



Legislation Text

File #: 0260-2015, **Version:** 1

BACKGROUND: This ordinance authorizes the Director of Public Utilities to modify Contract Number EL013649 with Central Ohio Bio-Energy, LLC, ('COBE') majority owned by Quasar Energy Group, a Cleveland, Ohio based waste-to-energy company. COBE designs, builds and operates anaerobic digester systems that produce renewable energy in the form of electricity. COBE and the Division of Power, executed an interconnection agreement (Columbus Ordinance #1285-2010) pursuant to which the Generating Facility is interconnected as a "behind the meter" generation unit. This unit is technically capable of producing approximately 6,500,000 kWh per year of excess electricity.

Amount of additional funds to be expended: \$150,000.00

Reasons additional goods/services could not be foreseen: The Division of Power currently has a contract in place to purchase excess electricity from the Generating Facility. This legislation authorizes increases in the amounts of the contract to cover the needs for 2015.

Reason other procurement processes are not used: The City of Columbus, Department of Public Utilities is obligated by contract to purchase excess energy from COBE.

How cost of modification was determined: This modification is based upon estimated requirements for 2015 at rates as established in the existing contract.

Contract Compliance Number: 26-1698590, **Expires:** 01/16/2017

The company is not debarred according to the Excluded Party Listing System of the Federal Government or prohibited from being awarded a contract according to the Auditor of State Unresolved Findings for Recovery Certified Search.

Emergency action is requested in order that purchases may continue without interruption and payments can be made on a timely basis.

FISCAL IMPACT: The amount budgeted in the Electricity Operating Fund 550 for all purchase power needs is \$55,900,000. The total amounts spent for purchase power in 2013 and 2014 were \$58,512,594.79 and \$54,297,038.55, respectively.

This ordinance is contingent on the passage of the 2015 operating budget.

To authorize the Director of Public Utilities, Division of Power to modify an existing contract with Central Ohio Bio-Energy, LLC, a waste to energy company; to authorize the expenditure of \$150,000.00 from the Electricity Operating Fund; and to declare an emergency. (\$150,000.00)

WHEREAS, it is necessary to increase the existing contract to purchase excess energy from COBE as required in 2015 by the Division of Power; and

WHEREAS, emergency action is requested in order that purchases may continue without interruption and payments for purchased power may be made on a timely basis; and,

WHEREAS, an emergency exists in the usual daily operation of the Department of Public Utilities, Division of Power, in that it is necessary to modify the contract with COBE, for the purchase of excess energy for the immediate preservation of

the public health, peace, property, 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 modify the existing contract EL013649 with COBE by increasing the amount by \$150,000.00.

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 this modification is in accordance with Chapter 329 of the Columbus City Codes.

SECTION 4. That the expenditure of \$150,000.00, or so much thereof as may be needed, is hereby authorized from the Electricity Operating Fund 550, Division No. 60-07, OCA 600830, Object Level Three 2233.

SECTION 5. That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the mayor or ten days after passage if the Mayor neither approves nor vetoes the same.