

Ord No.: 3027-2018

Information to be included in all Legislation Modifying Contracts:

The names of all companies bidding, or submitting an RFP or RFSQ, for the original contract.

AEP Energy Partners, Inc.
AMP
Constellation
Morgan Stanley

The location by City and State of all companies bidding, or submitting an RFP or RFSQ, for the original contract.

AEP Energy Partners, Inc. – Columbus, OH
AMP – Columbus, OH
Constellation – Baltimore, MD
Morgan Stanley – Purchase, NY

The status, Majority, MBE, FBE, of all companies bidding, or submitting an RFP or RFSQ, for the original contract.

AEP Energy Partners, Inc. - Majority
AMP - Majority
Constellation - Majority
Morgan Stanley - Majority

The name and location of the firm awarded the original contract and the Contract Number.

AEP Energy Partners, Inc., 303 Marconi Blvd., Columbus, OH 43215 – PA001193 / PO013539

A description of work performed to date as part of the contract and a full description of work to be performed during any future phasing of the contract.

Under a contract authorized by Ord. #2289-2012, AEP Energy Partners, Inc. will provide full requirements of capacity and energy for the Division of Power's needs, excluding certain miscellaneous sources, at a fixed price for electrical energy for each year of a multi-year contract.

An updated contract timeline to contract completion.

The contract began January 1, 2017 and ends December 31, 2020. The City executed amendments to extend this agreement the first being a term from June 1, 2018 to November 30, 2019, and the second from December 1, 2019 to December 31, 2020.

A description of any and all modifications to date including the amounts of each modification and the Contract Number associated with any modification to date. (List each modification separately)

Modification #1 - \$56,402,000.00 – PO053454

Modification #2 - \$57,200,000.00 – PO104750

Amendment #3 - \$0.00 (Pending)

A full description of the work to be performed as part of the proposed contract modification. (Indicating the work to be a logical extension of the contract is not sufficient explanation)

Part of this agreement calls for passing-through certain costs from the regional electric grid operator, PJM Interconnection, LLC. These costs are related to transmission, reliable capacity, and other ancillary grid functions. PJM acts as a Regional Transmission Operator (RTO) under the authority of the Federal Energy Regulatory Commission (FERC).

If the contract modification was not anticipated and explained in the original contract legislation a full explanation as to the reasons the work could not have been anticipated is required. (Changed or field conditions is not sufficient explanation. Describe in full the changed conditions that require modification of the contract scope and amount.)

In the course of operating under the agreement, a disagreement has arisen over the intent of the contract document to address the energy associated with transmission losses, and the party responsible for its cost. Additionally, PJM has changed its cost allocation formulas for certain items covered by the power supply agreement, and new charges, not presently covered by the agreement, are expected to be assessed by PJM in the upcoming months. The Department's outside legal counsel has worked with AEP Energy Partners to mutually develop the proposed amendment. The amendment addresses these concerns by putting sharing formulas in place, and directs that partial refunds be made to the City for past amounts paid by the Division to AEP Energy Partners. Also, from time to time, certain capacity credits may accrue to the City because its power supply is obtained through the PJM RTO process. This amendment authorizes AEP Energy Partners, during the agreement's term and with the Division's consent, to sell these credits if beneficial to the City.

An explanation of why the work to be performed as part of the contract modification cannot be bid out. (Indicating the work to be a logical extension of the contract is not sufficient explanation)

This work is a continuation of the original contract,

A cost summary to include the original contract amount, the cost of each modification to date (List each modification separately), the cost of the modification being requested in the legislation, the estimated cost of any future known modifications and a total estimate of the contract cost.

Original CT - \$ 9,700,000.00 – PO013539
Modification #1 - \$56,402,000.00 – PO053454
Modification #2 - \$57,200,000.00 – PO104750
Amendment #3 - \$ 0.00 - Pending

Note: The Contract should be considered to include any and all work that is anticipated to be awarded to the company awarded the original contract throughout the contract/project timeline. This includes the original contract and any and all future anticipated modifications to the contract to complete the contract/project.