

# **Gas and Energy Renewal Guidelines**

## **Meridian Board of Education**

### **Purpose**

The purpose of this recommendation is to establish guidelines for gas and energy contract renewals that grant the Superintendent or designee the authority to approve contracts with Rock River Energy, ensuring competitive pricing and financial efficiency while maintaining fiscal responsibility.

### **Authorization**

The Superintendent or designee is authorized to enter into contracts for electrical and natural gas services with Rock River Energy under the following conditions:

### **Electricity Contract Guidelines**

- The approved rate shall not exceed 9 cents per kilowatt-hour (kWh).
- Contracts should be evaluated based on market trends and long-term cost savings to ensure the district secures the most favorable pricing structure.

### **Natural Gas Contract Guidelines**

- For fixed-rate contracts, the approved rate shall not exceed \$0.48 per therm.
- For index-based contracts, the approved NGI adder shall not exceed \$0.01 per therm.
- Given that some suppliers have offered negative NGI adders, the district should seek to leverage competitive pricing when considering index-based pricing models.

### **Rationale**

- **Efficiency:** Providing the Superintendent or designee with contract approval authority allows the district to respond swiftly to market fluctuations and secure the most competitive rates.
- **Cost Control:** These thresholds ensure that the district does not enter into agreements that exceed acceptable energy cost benchmarks.
- **Flexibility:** The ability to pursue fixed-rate or index-based options ensures that the district can adapt to market conditions and select the most cost-effective solution at any given time.

### **Recommendation**

It is recommended that the Meridian Board of Education approve these guidelines, granting the Superintendent or designee the authority to enter into gas and energy contracts with Rock River Energy under the stated conditions.