

**INFORMATION ITEM**

**Energy Performance Contract – Auxiliaries Facilities – MSU (Bozeman Campus)**

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**THAT**

Montana State University will request authority at the January, 2012 Regents meeting to proceed with an Energy Performance Contract for MSU's Auxiliary Facilities.

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**EXPLANATION**

1. At the May, 2010 Regents meeting, MSU was authorized to enter into a contract to perform an energy audit of all of MSU's Auxiliary Facilities, which encompass over 2 million square feet of space.
2. At the March, 2011 Regents meeting, MSU provided additional information regarding Energy Performance Contracting as permitted under MCA § 90-4-1103. MSU also updated the Regents regarding progress on the energy audit and the preliminary audit report; an overview of the energy performance contract requirements; and, specifics relating to contract provisions and the McKinstry Company.
3. The final investment grade audit is now complete and MSU is reviewing the audit recommendations. MSU expects to request authority at the January, 2012 Regents meeting to enter into an Energy Performance Contract with McKinstry Company for a series of energy projects totaling approximately \$8.7 million. MSU expects to finance a portion of the project through a loan from the Montana Board of Investments.

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**Attachments:** None