

CITY OF ROCKPORT, INDIANA

RESOLUTION NO. 2008-3

WHEREAS, energy prices are rapidly increasing, the Common Council of the City of Rockport resolves to identify methods to create consumer savings, to stabilize energy costs, and to hold down utility rate increases for the natural gas consumers of the City of Rockport and the City of Rockport itself as a natural gas consumer with fiduciary responsibilities, the Common Council of the City of Rockport resolves to combine efforts with other Indiana municipalities to help stabilize and lower natural gas rates to their Consumers, and

WHEREAS, it is the City's understanding that the projected cost of synthetic natural gas (SNG) from the proposed Indiana Gasification LLC plant will be lower to Indiana natural gas suppliers than the market prices from traditional sources, resulting in savings to Indiana natural gas consumers, and

WHEREAS, it is the City's further understanding that Indiana Gasification LLC's synthetic natural gas would provide both price hedges and supply hedges for consumers against and future natural gas shortages and rate increases, and

WHEREAS, Vectren has announced another possible 35% rate increase in natural gas for next winter in the Evansville Courier and Press, and

WHEREAS, it is the City's understanding that, over 30 years, SNG savings to Indiana consumers are projected to be at least between 200 million to 1 billion dollars in savings, and

WHEREAS, the City of Rockport recognizes the stability of synthetic natural gas produced from stable local coal reserves versus the uncertainty of open market natural gas produced from offshore and distant suppliers subject to the whims of foreign governments and hurricanes, and

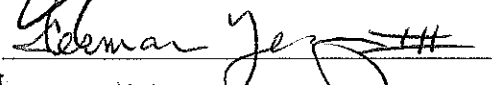
WHEREAS, Indiana natural gas utilities might refuse to participate in purchasing Indiana Gasification LLC's synthetic natural gas, the City proposes that Indiana consumers and municipalities be held harmless by the Indiana Utility Regulatory Commission for the rate increases that Indiana consumers and municipalities are made to bear because the Indiana natural gas utility serving them chose not to buy gas from the Indiana Gasification LLC plant, and

WHEREAS, it is the City of Rockport's responsibility to seek utilities cost savings for its taxpayers and natural gas rate payers, the City of Rockport will join with other impacted municipalities to approach the Indiana legislature about following the precedent of other states in requiring natural gas utilities to procure synthetic gas from in-state gasification resources:

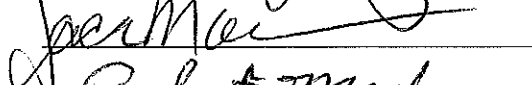
NOW THEREFORE BE IT RESOLVED that the Common Council of the City of Rockport adopts this resolution and calls on Governor Daniels and Legislative representatives at both the State and Federal level to lend their support for the Indiana Gasification LLC Plant. APPROVED by the Common Council of the City of Rockport, Spencer County, Indiana THIS 25<sup>th</sup> DAY OF JUNE, 2008.



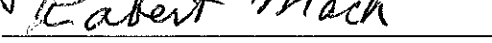
MAYOR



COUNCIL MEMBER



COUNCIL MEMBER




COUNCIL MEMBER

\_\_\_\_\_

COUNCIL MEMBER

\_\_\_\_\_

COUNCIL MEMBER

ATTEST:   
Clerk-Treasurer