

Resolution No. _____

Passed

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RESOLUTION NO. 4 -09**A RESOLUTION AUTHORIZING THE CITY OF ORRVILLE TO AGGREGATE DEMAND RESPONSE OF RETAIL CUSTOMERS IN ACCORDANCE WITH FERC ORDER 719, AND TAKING OTHER ACTIONS IN CONNECTION THEREWITH, AND DECLARING AN EMERGENCY.**

WHEREAS, the City of Orrville, Ohio (hereinafter "Municipality") owns and operates an electric utility system for the sale of electric power and associated energy for the benefit of its citizens and taxpayers; and

WHEREAS, On October 28, 2008 the Federal Energy Regulatory Commission ("FERC" or "Commission") issued Order No. 719, 125 FERC ¶ 61,071, 73 Fed. Reg. 64,099 ("Order 719").

WHEREAS, Order 719, 18 C.F.R. § 35.28(g)(1)(iii) provides: "Each Commission-approved independent system operator and regional transmission organization must permit a qualified aggregator of retail customers to bid demand response on behalf of retail customers directly into the Commission-approved independent system operator's or regional transmission organization's organized markets, unless the laws and regulations of the relevant electric retail regulatory authority expressly do not permit a retail customer to participate."

WHEREAS, Order No. 719, 18 C.F.R. § 35.28(g)(1)(i)(A) provides: "Every Commission-approved independent system operator or regional transmission organization that operates organized markets based on competitive bidding for energy imbalance, spinning reserves, supplemental reserves, reactive power and voltage control, or regulation and frequency response ancillary services (or its functional equivalent in the Commission-approved independent system operator's or regional transmission organization's tariff) must accept bids from demand response resources in these markets for that product on a basis comparable to any other resources, if the demand response resource meets the necessary technical requirements under the tariff, and submits a bid under the Commission-approved independent system operator's or regional transmission organization's bidding rules at or below the market-clearing price, unless not permitted by the laws or regulations of the relevant electric retail regulatory authority."

WHEREAS, the Council of the Municipality has determined that it would be harmful to the demand response program to be implemented by the Municipality, the collective interests of the Municipality's electric utility system, and the Municipality's retail customers, to permit any entity other than the Municipality to aggregate demand response on behalf of its retail customers.

BE IT RESOLVED by the Council of the City of Orrville, Ohio:

Section 1: That the Public Utilities Board of Control of the Municipality, as the retail electric regulatory authority for the Municipality and its retail electric consumers, determines it to be desirable that the aggregation of demand response on behalf of its retail customers to be bid directly into the organized electric and ancillary services markets administered by the regional transmission organization that includes the Municipality (or any successor independent system operator or regional transmission organization) be performed by the Municipality or its authorized designee;

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Section 2: That the Municipality or its authorized designee is the sole entity permitted to aggregate retail customers' demand response and bid demand response on behalf of retail customers of the Municipality directly into any Commission-approved independent system operator's or regional transmission organization's organized electric markets;

Section 3: That retail customers on the Municipality's electric system desiring to bid their demand response into a Commission-approved independent system operator's or regional transmission organization's organized electric markets may do so only by participating in the program established by the Municipality or its authorized designee;

Section 4: That the Municipality or its authorized designee is the sole entity permitted to bid demand response on behalf of retail customers of the Municipality directly into any Commission-approved independent system operator's or regional transmission organization's organized markets for energy imbalance, spinning reserves, supplemental reserves, reactive power and voltage control, or regulation and frequency response ancillary services (or its functional equivalent in the Commission-approved independent system operator's or regional transmission organization's tariff);

Section 5: That retail customers of the Municipality's electric system desiring to bid their demand response into a Commission-approved independent system operator's or regional transmission organization's organized markets for energy imbalance, spinning reserves, supplemental reserves, reactive power and voltage control, or regulation and frequency response ancillary services (or its functional equivalent in the Commission-approved independent system operator's or regional transmission organization's tariff) may do so only by participating in the program established by the Municipality or its authorized designee;

Section 6: That the Public Utilities Board of Control is authorized to adopt any necessary regulations to implement this Resolution;

Section 7: That 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; and

Section 8: That this Resolution is hereby declared to be an emergency measure necessary for the immediate protection and preservation of the public peace, health, safety and general welfare of the residents of the City of Orrville, and for the further reason that to prevent third party ARCs from aggregating loads of retail customers on the City of Orrville's system, this Resolution must be passed as soon as possible, and this Resolution shall, therefore, become effective immediately after its passage and approval by the Mayor.

Passed this 2nd day of February 2009.


President of Council

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Attest:

T Peppard
Clerk of Council

Approved:

David J. Hansbush
Mayor

Date 2/2/09

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