

Resolution No. _____

Passed _____

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RESOLUTION NO. 43-16

A Resolution authorizing the Director of Utilities to approve the form and authorize the execution of a power sales contract with American Municipal Power, Inc. and taking other actions in connection therewith regarding participation in the AMP Solar Project II and to declare 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 customers;

WHEREAS, in order to satisfy the electric power and energy requirements of its electric utility system, Municipality has heretofore purchased, or desires to do so in the future, economical, environmentally sound and reliable capacity and energy from, or arranged by, American Municipal Power, Inc. (hereinafter "AMP"), of which Municipality is a Member;

WHEREAS, Municipality, acting individually and, along with other municipalities and other political subdivisions that own and operate electric utility systems, jointly, endeavors to arrange for reliable, reasonably priced supplies of electric power and energy for resale;

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

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 its over 130 Members, such Members, including the Municipality, being, and to be, political subdivisions of their respective states that operate electric systems in, as of the date of adoption hereof, Delaware, Kentucky, Michigan, Ohio, Pennsylvania, Indiana, Maryland, Virginia and West Virginia;

WHEREAS, each Member owns and operates its electric system for the benefit of its customers;

WHEREAS, certain Members, including the Municipality, have determined they require additional, long-term sources of reliable, environmentally sound and reasonably priced electric capacity and energy and have requested that AMP arrange for the same;

WHEREAS, AMP has investigated, planned and developed a structure ("Development") for a solar project for the benefit of its Members;

WHEREAS, in furtherance of such purpose, Municipality, along with other Members (collectively "Participants") request and AMP agrees to continue Development and provide certain solar interconnection facilities ("Interconnection"), to negotiate, and if favorable to the Members, execute a Solar Power Purchase Agreement, between AMP and a NextEra Energy Resources Project Company ("NextEra"), for the purchase of 80 MWs (AC) or more of solar generated renewable electric energy and other Products as therein defined (the "NextEra PPA") from solar photovoltaic systems to be located at multiple sites and interconnected with a Member electric utility system ("Host Member") of certain AMP Members or (collectively AMP Solar Project II), including the electric utility system of Municipality;

WHEREAS, the NextEra PPA provides, among other things, significant opportunities for the Participants to receive from AMP reliable, economic, solar generated renewable capacity and energy through a Power Sales Contract with AMP regarding AMP Solar Project II substantially in the form on file (the "Solar PSC");

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WHEREAS, AMP has resolved, in accordance with the NextEra PPA, to prepay a portion of AMP's energy purchase obligations under the NextEra PPA and the Municipality requests AMP, on behalf of itself and the other Participants, to finance the prepayment, the Development and Interconnection costs of AMP Solar Project II through the issuance of bonds by AMP (the "Bonds"), in order to offer shares of the capacity and related energy derived from the solar systems at a more economical price to Participants, and to take such other actions which AMP and, in certain cases, the Participants, deem necessary to enable AMP to fulfill its obligations under the Solar PSC to sell and transmit, or otherwise make available, electric capacity and energy to the Participants;

WHEREAS, in order to obtain such sources of electric capacity and energy from AMP Solar Project II, the Municipality is willing to pay AMP under the Solar PSC for its respective rights to such electric capacity and energy and transmission service at rates that are sufficient, but only sufficient, to enable AMP to (i) recover all costs and expenses incurred with respect to, and arrangements for the development, financing and payment for, the prepayment, including, without limitation, the debt service on the Prepayment Bonds, and other costs and expenses related to AMP Solar Project II, the NextEra PPA and the related service arrangements undertaken by AMP to enable it to fulfill its obligations under the Solar PSC, and (ii) recover any other expenditures or revenues authorized under the Solar PSC;

WHEREAS, Municipality desires, and AMP has agreed, that Municipality be a Host Member whereby one or more of the Project's solar electric generation systems will be located within the Municipality and interconnected to the Municipality's electric distribution system; and

WHEREAS, in order to effectively take the necessary steps to arrange for and have AMP timely deliver the solar generated renewable electric energy and other Products, this Resolution is declared to be an emergency measure.

