

RESOLUTION NO. _____

**A RESOLUTION OF THE COUNCIL OF THE CITY OF MESA,
ARIZONA, AUTHORIZING THE ACQUISITION OF
INTERSTATE NATURAL GAS PIPELINE TRANSMISSION
CAPACITY THROUGH PARTICIPATION IN THE BIDDING
PROCESS, AND APPROVING AND AUTHORIZING THE CITY
MANAGER, OR DESIGNEE, TO ENTER INTO ASSOCIATED
CONTRACTS UPON A SUCCESSFUL BID.**

WHEREAS, the City of Mesa's natural gas utility service customer count, and therefore demand, continues to grow, and additional pipeline capacity on the interstate gas transportation system is needed to continue reliable delivery of gas to Mesa's system, and

WHEREAS, Kinder Morgan, Inc. ("Kinder Morgan") and Transwestern Pipeline Company, LLC ("Transwestern") periodically post notices of the expiration of an existing contract for interstate natural gas transmission capacity, and the opportunity to place bids for such contracts and the associated interstate pipeline transmission capacity, with relatively short notice of the bid deadline, and

WHEREAS, the City desires through this Resolution to obtain authority to review such opportunities and react promptly in submitting timely bids, thereby increasing the City's ability to obtain transmission capacity at favorable terms, and to enter into the associated contractual documents upon a successful bid, and

WHEREAS, Kinder Morgan has recently posted the specific availability of such a contract with capacity available over recurring six month periods at quantities of up to 1880 dekatherms per day ("Dth/day").

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Mesa, as follows:

Section 1. That the City, acting through the City Manager and his authorized designees in the Energy Resources Department, is hereby authorized to submit bids during the current fiscal year as well as fiscal year 2022/2023 for interstate natural gas transmission capacity, at rates set forth in the applicable Federal Regulatory Energy Commission Tariffs, for a term of up to 50 years, as and when such opportunities come available on the Kinder Morgan or Transwestern interstate pipeline systems, and in amounts that total up to 20,000 Dth/day.

Section 2. That the City Manager or his designated representative is authorized to enter and sign the associated contractual documents for interstate natural gas transmission capacity on behalf of the City of Mesa in the event of a successful bid. Signature by the City Manager or designee of such contractual documents shall constitute evidence of this City Council's approval thereof.

Section 3. The City Manager or his designee shall provide updates to the City Council regarding the successful acquisition of transmission capacity and the terms of the successful bids and associated contractual documents.

Section 4. That the various City officers and employees be and hereby are authorized and directed to perform all other acts necessary to give effect to this Resolution.

PASSED AND ADOPTED by the City Council of the City of Mesa, Arizona, this 19th day of May, 2022.

APPROVED:

MAYOR

ATTEST:

CITY CLERK