

Appendix H

Energy Surcharge Review and Consideration

In August 2001 the Board of Regents, after consideration of the issue of significantly increasing utility costs on institutional campuses and after extensive discussions with the Council of Student Body Presidents, approved recommendations for the management boards to authorize their institutions to charge students an energy surcharge under certain stipulations and conditions. The original authority was granted for a three year period. In June 2004, the Board extended this authority with the same stipulations and conditions until July 1, 2007.

In an effort to determine if a need remained for further extension of this authority, the system offices were requested to verify existing data that had been reported and to compile additional data relative to energy costs, energy usage, surcharge rates, collections, and projections. The Board of Regents staff has reviewed the reports and data provided and determined that continuation of the energy surcharge authority is warranted.

Therefore, staff recommends:

The Finance Committee recommend to the Board that the management boards continue to address the energy issues of their respective institutions under the conditions stipulated by the Resolution of Student Body Presidents, inclusive of the provision of quarterly reports on utility costs and reductions in rates if energy costs decrease, and that the three-year sunset provision be extended until July 1, 2010.