

**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 Supt. Of Electric Operations

Summary: Based on discussion and recommendations from our marketing firm IMPA, Rochelle has a 7x24 5MW need for June of 2023. With current long-term pricing uncertainties, a short-term contract is 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 \$45 per mWh.

Current Market Pricing

Month	Product	Market		MW	Hrs	Total \$'s
Jun-23	7x24	\$ 34.64		5	720	\$ 124,701
Nov-23	7x24	\$ 33.84		5	720	\$ 121,827
Dec-23	7x24	\$ 43.59		5	744	\$ 162,163
Jan-24	Wrap	\$ 59.54		5	392	\$ 116,701
Feb-24	Wrap	\$ 54.03		5	360	\$ 97,260
						\$ 622,652

Funding Sources:

Source:	Budgeted Amount:	Proposed Expenditure:
Electric Admin Funds	26,779,746.00	\$162,000

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.