

UIUC FY14 Utility Budget and Rate Approval

The following rates have been reviewed with the University of Illinois Utilities Administration and have been approved for use as of July 1, 2013.

| Commodity | FY 2013 Rate | FY 2014 Proposal | % Increase/(Decrease) |
|--------------------------|--------------|------------------|-----------------------|
| Steam (per klb) | 17.59 | 17.01 | (3.3%) |
| Electric (per kwh) | 0.0746 | 0.0794 | 6.4% |
| Chilled Water (per MBTU) | 16.71 | 15.74 | (5.8%) |
| Water (per kgal) | 3.51 | 3.70 | 5.4% |
| Sanitary (per kgal) | 2.84 | 3.00 | 5.6% |

The above rates include:

- Fuel Costs
- Purchased Utility Costs
- Personnel Costs
- Operations and Maintenance Costs
- Repair and Replacement Costs
- Distribution Costs
- Debt Service Normalized over time
- FY11 and FY12 Under/Over Recovery

The above rates exclude:

- Pre-2009 Utility Deficit Recovery which is to be recovered from each customer group outside of the rate process.




Kent Reifsteck – Director Utilities and Energy Services



Date



Jack Dempsey – Exec. Director UIUC Facilities and Services



Date

cc: Mike Andrechak
Mike Bass

UNIVERSITY OF ILLINOIS
Urbana-Champaign • Chicago • Springfield

Utilities Administration
507 East Green Street
Suite 501, MC-403
Champaign, Illinois 61820

June 13, 2013

Jack Dempsey
Executive Director
Facilities & Services
Physical Plant Services Building
1501 S. Oak Street
Champaign, Illinois 61820

Dear Jack:

We conducted a review of your proposed fiscal year 2014 utility operating budget and utility rate calculations to provide an objective assessment of the appropriateness of utility rates to be charged to campus utility customers in fiscal year 2014.

The scope of our review included the following objectives:

- ✓ Determining whether the cost inputs are consistent with generally accepted rate-making principles
- ✓ Validating revenue requirements are calculated correctly based upon proposed budgets
- ✓ Insuring costs allocations to utility commodities are appropriate depending upon the type
- ✓ Confirming there is an accurate translation of costs into per unit rates
- ✓ Verifying the appropriateness of allocation to customers

Based upon the review performed, it is our opinion that the fiscal year 2014 utility rates provide an appropriate basis for charging campus utility customers.

Sincerely,



Daniel Mortland
Assistant Vice President
Enterprise Services

Cc: Mike Bass Mark Krueger
 Kent Reifsteck Tony Spurlock
 Mike Marquissee