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EXECUTIVE DIRECTOR

February 24, 2025

Hon. Joanne Cunningham
Chairwoman
Albany County Legislature
112 State Street – Suite 710
Albany, New York 12207

**Re: Municipal Electric and Gas Alliance (MEGA) –Natural Gas Supply Contracts
Contract Authorization – Direct Energy Business (now NRG)**

Dear Chairwoman Cunningham,

The Albany County Energy Advisory Group (EAG) acting as the County's agent to secure the purchase of low cost energy is requesting authorization to use the Municipal Electric and Gas Alliance (MEGA) program with Direct Energy Business for the purpose of purchasing natural gas. Due to continued volatility in the natural gas market and based on the recommendation from our supplier, Direct Energy Business is recommending locking in the basis costs for both the County's daily and monthly natural gas accounts. The remaining supply costs will be purchased in blocks over the course of the next year. This approach will allow the County to take advantage of dips in the gas pricing and dollar cost average the supply charges over the course of the next several months.

The term of the contracts are summarized below:

Monthly pricing accounts: Basis (transportation) costs = \$ 0.419/MMBTU
Contract term: November 1, 2026 to October 31, 2027

Daily pricing accounts: Basis (transportation) costs = \$ 1.776/MMBTU
Contract term: November 1, 2026 to October 31, 2027

The contract terms above correspond to the current MEGA agreement which is attached to this letter along with the contracts from Direct Energy. The price difference between the accounts is associated with the usage and the cost of firm capacity or the guarantee of uninterruptable gas service for the daily accounts which include the North and South Treatment Plants and the Correctional Facility.

If you have any questions or concerns you may reach me at (518) 447-1617.

Sincerely,



Angelo Gaudio, P.E.
Executive Director

Enc. Direct Energy Contracts – Fixed daily pricing
Direct Energy Contracts – Fixed monthly pricing
MEGA endorsement letter
Purchasing Award Letter

cc: Hon. Dennis A. Feeney, Majority Leader
Hon. Frank Mauriello, Minority Leader
Rebekah Kennedy, Majority Counsel
James Curran, Minority Counsel