

Hedging Agreement for Energy Prices

Date: [Insert Date]

[Recipient's Name]
[Recipient's Position]
[Company Name]
[Company Address]
[City, State, Zip Code]

Dear [Recipient's Name],

Subject: Hedging Agreement for Energy Prices

This letter serves as a formal agreement for hedging energy prices between [Your Company Name] and [Recipient's Company Name]. The objective of this agreement is to mitigate the risks associated with fluctuating energy prices through a financial hedging strategy.

- 1. Scope of Hedging:** The parties agree to hedge against energy price fluctuations for the period of [Start Date] to [End Date].
- 2. Hedging Instruments:** The hedging will be executed through [specify instruments, e.g., futures contracts, options, etc.].
- 3. Pricing Details:** The agreed average price for hedging will be [Insert Price].
- 4. Fees:** Any fees associated with the hedging transactions will be borne by [specify responsibility for fees].
- 5. Termination:** This agreement may be terminated by either party with [Insert Notice Period] notice.

We look forward to your confirmation of this agreement. Please feel free to reach out for any clarifications.

Best regards,

[Your Name]
[Your Position]
[Your Company Name]
[Your Company Address]
[City, State, Zip Code]
[Your Email Address]
[Your Phone Number]