

The City of Worcester / Worcester Public Schools contract for natural gas was set to expire on November 1 ,2016 and at the time of the FY16 budget hearings in June, the City had not yet locked into a natural gas rate for the upcoming contract term. The current contract supply rate for natural gas is \$0.90 per therm. The FY16 budget used \$0.86 per therm and the actual rate is \$0.848 per therm. It is expected that this contract rate, a 6% reduction from the previous rate, will provide approximately \$25,600 in savings from the FY16 budgeted amount.

The Administration has presented the First Quarter Budget Status Report and these savings are reflected in the overall 500146-92000 Building Utilities Account.