

Resolution No. _____

Passed _____

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RESOLUTION NO. 15 - 12

A RESOLUTION TO APPROVE THE FORM AND AUTHORIZE THE EXECUTION OF BLUE CREEK WIND ENERGY SCHEDULE WITH AMERICAN MUNICIPAL POWER, INC. AND TAKING OF OTHER ACTIONS IN CONNECTION THEREWITH REGARDING WIND GENERATED ENERGY PURCHASES AND DECLARING AN EMERGENCY.

WHEREAS, the City of Orrville, Ohio, owns and operates an electric utility system for the sale of electric capacity and associated energy for the benefit of its citizens and taxpayers; and

WHEREAS, in order to satisfy the electric capacity and energy requirements of its electric utility system, the City of Orrville has heretofore purchased, or desires to purchase in the future, economical, reliable and environmentally sound capacity and energy and related services from, or arranged by, American Municipal Power, Inc. ("AMP"), of which the City of Orrville is a member; and

WHEREAS, AMP is an Ohio nonprofit corporation, organized to own and operate facilities, or to provide otherwise, for the generation, transmission or distribution of electric capacity and energy, or any combination thereof, and to furnish technical services on a cooperative, nonprofit basis, for the mutual benefit of AMP members, such Members, including the City of Orrville, being political subdivisions that operate municipal electric utility systems in Ohio, Kentucky, Michigan, Pennsylvania, Virginia and West Virginia; and

WHEREAS, the City of Orrville, acting individually and through AMP with other political subdivisions of this and other states that own and operate electric utility systems, jointly, endeavors to arrange for reliable, environmentally sound and reasonably priced supplies of electric capacity and energy and related services for ultimate delivery to its customers; and

WHEREAS, it is efficient and economical to act jointly in such regard; and

WHEREAS, the City of Orrville has previously entered into a Master Services Agreement with AMP, AMP Contract No. C-1-2006-4739, which contemplates that the City of Orrville shall enter into various schedules for the provision of capacity and associated energy and related services from AMP to the City of Orrville; and

WHEREAS, certain Members, including the City of Orrville have determined that they can utilize additional sources of reliable and economical wind generated electric capacity and energy on a long term basis at reasonable costs, and have requested that AMP arrange for the same by developing or otherwise acquiring interests in certain wind energy facilities ("Wind Facilities"); and

WHEREAS, in furtherance of this purpose, AMP and Blue Creek Wind Farms, LLC ("Blue Creek"), have entered into an agreement (the "Blue Creek Wind Energy Agreement") under the terms of which AMP is to purchase and Blue Creek is to supply and sell up to 54 MW of capacity and associated energy from Wind Facilities in Van Wert, Ohio for a period of ten (10) years; and

WHEREAS, it is necessary and desirable for the City of Orrville to enter into the Blue Creek Wind Energy Schedule to Municipalities Master Services Agreement with AMP to provide for an additional source of capacity and energy; and

WHEREAS, Members now have the right, but not the obligation by the enactment of this Resolution to authorize and request AMP to acquire capacity and energy from Wind Facilities by approval and execution of the Blue Creek Wind Energy Schedule authorized below; and

WHEREAS, prior to the adoption of this Resolution AMP has (i) informed the City of Orrville of the terms of the Blue Creek Wind Energy Agreement; (ii) provided the City of Orrville the opportunity to review the Blue Creek Wind Energy Agreement; and (iii) offered representatives of the City of Orrville the opportunity to ask such questions, review data and reports, conduct inspections and otherwise perform such investigations with respect to, as applicable, the acquisition of capacity and energy and the terms and conditions of the Blue Creek Wind Energy Schedule authorized below as the City of Orrville deems necessary or appropriate in connection herewith; and

WHEREAS, after due consideration, the City of Orrville has determined it is reasonable and in its best interests to proceed as authorized herein below and requests and authorizes AMP to acquire capacity and energy from Blue Creek upon those terms and conditions set forth in the Blue Creek Wind Energy Agreement, attached hereto as Exhibit A.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ORRVILLE, OHIO:

SECTION 1: That the Blue Creek Wind Energy Schedule between the City of Orrville and AMP, substantially in the form attached hereto or on file with the Clerk, including Exhibits thereto,

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are approved, and the Director of Utilities of the City of Orrville is hereby authorized to execute and deliver the Blue Creek Wind Energy Schedule with such changes as the Director of Utilities may approve as neither inconsistent with this Resolution nor materially detrimental to the Municipality, his or her execution of the Blue Creek Wind Energy Schedule to be conclusive evidence of such approval.

SECTION 2: That the Director of Utilities is hereby authorized to (i) acquire under the Blue Creek Wind Energy Schedule, authorized above, a Contract Amount as defined in that Schedule of up to 2000 KW without bid, and (ii) make any determinations and approvals required thereunder, if any, as the Director of Utilities shall deem necessary and advisable.

SECTION 3: If any section, subsection, paragraph, clause or provision or any part thereof of this Resolution shall be finally adjudicated by a court of competent jurisdiction to be invalid, the remainder of this Resolution shall be unaffected by such adjudication and all the remaining provisions of this Resolution 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 4: That this Resolution shall take effect at the earliest date allowed by law.

SECTION 5: That it is found and determined that all formal actions of this Council concerning and relating to the passage of this Resolution were taken in conformance with applicable open meetings laws and that all deliberations of this Council of the City of Orrville and of any committees that resulted in those formal actions were in compliance with all legal requirements including any applicable open meetings requirement.

SECTION 6: That this Resolution is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, and safety of the City of Orrville, and for the further reason that it is necessary to expand Orrville Utilities' energy portfolio to include green, renewable energy to meet ever increasing EPA mandates and contract enrollment deadlines, and therefore, this ordinance shall be effective immediately after its passage and approval by the Mayor.

Passed this 4th day of June 2012.

Attest:

Jane Stult
Clerk of Council

Approved:

David J. Zamboni
Mayor

Date 6/4/12

[Signature]
President of Council