

FY2025 Proposed Budget Utility/Fuel Expense Related Notes

#2 Heating Oil, Bid #B24003 – The City’s current provider is Haffners Energy North Group. The bid rate remains constant through September 30, 2024 at \$3.099 per gallon for an estimated 10,000 gallons. Due to the current agreement expiring during FY25 and current fuel values, budget proposal uses \$3.12 per gallon times estimated annual usage which represents a 2.2% increase over current agreement pricing.

Diesel Fuel Off Road, Bid #B24004 – We are presently buying from Haffners Energy North Group @ \$3.499 through September 30, 2024. Due to the current agreement expiring during FY25, current fuel values, and uncertainty of fluctuating prices, the budget proposal uses \$3.60 per gallon times estimated annual usage which represents a 2.9% increase over current agreement pricing.

Gasoline Unleaded & On Road Diesel – Fuel has been available at the State of NH fuel pumps located near the Spaulding Turnpike, Exit 9. The State now only offers variable rates calculated based on the market indexed price on the day of delivery. As of September 2023, unleaded gasoline was \$2.90 per gallon. On road diesel at the State of NH fuel pumps was at \$3.25 per gallon as of September 2023. Prices at Irving fluctuate, at the end of October 2023, were \$2.88 per gallon for unleaded and \$3.67 per gallon for on road diesel. The City has been relying primarily on the State fueling depot and will use Irving for purchases when it is more advantageous to do so. Due to the uncertainty of fluctuating prices, the proposed budget uses the State of NH pump rates-\$2.98 for Unleaded and \$3.30 for Diesel which represents a 2.8% increase for Unleaded and a 10.1% decrease for on road Diesel. However, since preparing the FY2025 Proposed Budget, the State of NH has advised that the Dover fuel pumps will be permanently closed and no longer available for use starting this summer. The City will need to secure a new vendor/fueling facility for the coming fiscal year with an unknown cost impact at this time.

Electricity Rate - The city has enrolled its municipal accounts with Dover’s Community Power Program available through the Community Power Coalition of NH (CPCNH) at the rate of \$0.25 per kWh. This rate accounts for the variable delivery charges from Eversource and the supply rate through CPCNH This is a 34.4% increase for the coming fiscal year rate however, remains significantly lower than continuing to purchase power utilizing other competitive suppliers.

Natural Gas, Bid #B21047 – The city currently has a fixed rate of \$0.5619 per therm with Sprague Energy through September 30, 2025 for natural gas supply and with Unital Utilities at approximately \$0.58 per therm (this fluctuates) for transportation fees for a grand total of \$1.12 per Therm. The budget proposal uses \$1.14 per therm times estimated usage which represents a 1.8 % increase.

Propane Bid #12006 – The city is currently locked in at \$2.19 per gallon with DF Richard for estimated annual 20,000 gallon usage through May 30, 2024 Due to the current agreement expiring during the fiscal year and current fuel values fluctuating between \$2.25-\$3.00/gallon, the budget proposal uses \$2.60 per gallon times estimated usage represents a 18.7% increase over current agreement pricing.

Telecommunication Services, Bid #B21061 – The city has transitioned to an IP based service provider, RingCentral, and also relies upon Consolidated Communications for landline communications. Verizon Wireless is contracted for mobile services. The proposed budget maintains existing monthly service plan fees and calling charges based upon current usage.