

Capitol Region Council of Governments

241 Main Street, Hartford, CT 06106
Phone: (860) 522-2217 FAX: (860) 724-1274
website: www.crcog.org

To: Municipal Services Committee Members
From: Jennifer March-Wackers, Municipal Services Manager, CRCOG
Date: March 3, 2011
Re: Utility Update for FY 2011-12

I have compiled the following utility information to help our member municipalities as they craft their 2011-12 budgets.

Heating Oil: Please note that the CRCOG heating oil bid was opened on February 16, 2011 which allows those who participated to lock in prices for the 2011-12 fiscal year. It is very difficult to predict where prices are going for 2011-12. The abnormally cold winter that has impacted the northeast is driving demands, and thus cost upwards. The accelerating economic recovery throughout the world will also increase demand and pricing. Furthermore, Mideast instabilities could continue to drive crude prices higher, resulting in higher heating oil expenses.

Natural Gas: Natural gas costs have been locked for members of the CRCOG Natural Gas Consortium for FY 2012. Working with World Energy CRCOG held a reverse auction September 15, 2010. Three pricing groups were established as a part of this auction. CRCOG member towns fall in one of two of these pricing groups: either Pricing Group 1: Dual Billing through Direct Energy, or Pricing Group 2- Consolidated billing through Hess Corp. Pricing Group 3 was the Town of Greenwich.

Current (FY2011)	<u>Yankee Customers:</u>	\$0.9989 /ccf
	<u>CNG Customers:</u>	\$1.0144/ccf
FY 2012 (regardless of utility)	<u>Pricing Group 1:</u>	\$0.7590/ccf
	<u>Pricing Group 2:</u>	\$0.7930/ccf

These prices reflect approximately a 20-25% decrease from our current fiscal year's locked in prices and DO NOT include transportation nor the annual CRCOG fee of \$.0075/ccf.

Electricity: CRCOG established its electricity consortium in Spring 2009 and conducted a reverse auction for electricity service for January 1, 2010 through December 31, 2011. Below is the pricing based on % green requested:

January 1, 2010 through December 31, 2012	<u>No Additional Green:</u> \$0.0987/kWh
	<u>20% Total Green:</u> \$0.09298/kWh
	<u>Town of Wethersfield:</u> \$0.10020/kWh

The group is re-auctioning the load for January 1, 2012 and beyond in April 2011 for a two or three year term.

CRRA Tip Fees: CRRA will be holding their current tip fee of \$69 per ton.

MDC Fees: The MDC started its fiscal year on January 1, 2011. Rates for this year are 10% higher than last year:

- Water: \$2.35 per hundred cubic feet plus meter charges (last year's rate \$2.12)
- Sewer: \$2.35 per hundred cubic feet plus meter charges (last year's rate \$2.12)

As always, please contact me (jwackers@crcog.org) or Maureen Barton (mbarton@crcog.org) anytime with questions.