

# Capitol Region Council of Governments

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**To: Municipal Services Committee Members**  
**From: Jennifer March-Wackers, Senior Program Manager, Municipal Services, CRCOG**  
**Date: January 27, 2009**  
**Re: Utility Update for FY 2009-10**

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I have compiled the following utility information to help our member municipalities as they craft their 2009-10 budgets.

**Heating Oil:** The petroleum market is still low at this time. It is very difficult to predict where prices are going for 2009-10. Please note that the CRCOG heating oil bid will be going out in February and you will have the ability to lock in prices in early March for the 2009-10 fiscal year. It is anticipated that prices will be lower this year due to the downturn in the market. However, OPEC has recently cut production and this will likely stabilize prices and may drive them up again. Waiting to make a contract from the February CRCOG bid is your best bet for knowing how the market will affect your budget.

**Natural Gas:** We have locked in prices for Natural Gas for 2009-10 with Hess Corp through our Natural Gas Consortium. Those prices depend on your service territory and **do not include** transportation costs charged by the local utility for use of their pipeline (~10% on average), nor the Gross Receipts Tax (staying at 7.5% until 2013).

| <b>Natural Gas Prices for CRCOG Consortium July 1, 2009 – June 30, 2010</b> |              |
|---|--------------|
| Yankee Customers  | \$1.2929/ccf |
| CNG Customers   | \$1.3092/ccf |

These prices reflect a 14% decrease from our current fiscal year's locked in prices. We will continue to see decreases as prices are locked for 2010-2011.

**Electricity:** As you know, municipal electricity customers were given a surprise when the utilities started purchasing their electricity "just in time" (the most expensive method) in January 2007. As a result, municipalities switched over to aggregators or joined electricity consortia. There is a list of aggregators and distributors on the DPUC "Watts New" website. Go to [www.wattsnewct.com](http://www.wattsnewct.com) for that information. You may call them with how many kilowatts per month you use on average and they should be able to price your electricity.

CRCOG is also investigating an Electricity Consortium that would go into effect on January 1, 2010. We are working closely with OPM and their vendor to investigate the feasibility of a consortium.

**CRRA Tip Fees:** CRRA is expecting to hold to their current, reduced tip fee of \$62 per ton.

**MDC Fees:** The MDC started its fiscal year on January 1, 2009. Rates for this year are as follows:

- Water: \$2.08 per hundred cubic feet plus meter charges
- Sewer: \$2.08 per hundred cubic feet plus meter charges