

ADOPTED – BOARD OF TRUSTEES COMMUNITY
COLLEGE DISTRICT NO. 508
MARCH 5, 2009

BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT NO. 508
County of Cook and State of Illinois

ELECTRIC CURTAILMENT AGREEMENT
DISTRICTWIDE

REPORTS

THE CHANCELLOR
that City Colleges, as a large user of electricity, was given an opportunity to enter into a curtailment agreement with Commonwealth Edison where if called upon, we would cut back on our electricity usage by 30%; and

that as voluntary participants last year City Colleges received a payment in the amount of \$ 183,825 for reducing electricity usage by 30%; and

that this year the agreement to reduce usage guarantees a payment to the City Colleges in the amount of \$162,478.10 if we can meet our curtailment commitment of 30% each time we are called upon to curtail, or if not called to curtail, can demonstrate during a one hour planned test period that we could have curtailed to the agreed level; and

that the colleges would lose up to 100% of the curtailment guarantee if it participates in the curtailment but is unable to achieve the 30% reduction as promised; and

that Administrative Services has reviewed past voluntary curtailment performances of the colleges and believes that 30% is an achievable goal; and

that there are financial penalties, up to \$32,500, associated with the agreement if the Colleges do not participate in the curtailment at all when called upon do so or if it does not participate in the curtailment test if it becomes necessary; and

that the colleges do not fear a penalty where it has historically participated in all Commonwealth Edison curtailments on a voluntary, non-remuneration basis; and

that the Office of M/WBE Contract Compliance has reviewed the above referenced detail and, as this is revenue generating and not a purchase, is recommending this agreement be considered exempt from the Board Approved Participation plan.

RECOMMENDS

THE CHANCELLOR
that the Board of Trustees authorizes the Chairman to enter into a curtailment agreement with Commonwealth Edison for guaranteed revenue in the amount of \$162,478.10 if the curtailment commitment of 30% is achieved. In the event that the penalty must be paid the \$32,500 will be encumbered in accordance with District Policies.

FINANCIAL

Any funding received will reduce the annual electricity expense – Operations and Maintenance Fund – 05501 account 570000
\$32, 500 – Operations and Maintenance Fund – 05501 0005031 00076 00000
0000000 573100 (Penalty)

Respectfully Submitted:

Wayne D. Watson
Chancellor