

Carl Sandburg College
Board of Trustee Meeting
Regular Meeting – April 26, 2007

Item 11 Energy Contract – Natural Gas

Institutional Focal Points/Goals

II-D, IV-B, V-B

Background

Due to the state of Illinois deregulating the electric rates and utilizing the value added relationship that the College has enjoyed with Johnson Controls, Inc., timely and beneficial assistance was given in an effort to select a marketer as an electric provider. Last fall, the College was able to lock in an electric rate, below that of the auction rate that was held, by establishing an 18 month contract with WPS.

The College is again in a position to benefit from the relationship with Johnson Controls, Inc. with regard to advising on a natural gas contract with the same marketer, WPS, now known as Integrys.

Mr. Rob Brown of Johnson Controls, Inc. has conducted an analysis of the options available. These options and associated risks are attached.

Recommended Action

The Administration recommends that the Board of Trustees award a contract with WPS (Integrys) for a managed natural gas program. It further recommends that Option 4 “Statistical Procurement Strategy” which is a medium risk option, be followed.