

**ROCHELLE CITY COUNCIL
AGENDA ITEM MEMO
REGULAR MEETING**

SUBJECT: Ordinance Waiving Competitive Bidding for a Power Purchase Agreement.

Staff Contact: Jeff Fiegenschuh City Manager, Blake Toliver Superintendent of Electric Operations

Summary: Based on discussion and recommendations from our marketing firm IMPA, Rochelle has a 7x24 5MW need for November 2023- February 2024, June 2024, November 2024- February 2025, and June of 2025. With current long-term pricing uncertainties, short-term contracts are recommended. We would like to procure this contract to provide pricing stability for our rate payers. This authorization will have a not to exceed cost of \$60 per mWh.

Forward Date:	9/12/2023		Contract Size:	5			
	Current NI_HUB Forwards				Current NI_HUB Forwards		
Hours		7x24	5 MW			7x24	5 MW
720	Nov-23	\$ 36.17	\$ 130,215		Nov-24	\$ 39.07	\$ 140,662
744	Dec-23	\$ 47.54	\$ 176,855		Dec-24	\$ 47.83	\$ 177,915
744	Jan-24	\$ 59.49	\$ 221,306		Jan-25	\$ 54.23	\$ 201,734
696/672	Feb-24	\$ 51.23	\$ 178,284		Feb-25	\$ 49.11	\$ 165,004
720	Jun-24	\$ 38.05	\$ 136,971		Jun-25	\$ 39.65	\$ 142,749
			\$ 843,631				\$ 828,064
					Total:	\$	1,671,696

Funding Sources:

Source:	Budgeted Amount:	Proposed Expenditure:
Electric Funds	\$26,779,746.00	\$1,671,696

Strategic Plan Goal Application: Core Service Delivery

Recommendation: Approve an Ordinance waiving competitive bidding and authorizing the city manager to enter into a power purchase agreement.