

## **ORDINANCE NO. 07-62 AC CMS**

**AN ORDINANCE AUTHORIZING THE CITY MANAGER TO EXECUTE A POWER PURCHASE SCHEDULE WITH AMERICAN MUNICIPAL POWER - OHIO, INC. ("AMP-OHIO") IN ORDER TO SELL THE MUNICIPALITY'S PROJECT SHARE OF CAPACITY AND ASSOCIATED ENERGY PURSUANT TO COMBUSTION TURBINE POWER SCHEDULE TO AMP-OHIO.**

**WHEREAS, the City of Oberlin, Ohio (the "Municipality"), and AMP-Ohio, collectively referred to as Parties, and individually referred to as a Party, have entered into a Master Services Agreement dated November 5, 2005, pursuant to which the provision of energy and other services between the Parties may be provided under Schedules thereto; and**

**WHEREAS, Municipality and AMP-Ohio have entered into a Power Schedule dated November 30, 2006, known as the Combustion Turbine Power Schedule (AMP-Ohio Contract No. #C-11-2005-4585-R), wherein the Municipality has agreed to purchase 2,500 kW of energy and associated energy from AMP-Ohio; and**

**WHEREAS, the Municipality is a participant in the Richard H. Gorsuch Generating Station (herein "RHGS") Project which can beneficially use reserve capacity and associated energy in the event of interruption of the supply of capacity and associated energy from the RHGS Project; and**

**WHEREAS, other AMP-Ohio member municipalities who are participants in the RHGS Project have also entered into a Combustion Turbine Power Schedule and have agreed to sell their purchase of capacity and associated energy, either in part or in whole, to AMP-Ohio for the purposes of reserve power for the RHGS Project and the Municipality as a participant in the RHGS Project supports the purchase of the Combustion Turbine Power by AMP-Ohio for the RHGS Project for the remaining term of the RHGS Project.**

**NOW THEREFORE, BE IT ORDAINED by the Council of the City of Oberlin, County of Lorain, State of Ohio, a majority of all members elected thereto concurring:**

**SECTION 1. That the form of Power Purchase Schedule, RHCT1, attached hereto as Exhibit 1, be and the same hereby is, approved, subject to and with any and all changes provided herein and therein.**

**SECTION 2. That the City Manager is hereby authorized and directed to execute the Power Purchase Schedules, RHCT1, on behalf of the Municipality.**

**SECTION 3. That it is found and determined that all formal actions of this Council concerning and relating to the adoption of this ordinance were adopted in an open meeting of the Council, and that all deliberations of this Council and any of its**

committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements.

**SECTION 4.** If any section, subsection, paragraph, clause or provision or any part thereof of this ordinance shall be finally adjudicated by a court of competent jurisdiction to be invalid, the remainder of this ordinance shall be unaffected by such adjudication and all the remaining provisions of this ordinance shall remain in full force and effect as though such section, subsection, paragraph, clause or provision or any part thereof so adjudicated to be invalid had not, to the extent of such invalidity, been included herein.


**SECTION 5.** That this ordinance is hereby declared an emergency measure necessary for the immediate preservation of the public peace, health and safety of the citizens of the City of Oberlin, Ohio, or to provide for the usual daily operation of a municipal department, to wit;

"to finalize sale of known capacity share of combustion turbine project to AMP-Ohio in a timely manner", and shall take effect immediately upon passage.

Passed: 1<sup>st</sup> Reading – July 16<sup>th</sup>, 2007(E)  
2<sup>nd</sup> Reading -  
3<sup>rd</sup> Reading -

Attest:

  
Clerk of Council

  
President of Council

POSTED: July 17, 2007

EFFECTIVE DATE: July 17, 2007

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The City of Oberlin, Ohio  
POWER PURCHASE SCHEDULE RHCT1  
(AMP-Ohio Contract No. C-11-2005-4586)  
to  
American Municipal Power-Ohio, Inc., and  
The City of Oberlin, Ohio  
MASTER SERVICE AGREEMENT  
(AMP-Ohio Contract No. C-11-2005-4444)

This Power Purchase Schedule is entered into this 3rd day of August, 2007, by and between the City of Oberlin, Ohio, a municipal corporation organized and existing under the laws of Ohio (herein "Municipality") and American Municipal Power-Ohio, Inc., an Ohio corporation not for profit (herein "AMP-Ohio").

WITNESSETH:

WHEREAS, the Municipality and AMP-Ohio, collectively referred as Parties, and individually referred to as a Party, have entered into a Master Services Agreement (AMP-Ohio Contract No. C-11-2005-4444), pursuant to which the provision of energy and other services between the Parties may be provided under Schedules thereto; and

WHEREAS, the Municipality is also a participant in the Richard H. Gorsuch Generating Station (herein "RHGS") Project; and

WHEREAS, Municipality and AMP-Ohio have entered, or will be entering, into a Power Schedule dated November 30, 2006, known as the Combustion Turbine Power Schedule wherein the Municipality has agreed to purchase a share of Project Capacity and Project Share of Output in an amount equal to 2,500 kilowatts (kW) from the 2005 Combustion Turbine Project; and

