

**Hampton Township School District  
WORK SESSION  
Tuesday, September 7, 2021 – 7:00 p.m.  
Hampton Middle School Auditorium**

<b>FINANCE AGENDA, Mr. Vasko, Chair</b>
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TO: Ms. Balason, Mrs. Hamlin, Mr. Jarrell, Mrs. Midgley, Mr. Shages, Mr. Stein, Mrs. Webb, Mr. Wesley,  
Dr. Loughhead, Dr. Cunningham, Mr. Kline

<b>ACTION ITEMS</b>	<b>PRESENTER</b>
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- |   |           |
|---|-----------|
| 1. *Approve the natural gas contract with UGI Energy Services through the AIU Joint Purchasing Consortium. The basis rate will be NYMEX Minus (\$0.44)/Dth for the term of September 1, 2022 through August 31, 2025.<br><i>(This is 0.05/Dth lower than the current rate.)</i> | Mr. Kline |
|---|-----------|

<b>OLD BUSINESS</b>	<b>PRESENTER</b>
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- |   |           |
|---|-----------|
| 1. *Summary of Debt Service After (3) Bond Refundings | Mr. Kline |
|---|-----------|

<b>NEW BUSINESS</b>	<b>PRESENTER</b>
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There is no report this evening.

**UGI Energy Services, LLC**  
**Customer Confirmation Agreement**  
**Fax No. (724) 941-7537**  
**E-mail: gauld@ugies.com**

**Offer Date:** 08/17/2021  
**Customer:** HAMPTON TOWNSHIP SCHOOL DISTRICT  
**Ref#:** 00317635-1-3P5B19  
**Local Utility:** Peoples Natural Gas  
**Sales Rep:** Gerald Auld

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This Confirmation Agreement is between UGI Energy Services, LLC ("UGIES") and HAMPTON TOWNSHIP SCHOOL DISTRICT ("Customer") (together, the "Parties"), and is subject to the terms and conditions of that certain Master Natural Gas Sales Agreement ("Contract") to be executed by the Parties. If the Contract is not executed within 30 days of the Effective Date (defined below) of this Confirmation Agreement, UGIES' standard form Contract shall govern. If a conflict exists between the provisions of the Contract and this Confirmation Agreement, the provisions of this Confirmation Agreement shall govern.

**NATURE OF SERVICE:** UGIES' obligation to deliver and sell, and Customer's obligation to accept and purchase the Contract Quantity of natural gas ("Gas") at the Point of Delivery is Firm.

**SALES PERIOD:** September 2022 through August 2025

**CONTRACT QUANTITY (at Point of Delivery):** UGIES shall deliver and invoice Customer for the full natural gas requirements of Customer's facilities for the account(s) covered hereunder. Initial orders for Customer's account(s) were based on the following estimates of Customer's Gas usage:

Month	Dth @ City Gate	Month	Dth @ City Gate
September 2022	305	March 2024	2887
October 2022	735	April 2024	1294
November 2022	2130	May 2024	756
December 2022	2687	June 2024	404
January 2023	3828	July 2024	221
February 2023	3615	August 2024	185
March 2023	2887	September 2024	305
April 2023	1294	October 2024	735
May 2023	756	November 2024	2130
June 2023	404	December 2024	2687
July 2023	221	January 2025	3828
August 2023	185	February 2025	3615
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January 2024	3828	July 2025	221
February 2024	3744	August 2025	185

*Account Numbers: 200004198244, 200004198301, 200004198442, 200004198517*

**CONTRACT PRICE (at Point of Delivery):**

**Base Quantities:**

The Contract Price is equal to the Commodity Price plus -\$0.440 per Dth basis. The Commodity Price shall be determined as follows:

1. The average settlement price for Natural Gas Futures Contracts - Henry Hub traded on the New York Mercantile Exchange (NYMEX) for the last three days of trading for the prompt month (e.g., August 29, 2022 was the last day of trading for September 2022 NYMEX Natural Gas Futures Contracts).

**OR**

2. Customer may request UGIES to fix the Commodity Price for any future month(s), for all or a portion of the Base Quantity, at the price NYMEX Natural Gas Futures Contracts - Henry Hub are being traded. UGIES will accept and confirm Customer's request for the time period permitted under UGIES' risk management policies, provided that the future month(s) and Gas quantities requested by Customer are being actively traded at the price requested by Customer. Confirmation will be reflected in an Addendum to this Confirmation Agreement.

