



City of Columbus

Office of City Clerk
90 West Broad Street
Columbus OH 43215-9015
columbuscitycouncil.org

Legislation Text

File #: 0149-2005, **Version:** 1

BACKGROUND: This ordinance authorizes the modification of Contract Number EL000875 assigned to Constellation Energy Commodities Group for the purchase of wholesale electric power required in 2005.

Amount of additional funds to be expended: \$28,427,414.00

Reasons additional goods/services could not be foreseen: The Division of Electricity currently has a contract in place with Constellation Energy Commodities Group for the purchase of wholesale electricity. This legislation authorizes an increase in the amount of the contract to cover needs for 2005.

Reason other procurements processes are not used: The existing contract is in effect until 2008. This modification is for funding purposes only.

How cost of modification was determined: The modification is based upon estimated requirements for 2005 at rates as established in the existing contract.

Contract Compliance Number: 522019332

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

FISCAL IMPACT: The 2005 Division of Electricity budget authority for purchase power is \$40,605,000. The total purchased power expenditures for 2003 and 2004 were \$34,512,302 and \$33,323,807, respectively.

To authorize the Director of Public Utilities to modify the existing contract for the purchase of wholesale electric power with Constellation Energy Commodities Group for the Division of Electricity, under the provisions of Columbus City Codes, to authorize the expenditure of \$26,520,000.00 from the Division of Electricity Operating Fund, and to declare an emergency. (\$26,520,000.00)

WHEREAS, on December 21, 2000, under the authority of Ordinance Number 2587-00, passed November 27, 2000, and amended by Ordinance Number 2657-00, passed December 4, 2000, the City of Columbus entered into Contract No. EL-000875 with CMS Marketing, Services and Trading Company for Wholesale Energy Management; and

WHEREAS, Ordinance Number 536-03, passed April 7, 2003, authorized the assignment of the CMS Marketing, Services and Trading Company contract to Constellation Power Source, Inc.; and

WHEREAS, in 2004, Constellation Power Source, Inc.'s name was changed to Constellation Energy Commodities Group; and

WHEREAS, it is necessary to modify the existing contract to provide for wholesale electric power and associated services required in 2005 under the provisions of Section 329.13, Columbus City Codes, 1959; 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 Division of Electricity, Department of Public Utilities, in that it is

immediately necessary to modify the contract with Constellation Energy Commodities Group for the purchase of wholesale electric power 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 Contract Number EL000875 with Constellation Energy Commodities Group by increasing the contract amount by \$26,520,000.00, or so much thereof as may be needed, for the purchase of wholesale electric power.

SECTION 2. That this contract modification is in compliance with Section 329.13, of Columbus City Codes, 1959.

SECTION 3. That to pay the cost of the aforesaid contract modification, the expenditure of \$26,520,000.00, or so much thereof as may be needed, is hereby authorized from Division of Electricity Operating Fund 550, Division No. 60-07, OCA Code 606715, Object Level Three 2233.

SECTION 4. That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is 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.