



City of Columbus

Office of City Clerk
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Legislation Text

File #: 1167-2016, **Version:** 1

BACKGROUND: As authorized by Ordinance Number 2289-2012, passed October 29, 2012, the City of Columbus, Department of Public Utilities, Division of Power, through the request for Proposal (RFP) process and waiving the relevant Sections of Chapter 329 of the Columbus City Codes, negotiated with suppliers to provide an essentially full-requirements contract for capacity and energy for its needs, at a fixed-price for electrical energy. Four proposals were received. It was determined that AEP Energy Partners, Inc. met all of our requirements and offered the lowest-priced and most responsive proposal.

This legislation will authorize the Director of Public Utilities to obtain capacity and energy from AEP Energy Partners, Inc. based upon the agreed upon terms and conditions of the contract and authorizes the expenditure in an amount estimated to cover capacity and energy charges during the interim period between the start of the contract, January 1, 2017, and the passage of the 2017 budget. Upon passage of the budget, additional funding will be requested to fund the needs for the remainder of 2017.

AEP Energy Partners, Inc. - Contract Compliance Number: 77-0690681

FISCAL IMPACT: \$55,800,000.00 was budgeted in the 2016 Electricity Operating Fund for purchase power.

To authorize the Director of Public Utilities to obtain capacity and energy for the Division of Power in accordance with terms and conditions of the contract with AEP Energy Partners, Inc.; to authorize the expenditure of \$9,700,000.00 (\$9,700,000.00)

WHEREAS, Ordinance Number 2289-2012, passed October 29, 2012, waived the relevant Sections of Chapter 329 of the Columbus City Codes, to authorize the Director of Public Utilities to negotiate and enter into contract for purchase power; and

WHEREAS, four proposals were received and through negotiations it was determined the AEP Energy Partners, Inc. met all requirements and offered the lowest-priced and responsive proposal; and

WHEREAS, it is immediately necessary to provide funding for the purchase of capacity and energy prior to the expiration of the current contract; and

WHEREAS, it has become necessary in the usual daily operation of the Division of Power, of the Department of Public Utilities, to authorize the Director to obtain and provide funding for capacity and energy in accordance with the terms and conditions of the contract with AEP Energy Partners, Inc., all for the public health, safety and welfare; now, therefore,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That the Director of Public Utilities be and is hereby authorized to obtain capacity and energy for the Division of Power in accordance with terms and conditions of the contract with AEP Energy Partners, Inc.

SECTION 2. That the funds necessary to carry out the purpose of this ordinance are hereby deemed appropriated, and the City Auditor shall establish such accounting codes as necessary.

SECTION 3. That the expenditure of \$9,700,000.00, or so much thereof as may be needed, is hereby authorized in Funds 6300 (Electricity Operating), in object class 02 Material and Supplies per the accounting codes in the attachment to this ordinance.

SECTION 4. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.