

Annual Commodity Price Hedging Report as per BY-LAW NO. 2008 – 426

The 2019 budget price for diesel fuel was \$1.03 per litre. Forecast volumes were 47.94 million litres for a total budget of approximately \$49.56 million. Actual volumes were 51.78 million litres and the average price was \$0.982 for a total cost of approximately \$50.82 million generating additional cost of approximately \$1.25 million versus the budget. Floating rate prices averaged \$0.962 per litre in 2019. The 2019 impact from hedging was \$0.02 per litre for a total all-in cost of \$0.982 per litre.

- 2019 - To secure the 2019 budget target, Treasury, in conjunction with Supply and Transit, entered Bank Swap Agreements with CIBC, RBC, BNS and National Bank to fix 75% of the forecasted diesel fuel consumption for 2019.
- 2020 and 2021 - Treasury, in conjunction with the Supply Branch and Transit Services, entered into Bank Swap Agreements to fix 59% of 2020 and 22% of 2021 anticipated diesel fuel consumption.
- Future dated Bank Swaps held by the City had a mark-to-market value of \$0.768 million in favor of the Banks as at December 31, 2019

All agreements entered during 2019 are consistent with the City's statement of policies and goals relating to the use of Financial Agreements to address commodity pricing and costs.

Statement of outstanding Transactions as of Dec 31, 2019

ID	Bank	Litres/month (1000's)	Fixed Price	Maturity schedule	Total Mont hs	Total Litres (1,000's)
2018-27	CIBC	250	0.73	Jan 20 -Jun 20	6	1500
2018-33	Scotia	250	0.775	Jul 20 - Sep 20	3	750
2018-34	RBC	250	0.775	Jul 20 - Sep 20	3	750
2018-35	RBC	250	0.7875	Jan 20 -Jun 20	6	1500
2018-36	CIBC	250	0.7875	Jan 20 -Jun 20	6	1500
2018-37	Scotia	250	0.7875	Jan 20 -Jun 20	6	1500
2018-39	CIBC	500	0.775	Jul 20 - Sep 20	3	1500
2018-41	RBC	250	0.665	Jan 20 -Jun 20	6	1500
2018-42	CIBC	250	0.665	Jan 20 -Jun 20	6	1500

Statement of Outstanding Transactions as of Dec 31, 2019, Continued

ID	Bank	Litres/month (1000's)	Fixed Price	Maturity schedule	Total Mont hs	Total Litres (1,000's)
2018-43	Scotia	250	0.665	Jan 20 -Jun 20	6	1500
2018-44	NBC	250	0.665	Jan 20 -Jun 20	6	1500
2018-45	CIBC	500	0.6695	Oct 20 -Dec 20	3	1500
2018-46	NBC	500	0.6695	Oct 20 -Dec 20	3	1500
2019-3	Scotia	300	0.695	Jul 20 - Sep 20	3	900
2019-4	NBC	300	0.695	Jul 20 - Sep 20	3	900
2019-5	CIBC	300	0.695	Jul 20 - Sep 20	3	900
2019-6	CIBC	500	0.69	Jan 21 - Mar 21	3	1500
2019-8	CIBC	350	0.69	Jan 20 - Mar 20	3	1050
2019-9	RBC	250	0.69	Jan 20 - Mar 20	3	750
2019-10	Scotia	250	0.69	Jan 20 - Mar 20	3	750
2019-14	RBC	250	0.67	Jan 21 - Jun 21	6	1500
2019-15	CIBC	250	0.67	Jan 21 - Jun 21	6	1500
2019-16	NBC	250	0.6625	Apr 21 - Jun 21	3	750
2019-17	CIBC	250	0.6625	Apr 21 - Jun 21	3	750
2019-18	CIBC	300	0.6975	Apr 21 - Jun 21	3	900
2019-19	Scotia	300	0.68	Oct 20 -Dec 20	3	900
2019-20	NBC	300	0.68	Oct 20 -Dec 20	3	900
2019-21	RBC	500	0.63	Apr 20 - May 20	2	1000
2019-22	CIBC	350	0.63	Apr 20 - May 20	2	700
2019-23	Scotia	400	0.625	Jul 21 - Sep 21	3	1200
2019-24	CIBC	300	0.625	Jul 21 - Sep 21	3	900
2019-25	NBC	300	0.625	Jul 21 - Sep 21	3	900
2019-26	CIBC	200	0.638	Jan 20	1	200
2019-27	CIBC	500	0.628	Jan 21	1	500
2019-28	Scotia	500	0.628	Jan 21	1	500
2019-29	Scotia	300	0.625	June 20	1	300