



# NAESB CONTRACT WITH TENASKA MARKETING VENTURES FOR SALE AND PURCHASE OF NATURAL GAS

Riverside Public Utilities

City Council  
March 3, 2020

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## BACKGROUND

1. Requesting approval of North American Energy Standards Board ("NAESB") Base Contract with Tenaska Marketing Ventures for sale and purchase of natural gas.
2. Adds Tenaska Marketing Ventures to RPU's counterparty list for sale and purchase of natural gas.



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## NAESB BASE CONTRACT BACKGROUND

1. NAESB Base Contract for Sale and Purchase of Natural Gas has been in use as standard industry contract since 2002.
2. NAESB Contract does not require any specific sale or purchase of natural gas
  - A. Constitutes the terms and conditions that would apply to any natural gas sale or purchase ultimately agreed to between Riverside and Tenaska Marketing Ventures.



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## DISCUSSION

1. Currently, RPU has NAESB Base Contracts with Shell, Occidental, Macquaire, BP Energy, and ConocoPhillips.
2. The NAESB Contract is a standardized set of business practices and standards that most buyers and sellers have adopted for natural gas transactions.
3. Approval of NAESB Contract with Tenaska Marketing Ventures, will expand Riverside's counterparty options to take advantage of favorable pricing trends and opportunities .



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## RECOMMENDATIONS

That the City Council:

1. Approve the North American Energy Standards Board Base Contract for Sale and Purchase of Natural Gas with Tenaska Marketing Ventures and the City of Riverside for use in procuring natural gas under the terms and conditions stated therein; and
2. Authorize the City Manager, or designee, to execute subsequent transaction confirmation agreements with Tenaska Marketing Ventures, for sales and purchases of natural gas, subject to the terms and conditions of individual North American Energy Standards Board enabling agreements and consistent with the City Council approved Energy Risk Management Policy.



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