

Relevant Information for Council

FILE: S084740.026 **DATE:** 16 September 2022

TO: Lord Mayor and Councillors

FROM: Kim Woodbury, Chief Operating Officer

THROUGH: Monica Barone, Chief Executive Officer

SUBJECT: Information Relevant To Item 6.6 – Tender - Natural Gas Large Market Accounts

For Noting

This memo is for the information of the Lord Mayor and Councillors.

Purpose

The purpose of this memo is to provide further information in relation to Item 6.6 – Tender - Natural Gas Large Market Accounts.

Background

At the meeting of the Corporate, Finance, Properties and Tenders Committee on 12 September 2022, further information was sought on the following:

Natural Gas spot pricing impact on City's Large Market Natural Gas Account contract rates

The proposed large market natural gas contract will be fixed pricing for the contract term. The fixed price will be based on market conditions during the procurement activity. Future changes in the spot market will not affect the City during the contract term. Since procurement timings are critical the City will continually monitor market conditions to determine optimal timing to procure for 2023/24. Due to the volatile nature of the natural gas market, price validity is likely to only be for two to five days.

Memo from Kim Woodbury, Chief Operating Officer

Prepared by: Kunal Johri, Manager Utilities, Infrastructure Sustainability and Performance

Approved

A handwritten signature in black ink, appearing to read 'P. M. Barone', with a long horizontal flourish extending to the right.

MONICA BARONE

Chief Executive Officer