

University of Iowa News Release

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UI Oat Hull Project Saves Dollars and Reduces CO2 Emissions

Burning oat hulls in place of coal at the power plant has paid off for The University of Iowa. The Chicago Climate Exchange (CCX) Environmental Compliance Committee last week confirmed the UI's 2005 CO2 emissions of 241,400 metric tons, which is substantially better than the emission level of 267,500 metric tons required by the UI's agreement with CCX to reduce the greenhouse gas emissions.

Ferman Milster, UI associate director for utilities and energy management, said he was confident that the reduction was the result of the UI's Biomass Fuel Project. That project, which uses oat hulls from the Quaker Oats cereal manufacturing plant in Cedar Rapids, has already saved the UI more than a million dollars in fuel costs since its inception in 2002. Oat hulls, a biomass fuel, are recognized as "renewable energy" because there is no net increase of CO2 into the atmosphere when they are burned. Reducing greenhouse gas emissions beyond the amount required by the CCX program has resulted in a positive balance of 26,100 carbon credits in the University's CCX registry account. Carbon credits, which each represent a metric ton of carbon, are currently trading on the CCX exchange in the range of \$4.50 per metric ton.

CCX is North America's only, and the world's first, greenhouse gas emission registry, reduction, and trading system for all six greenhouse gases. CCX is a self-regulatory, rules-based exchange designed and governed by CCX members. Members make a voluntary but legally binding commitment to reduce GHG emissions. By the end of Phase I in December, 2006, all members will have reduced direct emissions 4 percent below a baseline period of 1998-2001. Phase II, which extends the CCX reduction program through 2010, will require all members to reduce GHG emissions 6 percent below baseline.

In April, 2005, The University of Iowa was the first Iowa-based commercial entity to purchase carbon credits for its power plant operations from Iowa farmers through the Iowa Farm Bureau Federation (IFBF) program, acquiring 2,000 carbon credits. The University of Iowa is one of only four Universities that belong to CCX.

For more information about the Chicago Climate Exchange, see:

<http://www.chicagoclimatex.com/about/>
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In 2004, the UI Biomass Fuel Project received two Governor's Iowa Environmental Excellence Awards and in 2005 received an Effective and Innovative Practices Award from the Association of Higher Education Facilities Officers.

The Main Power Plant is the sole source of steam energy for the University campus and University of Iowa Hospitals and Clinics. It is a combined heat and power facility that also generates about 30 percent of the electric power used on campus. Steam is used year round for

heating, chilled water production, and other research and process loads.

STORY SOURCE: University of Iowa News Services, 300 Plaza Centre One, Suite 371, Iowa City, Iowa 52242-2500.

CONTACT(S): Media: Charles S. Drum, 319-384-0048, <mailto:charles-drum@uiowa.edu>. Program: Ferman Milster, 319-335-5132, ferman-milster@uiowa.edu