



Legislation Text

File #: 1025-2018, **Version:** 1

BACKGROUND: This legislation authorizes the Director of Finance and Management to modify a Master Retail Energy Sales Agreement with MP2 Energy, LLC for the purpose of adding thirty-nine (39) additional electricity accounts to this contract. Ordinance 2790-2017 authorized the Director of Finance and Management to negotiate with certified energy suppliers in the State of Ohio for the deregulated electric supply of all City owned facilities on the AEP Ohio distribution system.

Pursuant to this ordinance, request for proposals were obtained from potential energy suppliers and with the assistance of the City's Electric Energy Consultant, Scioto Energy LLC, energy supply contract terms and conditions were negotiated. The City then entered into a Master Retail Energy Sales Agreement with MP2 Energy, LLC for electricity supply for all AEP Ohio accounts, with the exception of the aggregated street light account.

Under a routine electricity account audit, Scioto Energy, LLC identified thirty-nine (39) AEP Ohio accounts that were not included in the original Master Retail Energy Sales Agreement, as these accounts were not identified in the original audit. Therefore, this ordinance seeks authority to modify this agreement for the sole purpose of adding these thirty-nine (39) accounts to the master agreement. Doing so will allow the City to obtain lower kWh electricity rates and thus lower annual electricity costs.

FISCAL IMPACT: This ordinance does not seek additional spending authority, only a modification of contract terms for the purpose of adding additional accounts.

EMERGENCY: Emergency action is requested so that additional electricity accounts can be added to the master agreement quickly, thus lowering overall electricity costs to the City.

To authorize the Director of Finance and Management to modify a Master Retail Energy Sales Agreement with MP2 Energy, LLC; and to declare an emergency.

WHEREAS, Ordinance 2790-2017 authorized the Director of Finance and Management to negotiate with certified energy suppliers in the State of Ohio for the deregulated electric supply of all City owned facilities on the AEP Ohio distribution system; and

WHEREAS, pursuant to this ordinance, request for proposals were obtained from potential energy suppliers and with the assistance of the City's Electric Energy Consultant, Scioto Energy LLC, energy supply contract terms and conditions were negotiated; and

WHEREAS, the City entered into a Master Retail Energy Sales Agreement with MP2 Energy, LLC for electricity supply for all AEP Ohio accounts, with the exception of the aggregated street light account; and

WHEREAS, it is necessary to modify this agreement for the sole purpose of adding thirty-nine (39) accounts to the master agreement. Doing so will allow the City to obtain lower kWh electricity rates and thus lower annual electricity costs; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Finance and Management, in that it is immediately necessary to authorize the Director to modify a Master Retail Energy Sales Agreement with MP2 Energy,

LLC so that annual electricity costs can be lowered, 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 Finance and Management is hereby authorized to modify a Master Retail Energy Sales Agreement with MP2 Energy, LLC.

SECTION 2. That the City Auditor is authorized to make any accounting changes to revise the funding source for all contracts or contract modifications associated with this ordinance.

SECTION 3. That for 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.