

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

The 2020 budget price for diesel fuel was \$1.03 per litre. Forecast volumes were 46.4 million litres for a total budget of approximately \$47.80 million. Actual volumes were 41.47 million litres and the average price was \$0.97 for a total cost of approximately \$40.20 million generating cost savings of approximately \$7.6 million versus the budget. Floating rate prices averaged \$0.80 per litre in 2020. The 2020 impact from hedging was \$0.17 per litre for a total all-in cost of \$0.97 per litre.

- 2020 - To secure the 2020 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 2020.
- 2021 and 2022 - Treasury, in conjunction with the Supply Branch and Transit Services, entered into Bank Swap Agreements to fix 40% of 2021 and 10% of 2022 anticipated diesel fuel consumption.
- Future dated Bank Swaps held by the City had a mark-to-market value of \$2.86 million in favor of the Banks as at December 31, 2020.

All agreements entered during 2020 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, 2020***

<b>ID</b>	<b>Bank</b>	<b>Litres/month (1000's)</b>	<b>Fixed Price</b>	<b>Maturity schedule</b>	<b>Total Months</b>	<b>Total Litres (1,000's)</b>
2019-6	CIBC	500	0.69	Jan 21 - Mar 21	3	1500
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
2019-23	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
2019-27	CIBC	500	0.628	Jan 21	1	500
2019-28	Scotia	500	0.628	Jan 21	1	500
2020-5	CIBC	500	0.6225	Oct 21 - Dec 21	3	1500
2020-6	Scotia	250	0.62	Oct 21 - Dec 21	3	750
2020-7	NBC	250	0.6225	Oct 21 - Dec 21	3	750

**Statement of outstanding Transactions as of Dec 31, 2020, Continued**

<b>ID</b>	<b>Bank</b>	<b>Litres/month (1000's)</b>	<b>Fixed Price</b>	<b>Maturity schedule</b>	<b>Total Months</b>	<b>Total Litres (1,000's)</b>
2020-8	Scotia	300	0.6225	Apr 21 - Jun 21	3	900
2020-9	CIBC	400	0.6215	Apr 21 - Jun 21	3	1200
2020-10	RBC	300	0.6225	Apr 21 - Jun 21	3	900
2020-11	CIBC	500	0.599	Jan 21 Mar 21	3	1500
2020-12	CIBC	250	0.495	Apr 22 - Jun 22	3	750
2020-13	RBC	250	0.495	Apr 22 - Jun 22	3	750
2020-14	CIBC	250	0.49	Jul 22 - Dec 22	6	1500
2020-11	CIBC	500	0.8925	Jul 21 - Sep 21	3	1500