WHEREAS, Municipality desires to sell, and AMP-Ohio desires to purchase, 2,500 kilowatts from the Municipality's share of Project Capacity and Project Share of Output, which AMP-Ohio agrees

sell to the RHGS Participants to provide reserve capacity and associated energy to RHGS Participants, which the RHGS Participants agree to purchase; and

WHEREAS, other AMP-Ohio member municipalities, who are also RHGS Project Participants, have entered, or will enter, into a Combustion Turbine Power Schedule and have agreed, or will agree, to sell their share of Project Capacity and Project Share of Output, either in part or in whole, to AMP-Ohio for the purposes of providing reserve capacity and associated energy for the RHGS Project and the Municipality as a participant in the RHGS Project supports the purchase of the Combustion Turbine Power by AMP-Ohio for the RHGS Project for the remaining term of the RHGS Project.

NOW, THEREFORE, in consideration of the following mutual promises and considerations, the Municipality and AMP-Ohio agree as follows:

### **Section 1 – Definitions**

1.1 Master Services Agreement is the agreement between AMP-Ohio and Municipality otherwise identified as AMP-Ohio contract number C-11-2005-4444, that sets forth the terms and conditions of the provision of services between Municipality and AMP-Ohio of which this Power Purchase Schedule becomes a part.

1.2 Combustion Turbine Power Schedule is the Schedule between AMP-Ohio and Municipality, otherwise identified as AMP-Ohio contract number C-11-2005-4585, that sets forth the terms and conditions of the purchase of Municipality's share of Project Capacity and Project Share of Output.

1.3 Power Purchase Schedule RHCT1 is this agreement between AMP-Ohio and Municipality, AMP-Ohio contract no. C-11-2005-4586 wherein Municipality agrees to sell, and AMP-Ohio agrees to purchase a portion of Municipality's share of Project Capacity and Project Share of Output from the Combustion Turbine Power Schedule.

### **Section 2 – Services**

Municipality hereby agrees to sell, and AMP-Ohio agrees to purchase, 2,500 kilowatts from the Municipality's share of Project Capacity and Project Share of Output. AMP-Ohio agrees to sell the 2,500 kilowatts from the Municipality's share of Project Capacity and Project Share of Output to the

RHGS Project Participants to provide reserve capacity and associated energy for the RHGS Project. Municipality hereby authorizes the purchase from AMP-Ohio of the 2,500 kilowatts from the Municipality's share of Project Capacity and Project Share of Output sold to AMP-Ohio pursuant to this Schedule for the remaining term of the RHGS Project.

### **Section 3 – Term**

The terms and conditions of this Power Purchase Schedule shall be coterminous with the terms and conditions of the RHGS Project and the Combustion Turbine Power Schedule. This Power Purchase Schedule shall remain in effect during the term of the RHGS Project and the Combustion Turbine Power Schedule. This Power Purchase Schedule shall terminate upon the earlier of: 1) the termination of the RHGS Project; or 2) the termination of the Combustion Turbine Power Schedule. In the event the RHGS Project terminates prior to the Combustion Turbine Power Schedule, the Municipality's capacity and associated energy purchased pursuant to the Combustion Turbine Power Schedule and ultimately sold to the RHGS Project Participants shall revert back to the Municipality's control for the Municipality's use at the Municipality's discretion.

### **Section 4 – Rates and Charges**

AMP-Ohio shall compensate Municipality for all capacity and energy scheduled and received by AMP-Ohio at the rate paid by the Municipality pursuant to the Combustion Turbine Power Schedule. All of the capacity and associated energy sold under this arrangement is considered unit firm based on Municipality's available Project Share of Output from the Combustion Turbine Power Schedule. AMP-Ohio shall provide the Municipality with a credit in the amount that AMP-Ohio has incurred for the purchase of the Project Share of Output pursuant to this Power Purchase Schedule on the Municipality's monthly billing statement from AMP-Ohio for amounts due to AMP-Ohio for other services provided by AMP-Ohio to Municipality.

### **Section 5 – Delivery Points**


The Delivery Point, pursuant to this Schedule shall be at the electrical connection between the Combustion Turbine Generating Units and the host communities of Galion, Bowling Green and Napoleon. AMP-Ohio will be responsible for any transmission of the electricity and associated energy provided pursuant to this Power Purchase Schedule.

**Section 6 – Miscellaneous**

All other terms and conditions of the Master Services Agreement and Combustion Turbine Power Schedule that are not otherwise inconsistent with this Power Purchase Schedule shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have caused this Power Purchase Schedule to be executed by their proper officers respectfully, being duly authorized, and their respective corporate seals, if any, to be hereto affixed.

**CITY OF OBERLIN, OHIO**

By: 

Title: INTERIM CITY MANAGER

Date: July 20, 2007

**APPROVED AS TO FORM:**

By:   
Municipal Legal Advisor

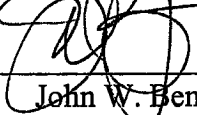
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**AMERICAN MUNICIPAL POWER-OHIO, INC.**

By:   
Marc S. Gerken, PE, President

Date: 8/3/07

**APPROVED AS TO FORM:**

By:   
John W. Bentine, Esq.  
General Counsel

Date: 8-27-07