

**RESOLUTION TO AUTHORIZE EXPENDITURES FOR
ELECTRICITY AND NATURAL GAS FOR FY 2006**

WHEREAS, there exists a need to purchase electricity and natural gas through Public Service Electric & Gas Company and other electricity and natural gas providers, and

WHEREAS, a cost effective combination of suppliers and transporters will be used to provide needed utilities, and

WHEREAS, it is estimated that amounts will not exceed \$5.6 million, and

WHEREAS, funds for these utilities have been provided in the FY2006 budget,

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees authorizes the President to execute the necessary contracts to purchase these utilities in an amount not to exceed \$5.6 million.

Holly C. Stern

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New Jersey Institute of Technology

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Board Resolution 2006-11

**STATEMENT
RESOLUTION TO AUTHORIZE EXPENDITURES FOR
ELECTRICITY and NATURAL GAS, FY 2006**

There exists a need to purchase electricity and natural gas for the campus from PSE&G and other electricity and natural gas suppliers. Shown below are the actual costs for FY 2003, FY 2004 and FY 2005 and projections for FY 2006.

	FY 2003	FY 2004	FY 2005	FY 2006
Utility Cost - \$ for Natural Gas & Electricity (000's)	4,154	4,952	4,898	5,604
Sq. Ft. (000's)	2,062	2,428	2,618	2,653
\$/sq. ft.	2.01	2.04	1.87	2.11
Cost of Electricity \$/kwh	0.09	0.09	0.10	0.10
Cost of Natural Gas \$/Therm	0.83	1.01	1.01	1.39

New and previously implemented energy conservation measures continue to have a positive effect on controlling costs. Some of these measures are shown below:

- Closure of one-half of the floors at the parking deck during the Summer
- Close Redwood and Oak Residence Halls for the Summer
- Summer compressed 4 day work week
- Adjustment of equipment schedules to better match occupancy and usage needs
- Contract for gas through Amerada Hess (recently bid and awarded)
- Installation of energy efficient lighting where appropriate
- Use of Solar Energy

Factors having a negative impact on cost include:

- Continuing uncertainties of the energy markets currently at record levels
- Continuing increases in the use of facilities to accommodate a 24/7 campus
- Higher than anticipated Summer Temperatures

