Dear Westchester Power Chief Electeds & Admins:

We had hoped to be reporting a contract extension award made and alerting you all to impending digital contract signings. Unfortunately the energy market has continued its volatility as we collected the last MOUs. As seen in the chart below, the bids hit a high of almost 15 cents, significantly beyond our price-not-to-exceed target of 12.5 cents,

Summary: 100% renewable (supply + RECs) cents/kilowatt-hour prices					
Bid #	**Pricing Date**	**3 Mo**	**4 Mo**	**5 Mo**	**6Mo**
1	3/23/2022	11.64		11.76	
2	3/30/2022	11.64		12.13	
3	4/5/2022		12.86	13.08	14.01
4	4/6/2022		13.29	13.5	
5	4/19/2022		14.99		

We are checking day by day for favorable movement that would bring rates down into range however we have been advised that the market pricing is not likely to come down to our original price-not-to-exceed level. For this reason, we are requesting a revised MOU from each municipality with a new **price-not-to-exceed 13.9 cents** (please see attached).

This higher price-not-to-exceed would provide more flexibility and increase the likelihood of continuity of service in the program while still allowing us to try to take advantage of any downturn in market pricing over the next two weeks.

As we have noted, high natural gas prices are driving the market. The news continues to suggest nothing but upward pressure, but there can be movements within the larger pattern that might offer opportunities. There has been a modest downturn from a very extreme high in gas prices recently, as you can see in the graph below.