



Legislation Text

File #: ORD-0143-2003, **Version:** 1

TO AUTHORIZE THE MAYOR TO ENTER INTO CONTRACT WITH EITHER WPS ENERGY SERVICES, INC., OR GREEN MOUNTAIN ENERGY COMPANY FOR THE PROVISION OF COMPETITIVE RETAIL ELECTRIC AGGREGATION SERVICES AND POWER SUPPLY, FOR THE CITY OF GAHANNA; TO REPEAL ORD-0235-2002.

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WHEREAS, the Ohio Revised Code, Section 4928.20 permits a municipality to aggregate customers within their jurisdiction in order to facilitate customer choice in electric power suppliers and to promote lower cost electric utility services within the City; and

WHEREAS, the electors of the City of Gahanna authorized the City to act as an aggregator on behalf of the American Electric Power Company customers located within the boundaries of the City; and

WHEREAS, the City adopted a plan of operation and governance for the implementation of the City's Municipal Electric Aggregation Program in accordance with Ohio Revised Code Section 4928.20(C); and

WHEREAS, the City entered into an agreement with AMPO, Inc., to provide management services for the electric aggregation program; and

WHEREAS, AMPO, Inc., has recommended that the City negotiate the framework of a contract with an outside supplier for the provision of competitive retail electric aggregation services and power supply; and

WHEREAS, WPS Energy Services, Inc. and Green Mountain Energy Company are the only 2 suppliers working with AEP in this territory; and

WHEREAS, the wholesale market is being watched for Gahanna and 4 other communities and this market is a dynamic pricing fixture that changes daily and the City may not have sufficient time to pass legislation in its normal manner; and

WHEREAS, the Director of Public Service is recommending that we have everything in place so we can act quickly by passing legislation allowing a contract with either company upon a written recommendation from AMPO; and

WHEREAS, it is desirable and prudent to effect this contract at the earliest possible date, all for the preservation of the public peace, health, safety and welfare;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GAHANNA, STATE OF OHIO:

Section 1. That the Mayor is hereby authorized to enter into contract with WPS Services, Inc., ("WPS") or Green Mountain Energy Company, for the provision of competitive retail electric aggregation services and power supply, on the basis of their proposals attached hereto as EXHIBIT A.

Section 2. That either agreement ("Agreement") authorized by this Ordinance shall, at a minimum, include the

following terms and conditions, notwithstanding any contrary provision of the Proposal:

- (a) That savings to residential customers in rate code RR-103 will range from 3% to 5% of the annualized average price to compare, at a minimum;
- (b) That the company shall provide a Plan of Operations established pursuant to R.C. Section 4928.01 et. seq., and in consultation with the City of Gahanna and its consultant, AMPO, Inc., to City Council for approval prior to its submission to the Public Utilities Commission of Ohio;
- (c) That the terms of the Agreement shall not be amended without the express authorization of City Council;
- (d) That the terms of the Agreement shall be through the end of the retail electric market development period ending in December 2005, unless terminated sooner as provided for in the Agreement;
- (e) That the Mayor or her designee shall be informed of any vendors used for soliciting customers or promotion of services by WPS or Green Mountain;
- (f) That the Agreement shall not be transferred or assigned by WPS or Green Mountain without prior authorization of City Council.

Section 3. That all advertisements, brochures, public relation and consumer education materials produced by or for the City in relation to the Proposal and the Agreement authorized herein shall be submitted to the Mayor or her designee for review and approval prior to dissemination.

Section 4. That ORD-0235-2002 authorizing the Mayor to enter into contract with WPS Energy Services is hereby repealed.

Section 5. That this Council finds and determines that all formal actions of this Council concerning and relating to the adoption of this Ordinance were taken in an open meeting of this Council and that all deliberation of this Council and any of its committees that resulted in this formal action were in compliance with the Law.

Section 5. That, for the reasons set forth in the preamble hereinabove, this ordinance is declared emergency legislation, and shall be in full force and effect after passage by this Council and on date of signature approval by the Mayor.