

AGENDA REPORT
MEETING: WORK SESSION, JULY 9, 2025
AGENDA CATEGORY: GENERAL CITY BUSINESS

Item: Firm Service Acquisition, Mississippi Hub Storage

Department: Natural Gas

Date of Meeting: Wednesday, July 9, 2025

Fiscal Impact: Indicative Rate of \$506,776.00

Presented By: Todd Hardigree, Natural Gas Director

Action Requested: Approve Firm Service Acquisition, and to Authorize the Mayor or City

Manager to Execute the Contract, Subject to Approval by the City

Attorney

Summary: Demand growth, such as electric generation, and price volatility have continued to put pressure on market prices. This is an opportunity to authorize the gas authority to transact on behalf of the city to acquire the storage asset through a third-party holder of the asset to protect against price spikes during peak demand conditions. The gas director and gas authority is recommending participating in this project for a maximum daily withdrawal quantity of 5,677 Dth/day and has an indicative term of up to 5 years. This service does not reduce any of our peaking needs but supplies us with a reliable and economical supply source, at a minimal charge.

Fiscal Impact: Indicative rate of \$506,776.00. Estimated impact per firm customer is \$0.014/Ccf

Attachments/Exhibits:

- Lawrenceville Election form 5-2-25 Storage
- Transco Member Memo Mississippi Hub Storage Service 5.5.25