


December 9, 2020

TO: Members of the Board of Trustees

FROM: Scott A. Jordan   
Executive Vice President for Administration and Chief Financial Officer

RE: Authorization to Execute Electricity Purchase Contracts Resulting from Reverse Auction

RECOMMENDATION:

That the Board of Trustees authorize the Administration to execute contracts with an electricity supplier for the purchase of electricity and attributes for the Storrs, Regional (excluding Avery Point), and Health Center campuses for up to four (4) years not to exceed \$40 million per year.

BACKGROUND:

In 2017 the University and Connecticut, State Colleges and Universities Board of Regents (CT BoR) utilized a Connecticut Department of Administrative Services contract authorizing reverse energy auctions to lock in favorable and firm electricity and attribute rates through April 2021. This followed previous successful reverse auctions in 2013 and 2009 when the University, CT BoR and other state agencies utilized a Connecticut Department of Administrative Services contract authorizing reverse energy auctions to lock in favorable and firm electricity and attribute rates.

The University and Connecticut, State Colleges and CT BoR plan to participate in a final reverse auction prior to the April 30, 2021 expiration of this contract to determine whether they can again lock in favorable and firm electricity and attribute rates through 2025. Should the reverse auction fail to yield favorable pricing terms, attributes will be acquired by a separate solicitation and electricity will be purchased via the standard or "last resort" offers provided through the local distribution companies, subjecting the University to seasonal price volatility and potentially overall higher annual costs.