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF

ORRVILLE, OHIO:

Section 1. That the Solar PSC between Municipality and AMP, substantially in the form as currently on file including Appendices thereto, is approved, and the Director of Utilities is hereby authorized to execute and deliver such Solar PSC, with such changes as the Director of Utilities may approve as neither inconsistent with this Resolution nor materially detrimental to the Municipality, with execution of the PSC to be conclusive evidence of such approval.

Section 2. That the Director of Utilities is hereby authorized to acquire on behalf of the Municipality, as a Participant, as defined in the Solar PSC, a Project Share from AMP and to execute and deliver any and all documents necessary to become a Participant in the AMP Solar Project II pursuant to the conditions set forth herein and in the Solar PSC and to carry out its obligations thereunder.

Section 3. That it is further acknowledged and understood that because the Participants will finalize the precise Project Shares to be acquired by each Participant electing to enter into the Solar PSC after all such Participants execute and deliver the Solar PSC and all Project Facilities are constructed, the Director of Utilities in connection with the execution and delivery of the Solar PSC, is authorized and directed to determine and acquire Municipality's Project Share (not including any potential Step-Up as defined in the Solar PSC), of up to a nominal amount of 7200 kilowatts, after consultation with AMP and the

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other Participants regarding the Project Share available pursuant to said Solar PSC, such Project Share to be set forth in Appendix A of the Solar PSC, such determination as to such Project Share being conclusively evidenced by the adoption of Appendix A to the Solar PSC, as authorized therein.

Section 4. That the Director of Utilities of this Municipality, as a part of such officer's official duties, is hereby appointed as Municipality's representative for any meetings or determinations of the Participants or the Participants Committee pursuant to the Solar PSC and is authorized and directed, acting for, in the name of and on behalf of this Municipality, to vote Municipality's Project Share with regard to any determinations regarding the AMP Solar Project II as set forth in the Solar PSC.

Section 5. That the Director of Utilities may appoint, in writing from time to time as necessary, another representative of the Municipality as his or her alternate to carry out the duties set forth in Sections 3 and 4 hereof.

Section 6. That the Director of Utilities is hereby authorized and directed to negotiate a site lease for land owned by the Municipality and an interconnection agreement with AMP or NextEra (either of whom has the authority to assign such lease and interconnection agreement) for the Project's solar electric generation systems that will be located within the Municipality and interconnected to the Municipality's electric distribution system.

Section 7. That any necessity of competitive bidding that may arguably be required for the Municipality to execute the Solar PSC is hereby waived as in the best interest of the Municipality.

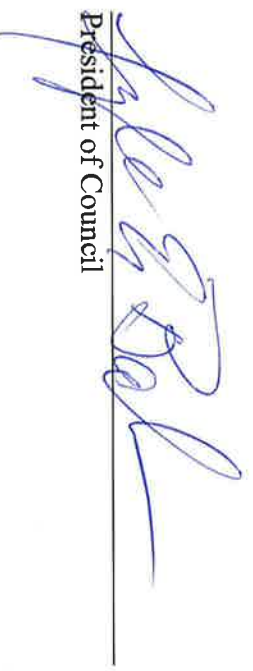
Section 8. That it is found and determined that all formal actions of Council of the City of Orrville concerning and relating to the adoption of this Resolution were taken in conformance with applicable open meetings laws and that all deliberations of the Council and of any committees that resulted in those formal actions were in compliance with all legal requirements including any applicable open meetings requirements.

Section 9. That if any other prior Resolution is found to be in conflict with this Resolution, then the provisions of this Resolution shall prevail. Further, if any portion of this Resolution is found to be invalid for any reason, such decision shall not affect the validity of the remaining portions of this Resolution or any part thereof.

Section 10. That this Resolution is hereby declared to be an emergency measure necessary for the preservation of the public peace, health, safety and welfare of the Municipality and further reason to assure the adequate provision of electricity to the citizens of the City of Orrville. Therefore, this resolution shall be in effect immediately after its passage and approval by the Council of the City of Orrville and approval by the Mayor.

Passed this 21 day of November 2016.

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President of Council

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Attest:

Janne Ferrello
Clerk of Council

Approved:

Mayor Gene Stankard
Mayor

11/21/16
Date