

Approved by the Board of Trustees  
September 10, 2020

**PEI 4**

Board Meeting  
September 10, 2020

AMEND AGREEMENT WITH PRAIRIELAND ENERGY, INC.

**Action:** Amend the Energy Commodity Procurement Services Agreement between the Board of Trustees of the University of Illinois and Prairieland Energy, Inc.

**Funding:** No New Funding Required

The University procures energy commodity and related energy services from market sources through Prairieland Energy, Inc. (“Prairieland”), a University-related organization. Prairieland was authorized by the Board of Trustees of the University of Illinois (“Board”) in September 1996 to provide low-cost energy for the benefit of the University and others. It provides an efficient vehicle for flexible, nimble, and real-time participation in wholesale energy markets, resulting in cost savings and other benefits to the University. The University’s operating relationship with Prairieland is defined in an *Energy Commodity Procurement Services Agreement (ECPSA)*.

The ECPSA restricts the scope of Prairieland’s procurement activities to energy commodities and energy services. The University has requested that Prairieland provide additional services for transacting with private, public, and municipal utility suppliers, including but not limited to, natural gas, electricity, water, sanitary, chilled water, and steam. As a result, the Prairieland Board recommends amending the ECPSA to

include Utility Services providing Prairieland the authority to deliver these services to the University in a cost effective and efficient manner.

The Prairieland Board also recommends that the ECPSA be renamed the *Procurement Services Agreement* to reflect the scope change and that the insurance provisions in section 3g be updated to clarify how insurance is being handled between the parties.

The Board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes, The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

Accordingly, the Vice President/Chief Financial Officer and Comptroller recommends amendment of the agreement.

The President of the University concurs.