Water conservation equipment

**10-01 Kentucky Finance and Administration Cabinet**

Department for Facilities and Support Services  
Various small buildings, 701 Holmes Street paint shop and office, and Fleet Administration and Garage in Frankfort, KY

- \$171,000 eSELF at 3.25% for 10 years
- Return on Investment is 4.81%
- Estimated savings of 20-40% on annual energy costs of \$92,000.

Scope of work: Lighting replacement, mechanical controls for thermostats and occupancy sensors, and insulation

**10-02 Kentucky Finance and Administration Cabinet**

Department for Facilities and Support Services  
Old Capitol Campus, 300 West Broadway, Frankfort, KY

- \$114,000 eSELF loan at 3.25% for 3 years
- Return on Investment is 3.82%
- Estimated saving of 20-25% in energy use

Work scope: new controls for the mechanical heating and cooling equipment

**10-04 Kentucky Finance and Administration Cabinet,**

Department for Facilities and Support Services  
Various downtown buildings, Frankfort, KY

- \$2.6million loan at 2.25% for 14 years
- Return on Investment of 3.28%
- Simple Payback of 11.21 years
- Total energy savings of 119million KBTU or \$2.4million
- Total water savings of 8million gallons or \$102,000
- Total sewage savings of 36million gallons or \$307,000

Buildings included:

Capitol Plaza Hotel Parking Garage  
Capitol Tower Parking Garage  
Frankfort Convention Center  
Kentucky History Center  
Bush Building  
Library and Archives  
Public Service Commission  
Surplus Property

Work Scope: a) lighting improvements, b) water conservation, mechanical upgrades and enhanced controls, envelope improvements

**10-06 Kentucky Department of Veterans Affairs**

East Kentucky Veterans Center, Hazard, KY  
Western Kentucky Veterans Center, Hanson, KY

Thomson-Hood Veterans Center, Wilmore, KY

- \$2.2million ESPC loan at 2.25% for 15 years
- Simple payback of 11.5 years
- Return on Investment of 5.29%
- Total energy saved of 9million KBTU or \$195,000 annually
- Total water saved of 2.5 million gallons or \$23,000 annually

Scope of work summary:

Lighting upgrades  
Laundry and water conservation upgrades  
Heating and cooling equipment replacement  
State of the art controls for equipment management

### **11-03 Kentucky Office of the Blind**

Charles W. McDowell Rehabilitation Center, Louisville, KY

- \$599,785 ESPC loan at 1.5% for 14 years
- Simple Payback of 11.47 years
- Return on Investment of 8.28%
- Annual reduction of utility and maintenance costs of 48%

Scope of work summary:

Lighting upgrades  
New high efficiency boiler  
Digital building controls  
Dishwasher replacement  
HVAC improvements  
More cost-effective utility metering

### **10-09 Cabinet for Health and Family Services**

Outwood and Caney Creek Hospitals

\$1.16 million loan at 1.5% fixed for 14 years  
8% return on investment  
11.53 year simple payback  
Annual reduction in utility and maintenance costs of 35%

Scope of work:

Lighting upgrades  
High efficiency water fixtures  
Digital control for mechanical systems  
Building envelope improvements  
HVAC upgrades

### **10-07 Kentucky Department of Corrections**

Big Sandy, Bell County, and Eastern Kentucky correction facilities

\$4.4 million ESPC loan at 1.5% for 14 years

\$8.26 million additional funds lent by a private bank  
Combined simple payback of 11.21 years  
Annual reduction of utility and maintenance costs of 27%

Scope of work summary:

Lighting upgrades

Water efficiency upgrades

Digital control for mechanical commissioning

Boiler decentralization

Chiller replacement