

To: Robert C. Watson, Sr.

From: Jeffrey M. Baker

Date: October 20, 2005

Re: 2005-06 Energy Costs

As requested I have compiled a projection of the District's 2005-06 energy costs that include heating, electricity and gasoline consumption. The attached summary gives five years of actual dollars spent as well as budgeted and projected amounts for 2005-06. The amounts spent for heat and electricity varies considerably over the five years with weather being the main determining factor. The exception was in 2004-05, when the price of electricity and heating fuels increased significantly.

The huge increase in 04-05 was a result of one of the coldest winters in decades combined with rising electricity and heating fuel costs. The cost of both electricity and heating fuel was projected to decrease in 2005-06, that was until Hurricane Katrina hit.

My projection for 2005-06 increases costs an additional 30% over the record highs of 2004-05. I hope this is the worst case scenario and the projection of \$293,468 will not be exceeded. However, the weather and just how cold this winter will be is a variable that can't be predicted.

The good news is that we will be purchasing our electricity via the cooperative bid recently awarded and should save approximately \$20,000 over Central Hudson's rates. Many energy saving projects were completed in our buildings such as temperature control work and lighting replacement. In addition, all schools with the exception of the Circle of Courage have dual fuel heating capabilities so we can select the least expensive fuel, oil or gas, based on price.

One decision that needs to be discussed is lowering the temperature in our buildings. Past practice has been to heat our buildings to 70°. New York State mandates that the temperature in classrooms be at least 65°. The district could save heating costs by lowering the temperature in our buildings to 68°. However, that is a decision that must be discussed.

Please let me know if any additional information is needed regarding our energy cost for 2005-06.

Utility Analysis								
Poughkeepsie Schools info	Poughkeepsie Schools info							
	over	Projected	Budget					
	budget	<u>05-06</u>	<u>05-06</u>	<u>04-05</u>	<u>03-04</u>	<u>02-03</u>	<u>01-02</u>	<u>00-01</u>
Heat	212,196	592,196	380,000	455,535	341,894	387,895	266,819	321,427
Electric	69,102	439,102	370,000	399,270	337,771	325,964	265,589	301,027
Gasoline								
maint		17,724	14,000	13,634	12,948	12,856	8,422	13,396
trans		<u>23,446</u>	<u>15,000</u>	<u>18,035</u>	<u>15,216</u>	<u>11,914</u>	<u>9,197</u>	<u>14,251</u>
	<u>12,170</u>	41,170	29,000	31,669	28,164	24,770	17,619	27,647
Total	293,468							