**POINT OF DELIVERY:** Peoples Natural Gas ("Local Utility") City Gate

**NOMINATION PROCEDURE:** UGIES shall schedule the Contract Quantity stated above.

**SPECIAL CONDITIONS:** Price quoted does not include LDC pass-through charges.

**TERMS AND CONDITIONS:**

1. During the Sales Period, UGIES shall be Customer's sole supplier of Gas for the accounts identified above. Customer authorizes UGIES to act as its agent for handling all Gas scheduling matters with Local Utility.
2. Service under this Confirmation Agreement shall commence on the first day of the billing cycle of the Sales Period specified above, or such date thereafter as service is authorized by the Local Utility, and shall remain effective for the duration of the Sales Period through and until the last day of the billing cycle of the Sales Period, or such date thereafter as authorized by the Local Utility.
3. The Contract Price quoted above is based on Customer's estimated usage of Gas for the accounts shown. If a material change in Customer's Gas usage at its facilities occurs for reasons other than variations in weather (including, but not limited to, the shut-down of any existing facility, the opening of any new facility, installation or removal of equipment or changes in operating times or processes), then UGIES may charge Customer current market prices at the Point of Delivery for Customer's increased Gas usage and may assess liquidation charges to Customer calculated under current market prices at the Point of Delivery for Gas that Customer failed to consume.

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4. In the event that: (i) **UGIES** is assessed any new or increased pool fees, transportation rates, balancing charges or storage charges that are not already included in Customer's Contract Price, by either the Local Utility or a pipeline used by **UGIES** to deliver Customer's Gas to the Point of Delivery (with either referred to herein as a "Transporter"); or (ii) such Transporter adopts any other changes in its requirements during the term of the Contract that result in a direct increase in cost to **UGIES** in providing service to Customer, **UGIES** may pass through a ratably allocated portion of such fees and charges to Customer on a monthly basis and Customer agrees to pay such fees and charges.
5. Once executed and returned by Customer, this Confirmation Agreement shall be effective ("Effective Date") between the Parties; provided however, **UGIES** reserves the right to adjust the Contract Price after the Effective Date to reflect changes in commodity and/or basis prices between the time the Confirmation Agreement is provided by **UGIES** to Customer and when it is executed and returned by Customer. **UGIES** will send to Customer an amendment to this Confirmation Agreement reflecting any final price adjustment.
6. If service under this Confirmation Agreement or any designated account is terminated early for any reason, **UGIES** will be authorized to sell any Gas purchased for Customer's account. Any loss on such sale will be charged to Customer, and any gain on such sale will be credited to Customer.
7. In the absence of agreement regarding pricing for any extension of service beyond the Sales Period specified above, Gas delivered for Customer's account shall be billed at current market prices at the Point of Delivery for the remaining term of the Contract.
8. Customer and **UGIES** agree to keep all terms of this Confirmation Agreement proprietary and confidential.

**Check the box that applies:**    **The Customer has a tax exemption from state sales tax under the state law in which the Customer's facility or facilities served under this Confirmation Agreement is/are located.**    ☐ Yes    ☐ No    **If Yes, Customer shall furnish to UGIES the tax exemption certificate to evidence such exemption.**

Please sign and return one copy of the Confirmation Agreement to **UGIES** to the fax number or e-mail address set forth above. **IN WITNESS WHEREOF**, the Parties have caused this Confirmation Agreement to be executed by their duly authorized representatives as of the respective dates set forth below.

CUSTOMER: HAMPTON TOWNSHIP SCHOOL DISTRICT

UGI ENERGY SERVICES, LLC

BY: \_\_\_\_\_

BY: \_\_\_\_\_

Michael C. Gibbs

TITLE: \_\_\_\_\_

TITLE: Vice President - Sales

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

**Hampton Township School District**  
**Gross Debt Service**  
**Before and After the Series 2021 Issues (A,B,C,D,E &F)**

<b>Year Ending June 30,</b>	<b>Previous Debt Service*</b>	<b>Updated Debt Service</b>	<b>Difference</b>
2022	4,934,283	4,735,765	(198,518)
2023	5,188,290	4,931,901	(256,389)
2024	5,178,527	4,930,342	(248,185)
2025	5,160,976	4,930,561	(230,415)
2026	5,155,763	4,925,739	(230,024)
2027	5,099,232	4,889,419	(209,813)
2028	5,069,022	4,885,989	(183,033)
2029	4,967,838	4,851,618	(116,220)
2030	4,949,506	4,831,749	(117,757)
2031	4,930,416	4,817,534	(112,882)
2032	4,954,084	4,834,591	(119,493)
2033	4,749,919	4,642,694	(107,225)
2034	4,448,293	4,448,293	-
2035	4,448,650	4,448,650	-
2036	571,003	571,003	-

\*- Previous debt service includes all fees associated with the  
2007 variable rate debt (standby bond purchase & remarketing)