

# The Clean Energy Revolving Fund – Covenant

## MISSION

The Clean Energy Revolving Fund's mission is to encourage global sustainability<sup>1</sup> on campus and in the community, by funding innovative projects that demonstrate environmental leadership and economic benefit. CERF will empower Macalester College and its students to build a sustainable community. CERF will foster local projects that further the worldwide movement for a sustainable future. As an independent fund at Macalester College and administered by members from all parts of the Macalester community, CERF will fund renewable energy, energy efficiency and other cost-saving projects that demonstrate sustainable design.

## GOALS OF CERF

1. To foster sustainable design and environmentally sound technologies and practices on the Macalester College campus.
2. To respond to budget shortfalls caused by energy prices by funding energy efficiency or renewable energy projects that benefit Macalester College.
3. To educate and inspire all members of the Macalester community on the potential for, and benefits of, conservation and renewable energy innovation.
4. To act as an exemplar of socially and environmentally responsible financial practices.
5. To serve as a role model on sustainability initiatives for other institutions of higher education, community groups, other non-profit organizations, businesses, and governmental bodies.
6. To sustain itself financially and functionally into the foreseeable future without compromising— where possible supporting—other student, community, and institutional initiatives for a socially and environmentally just, benign, and sustainable world.

Through a revolving mechanism drawing revenues from projects, CERF will replenish the fund while providing cost-savings to Macalester. This will provide an unrivaled hands-on opportunity for individually structured environmental education while raising the awareness of the entire community. Furthermore, it will demonstrate that, contrary to common belief, self-funding sustainability projects are a crucial part of fiscal stability.

## FUNDING PROJECTS

This/CERF funding will primarily be used for projects that save money for a specific recipient(s) on fuel, electricity, water, building maintenance, storm water fees, or some other (or multiple) cost source(s) by making a positive impact on sustainability. The CERF Board should be open both to smaller, rapid pay-back projects and larger, longer-term ones. All projects should seek to maximize the overall benefits of sustainability in a financially responsible manner.

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<sup>1</sup> Sustainability as defined by the Brundtland report: meeting the needs of the present generation without compromising the ability of future generations to meet their needs.

## EXAMPLES OF PROJECTS

**Efficiency Investments:** Installation of high-efficiency pumps, equipment, lighting, boilers, and air conditioners. The weatherization of campus windows with modern high-insulating glass and frames, and installing energy recovery ventilators on Olin-Rice ventilation hoods. Payment of the marginal difference between more efficient models of equipment.

**Water Conservation:** Repairing water leaks and installing additional low-flow appliances, installation of systems that recover or reuse wastewater.

**Renewable Fuels:** Manufacture of biodiesel from waste oil from cafeteria and local businesses or other uses of clean biomass-based fuels not requiring extensive additional fossil energy inputs.

**Renewable Energy:** The installation of on-campus renewable energy systems, such as wind power, solar thermal or photovoltaic, geothermal, biomass, biogas, and micro-hydropower. Investing in community-based renewable energy projects.

**Green Building:** Investing in equipment or design of green building, like passive solar heating or green roofing, that provides measurable cost-savings.

## EXAMPLES OF INAPPROPRIATE PROJECTS

**Fossil Fuels:** CERF should not invest in any project using fossil fuels, unless the project leads to a significant net decrease in the consumption of fossil fuels and greenhouse gas emissions.

**Non-renewable Resources:** CERF funding should never be invest in or used to develop projects using technologies such as nuclear energy, large-hydroelectric dams, toxic building materials, and other unsustainable practices.

**Renewable Energy tags/offsets:** CERF funding should not be used for the purchase of green tags, renewable energy certificates, or other offsets. Instead, CERF should aim to invest in projects that provide economic savings and environmental leadership to the college.

**Budget Shortfalls:** CERF funding should never be used to cover college budget shortfalls, except by investing in projects that meet CERF standards.

**Staffing/Salaries:** CERF funds must never be used for the following: faculty or staff salary or wages except for in association with a CERF project.

## INVESTMENTS

CERF may also invest in conventional investment strategies that support its financial viability such as green investment funds, community investing, or money markets, as well as make innovative investments generating direct revenue, as long as such investments further one or more goals of CERF without significantly compromising any of the others. However, long term fiscal responsibility and the goals of sustainability, innovation, education, and community engagement should be emphasized. Such investments should be viewed as methods to manage CERF's funding flow in a socially and environmentally responsible manner.

CERF should not invest in any projects, businesses, or companies which promote unsustainable practices or use non-renewable resources—particularly fossil fuels, nuclear, or large-scale hydroelectric—or a culture of disposal.

#### STRUCTURE OF CERF

CERF will be managed by “The CERF Board,” a body initially composed one college administrator, one faculty member, one alumnus/ae, and two students. The faculty representative will be appointed by the appropriate faculty committee. The administrator will be appointed by the President of the college. Of the Macalester student representatives, one will be appointed by the Campus Environmental Issues Committee (CEIC) while the other will be an elected member of the Macalester College Student Government approved by the MCSG. The Macalester alumnus/ae will be selected by the CERF board. A member of the college Trustees may join the Board as is appropriate for its role in broader Macalester management.

The CERF board will act as a decision-making, financing, and implementing body for conservation, renewable energy, and sustainability initiatives on Macalester College’s campus.

Terms will be for two years, excepting the MCSG representative who shall be approved annually. Terms can be modified based on scheduling. Should a board member resign, a replacement should be chosen through the established method at the earliest available opportunity.

#### PROCEDURAL PROCESS FOR CERF

At meetings, the board will discuss policy, management strategies, and large proposals, and may modify these proposals either by scale, implementation plan, or financial parameters before voting on the proposal. Any board member may call for a vote. Consensus should be achieved where possible, but decisions will be made by majority rule subject to the consensus requirements cited in the Charter. Proposals for projects under \$2,000 may be approved by the co-chairs between board meetings unless another member objects.

The board may send suggestions to various campus bodies as to how they can operate in a more sustainable and /or cost-saving fashion without necessitating additional funding.