Reported to the Board of Trustees May 7, 2015



Fuel Commitment Summary Report

March 31, 2015 Prepared by Enterprise Services

University of Illinois' fuel is procured by:



FUEL COMMITMENT SUMMARY REPORT

The **Fuel Commitment Summary** is prepared monthly and represents a dashboard report of energy hedging commitments by the Urbana and Chicago campuses. This report is prepared by PEI in conjunction with its market advisor, Fellon McCord. The report is to be submitted to the Board of Trustees quarterly, as prescribed in the Board-approved *Energy Cost Management Policy* ("Policy").

The Policy prescribes a hedging process that mitigates future commodity price risk. This process utilizes a systematic approach over a rolling future 36-month basis. Thus, at any given time, each campus will have made commitments to procure a portion of its natural gas and electricity requirements from the wholesale markets for up to 36 months into the future.

The table at the top of the report provides more detailed information relative to energy hedging positions in terms of commodity volumes, prices and overall cost commitment for electricity and natural gas for Urbana and Chicago through the period of the last current commitment. Additional information is provided in the text boxes next to the table.

The following graphs are shown below the table:

- UI Total Gas Dollars Committed
- UI Total Gas Hedged Volumes Position
- UI Total Electric Dollars Committed
- UI Total Electric Hedged Volumes Position

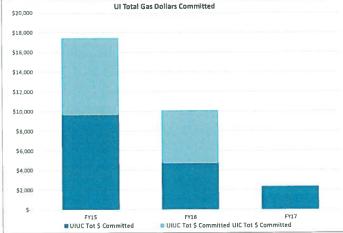
The report shows that as of March 31, 2015, the University has committed to purchase at a fixed price approximately 43% of its natural gas requirements through June 2017 and about 37% of its purchased electricity requirements through June 2018.

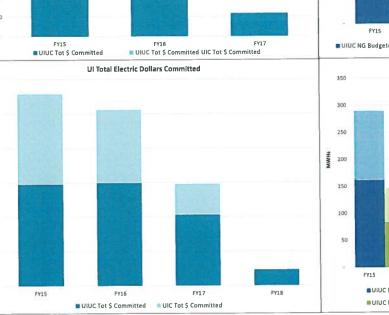
Fuel Commitment Summary

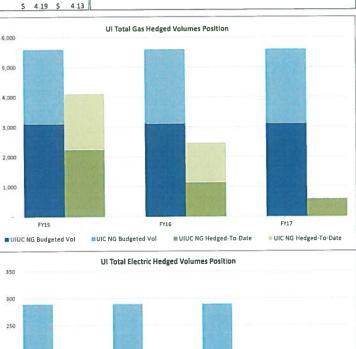
Activity through 3/31/2015 Dollars & Volumes in Thousands

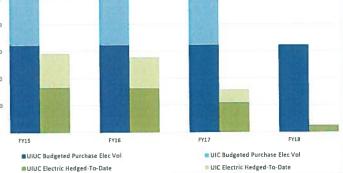
	FY2015		FY2016		FY2017		FY2018		Totals		Hedged Positions Summary
1	UIUC	UIC	UIUC	UIC	UIUC	UIC	UIUC	UIC	UIUC	UIC	Natural Gas
lectricity											*UIUC is hedged according to policy for the next 18 months
Budgeted Purchase Electric											
(MWH)	161	128	161	128	161	128	161		644	385	*UIC is hedged according to policy for the next 16 months
Electric Hedged-To-Date (MWH)	83	63	82	58	55	24	12		232	145	
% Electric Hedged-To-Date to											
Budgeted Purchase Electric	52%	49%	51%	45%	34%	19%	8%		36%	38%	6 Electricity
Total Dollars Committed	\$2,953	\$2,631	\$2,985	\$2,131	\$2,059	\$902	\$ 463		\$ 8,459	\$ 5,664	*Both campus positions are in line with policy for the next 18 months
Avg Price for Committed											
Volumes (\$/MWH)	\$ 35,43	\$41.65	\$3658	\$ 37.01	\$ 37.62	\$ 37.67	\$ 37,34		\$ 36.45	\$ 39.15	
latural Gas											Market Outlook Summary
Budgeted Purchase Natural Gas											* Weather & lower demand are driving market prices to be favorable during
(MMBTUS)	3,099	2,499	3,099	2,499	3,099	2,499			9,296	7,497	mid to late Mar 2015
Natural Gas Hedged-To-Date											
(MMBTUs)	2,242	1,875	1,132	1,336	580	30			3,954	3,241	
% Natural Gas Hedged-To-Date											2 (1921) 54 23 1922 (1911) W
to Budgeted Purchase Natural	72%	75%	37%	53%	19%	1%			43%	43%	a papater i parateri a n
Total Dollars Committed Avg Price for Committed	\$9,618	\$ 7,860	\$ 4,673	\$ 5,424	\$ 2,279	\$ 101			\$ 16,570	\$ 13,385	
Volumes (S/MMBTU)	\$ 4.29	\$ 4.19	S 4.13	\$ 4.21	\$ 3.93	\$ 3.37			\$ 4.19	\$ 4.13	

MMBTUs.









\$6,000

\$5,000

\$4,000

\$3,000

\$2,000

\$1,000

\$-