

**WOODBIDGE BOARD OF EDUCATION  
WOODBIDGE, CONNECTICUT**

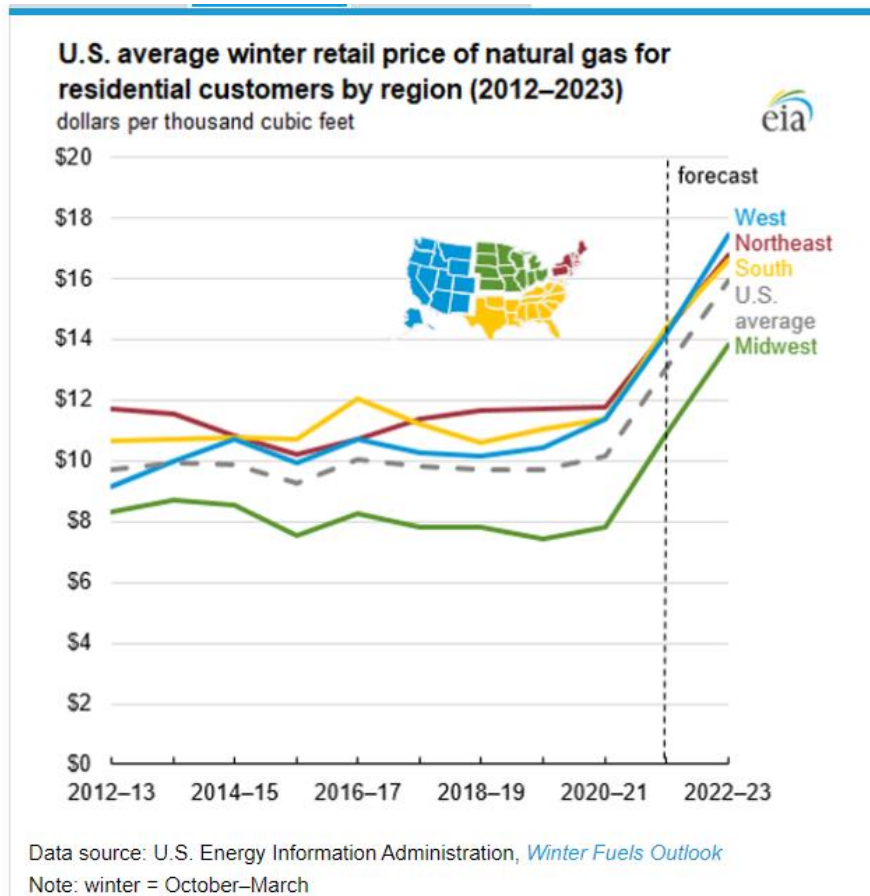
**October 13, 2022**

**Natural Gas Purchasing Options**

On October 12, 2022 the Woodbridge Board of Selectman voted to lock their price for natural gas at \$15.71 per unit for 30 months. The Town and BOE are currently locked on the same contract through the end of October at \$6.36 per unit for natural gas. Below is a look at natural gas prices over the past six months. Most of our meters are either the Small GS Rate or the GS Rate.

<b>SCG Gas Rate / DTH</b>				
<b>Month</b>	<b>Small GS Rate</b>	<b>GS Rate</b>	<b>Large GS Rate</b>	<b>Avg Rate</b>
5/2022	\$8.0950	\$7.3190	\$5.7340	\$7.0493
6/2022	\$9.6840	\$8.9080	\$7.3230	\$8.6383
7/2022	\$9.6840	\$8.9080	\$7.3230	\$8.6383
8/2022	\$10.6380	\$9.8620	\$8.2770	\$9.5923
9/2022	\$11.9790	\$11.0170	\$8.6560	\$10.5507
10/2022	\$11.8780	\$10.9160	\$8.5550	\$10.4497

Rates have risen 49% in the past six months. With the geopolitical unrest in the Russian natural gas supply to Europe, the demand for U.S. natural gas will continue to increase. Below is a chart depicting a forecast of the natural gas market by the U.S. Energy Information Administration.



Although the rate is very high compared to our current rate, it is below where the market is currently predicted to go. There is also some security in being able to budget accurately. If the rates drop below our locked rate, we can extend our contract and blend our current rate with the lower rate. We do also have the option to pay the floating rate for another month (currently \$10.91) and lock at a later date. In doing so we risk that we will end up paying an even higher rate than the \$15.71 per unit available to us now.