

RESOLUTION NO. 22-46

A Resolution for the Authorization of Hedging Natural Gas Through the Municipal Gas Authority of Georgia

WHEREAS, the City of Alexander City is a Member (the “Member”) of the Municipal Gas Authority of Georgia (the “Gas Authority”) and has entered into a Gas Supply Contract, dated as of April 1, 2020 (the “Gas Supply Contract”), with the Gas Authority; and

WHEREAS, the Member acknowledges that natural gas prices have historically been very volatile, and the use of hedging as provided for in the Gas Supply Contract can help mitigate price risk to the Member; and

WHEREAS, the Gas Authority’s staff has studied the use of hedging strategies to mitigate price risk associated with market conditions for residential and commercial customers (“R&C Customers”), poultry growers (“Poultry Growers”) and for industrial and other large end-users (“Industrial Customers”), and the staff has heretofore determined that it was feasible and desirable from a competitive standpoint to offer such hedging strategies to Members; and

WHEREAS, the Gas Authority has developed elective hedging programs under the provisions of the Gas Supply Contract to offer to Members to manage price risk associated with service to R&C Customers, Poultry Growers, Industrial Customers and other end-users; and

WHEREAS, under the Pricing Policy approved by the Board, Members are billed based on spot market prices adjusted for any hedges elected by the Members;

NOW, THEREFORE, BE IT RESOLVED as follows:

Section 1. Approval of Hedging. The governing body of the Member hereby approves the use of the Gas Authority Member elective hedging programs under the Gas Supply Contract that enable the Member to offer hedged prices to its R&C Customers, Poultry Growers, Industrial Customers and other end-users (“Member Elective Price Hedging”). [The Member hereby elects to limit its Member Elective Price Hedging authority under the Gas Supply Contract to hedges of 36 months or less].

Section 2. Hedging Elections and Transaction Confirmations. The governing body of the Member hereby authorizes the Gas Department Superintendent and Mayor of the Member (the “Authorized Member Representatives”) to complete the election forms and/or transaction confirmations to enter into Member Elective Price Hedging and to deliver such election forms and/or transaction confirmations on behalf of the Member as its authorized act. The election forms and transaction confirmations shall be in substantially the form attached hereto as Exhibit “A” and incorporated herein by this reference.

Section 3. General Authorizations, Incorporation of Recitals and Ratification of Actions. The Authorized Member Representatives are hereby authorized and directed to take such further actions and execute and deliver such certificates or other documents, agreements or instruments as shall be necessary or convenient to affect any Member Elective Price Hedging contemplated by this Resolution. The preambles hereto are hereby incorporated herein by this reference and approved, and all actions of the Authorized Member Representatives in the review and finalization of election forms and transaction confirmations under Member Elective Price Hedging are hereby ratified and approved.

ADOPTED AND APPROVED this 7th of March 2022.

Resolution: 22-46

ATTEST:

Amanda F. Thomas
Amanda F. Thomas, City Clerk

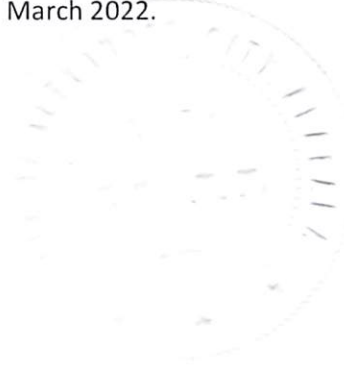
Audrey "Buffy" Colvin
Audrey "Buffy" Colvin, Council President

Curtis "Woody" Baird
Curtis "Woody" Baird, Mayor

CERTIFICATION OF CITY CLERK

The undersigned, as City Clerk of the City of Alexander City, Alabama, hereby certifies that the foregoing is a true, correct and complete copy of **Resolution No. 22-46** which was adopted by the City Council on this 7th of March 2022.

WITNESS MY SIGNATURE, as City Clerk of the City Alexander City, Alabama, under the seal thereof, this 7th of March 2022.



SEAL

Amanda F. Thomas
City Clerk of the
City of Alexander City, Alabama

Yeas: Unanimous

Nays: none