

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

**SUBJECT:** Resolution Authorizing the City Manager to Execute an Agreement with IGS Energy for Natural Gas

**Staff Contact:** Blake Toliver, Superintendent of Electric Operations

**Summary:** The 36-month contract with IGS Energy for the purchase of natural gas is set to expire at the end of September 2024.

IGS Energy has provided two proposals, one for the Generation Plant and another one for all of the City buildings. The Generation plant is the major consumer of natural gas therefore it was recommended to go with the variable rate option since gas prices tend to be lower in the summer months during the generation season.

The proposal for the city buildings includes standard IGS energy pricing.

It is recommended that we proceed with a 38 month contract to hedge ourselves against fluctuations in the gas market.

**Funding Sources:**

Source:	Budgeted Amount:	Proposed Expenditure:
Each Department Budget	Varies	Varies

**Strategic Plan Goal Application:** Financial Management and Stability

**Recommendation:** Approve a Resolution Authorizing the City Manager to Execute an Agreement with IGS Energy for Natural Gas