



Legislation Details (With Text)

File #: 2022-041 **Version:** 1 **Name:**

Type: Resolution **Status:** Passed

File created: 3/18/2022 **In control:** City Council

On agenda: 4/14/2022 **Final action:** 4/14/2022

Enactment date: 4/21/2022 **Enactment #:** 2022-041

Title: SUPPLEMENTAL BUDGET RESOLUTION NO. 2022-041 - PENSACOLA ENERGY - ADDITIONAL FUNDING FOR BUDGETED NATURAL GAS COST

Sponsors: Grover C. Robinson, IV

Indexes:

Code sections:

Attachments: 1. Supplemental Budget Resolution No. 2022-041, 2. Supplemental Budget Explanation No. 2022-041

Date	Ver.	Action By	Action	Result
4/14/2022	1	City Council	Adopted	Pass
4/11/2022	1	Agenda Conference	Placed on Regular Agenda	

LEGISLATIVE ACTION ITEM

SPONSOR: Grover C. Robinson, IV, Mayor

SUBJECT:

SUPPLEMENTAL BUDGET RESOLUTION NO. 2022-041 - PENSACOLA ENERGY - ADDITIONAL FUNDING FOR BUDGETED NATURAL GAS COST

RECOMMENDATION:

That City Council adopt Supplemental Budget Resolution No. 2022-041.

A RESOLUTION AUTHORIZING AND MAKING REVISIONS AND APPROPRIATIONS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2022; PROVIDING FOR AN EFFECTIVE DATE.

HEARING REQUIRED: No Hearing Required

SUMMARY:

Pensacola Energy’s budget for purchasing natural gas is being impacted by two trends. First, the federal Energy Information Administration (EIA) forecast that rising exports will continue to elevate natural gas prices this year. Second, PE is experiencing a positive trend in customer growth and increased sales, mainly due to the addition of a large industrial customer. PE and Finance have evaluated the associated impact and have determined the need for additional funding to cover natural gas costs for Fiscal Year 2022.

Estimated Gas Cost Increase \$16,800,600

PRIOR ACTION:

None.

FUNDING:

N/A

FINANCIAL IMPACT:

The cost of natural gas is recouped through PE's rates and charges. Therefore, appropriations to the Gas Utility Inventory of Stores for Resale in Pensacola Energy's budget resolution is offset by the same increase in revenues. Approval of the supplemental budget resolution provides for a balanced budget for Fiscal Year 2022.

LEGAL REVIEW ONLY BY CITY ATTORNEY: Yes

3/23/2022

STAFF CONTACT:

Kerrith Fiddler, City Administrator
Amy Miller, Deputy City Administrator, Administration & Enterprise
Don J. Suarez, Pensacola Energy Director

ATTACHMENTS:

- 1) Supplemental Budget Resolution No. 2022-041
- 2) Supplemental Budget Explanation No. 2022-041

PRESENTATION: No