

RESOLUTION NO. 12-153

OFFERED BY: MAYOR CURRIN

A RESOLUTION ADOPTING THE ELECTRIC POWER PURCHASE/SUPPLY GUIDELINES DOCUMENT, DATED NOVEMBER 13, 2012.

WHEREAS, the City's existing electric power supply portfolio consists of a number of different types of power supply resources diversified by fuel types, by the type and location of assets, and by projects utilizing a mix of technologies; and

WHEREAS, a mix of the supply of resources helps reduce the City's exposure to the volatility of power costs and the attached Power Purchase/Supply Guidelines Document has been developed to serve as a guide to be used by the City administration and City Council when evaluating and selecting future power source resources and projects and will be reviewed and revised periodically, as needed, to reflect changes in the power supply industry and the City's future power supply needs;

NOW, THEREFORE, BE IT RESOLVED by the Council of Hudson, Summit County, State of Ohio, that:

Section 1. This Council adopts the Power Purchase/Supply Guidelines Document, dated November 13, 2012, and attached hereto and incorporated herein as Exhibit A, for the purposes set forth in the preamble to this Resolution.

Section 2. This Resolution shall take effect and be in force from and after the earliest period allowed by law.

PASSED: _____

William A. Currin, Mayor

ATTEST:

Elizabeth Slagle, Clerk of Council

I certify that the foregoing Resolution was duly passed by the Council of said Municipality on _____, 2012.

Elizabeth Slagle, Clerk of Council

EXHIBIT A

POWER PURCHASES/SUPPLY GUIDELINES DOCUMENT 11/13/2012

Goal

To provide Hudson Public Power customers with the lowest rates possible by selecting future power supply resources that minimizes both cost fluctuation risk in the power supply market and the reliance on a single energy resource.

Overview

The City's existing power supply portfolio consists of a number of different types of power supply resources. It is diversified by fuel types, by the type and location of assets, and projects utilizing a mix of technologies. This mix helps reduce the city's exposure to the volatility of power costs.

This Power Supply Guidelines document has been developed to serve as a guide to be used by the City staff and City Council when evaluating and selecting future power supply resources and projects. This Guidance document will be reviewed and revised periodically as needed to reflect both the changes in the power supply industry and the City's future power supply needs. It is further understood that future power resource opportunities will be considered in keeping the electric rates for Hudson Public Power customers as low and as competitive as possible.

Guidelines

Below are general guidelines/tolerances to be used when evaluating and selecting future power supply resources:

1. At least 10% of the City's total energy needs should be supplied from purchases of short-term market energy.
2. No more than 25% of the City's total capacity needs should be supplied from one single energy resource.
3. No more than 50% of the City's total energy needs should be supplied by one fuel type.
4. No more than 50% of the City's base, intermediate or peaking capacity needs should be supplied from one single resource.
5. No more than 75% of the City's total capacity needs should be supplied from long-term, asset based resources.

Guideline/Tolerance Modification Procedure

To maintain the goal of providing Hudson Public Power customers with the lowest possible rates in an ever changing market/industry, it is anticipated that minor adjustments to the guidelines/tolerances listed above will occur. When this happens, the Public Works Director will submit an updated Power Purchase/Supply Guidance document to Council for their review and approval.

Resolution # 12-____ Adopted _____

Guidelines Document Revised: