

VILLAGE OF GEORGETOWN, OHIO

ORDINANCE NO. 1139

**AN ORDINANCE AUTHORIZING THE VILLAGE ADMINISTRATOR TO EXECUTE
NON-POOL POWER SALES SCHEDULE
WITH AMERICAN MUNICIPAL POWER, INC. (“AMP”)**

WHEREAS, the Village of Georgetown, Ohio (the “Municipality”) is a political subdivision organized and existing pursuant to the laws of the state of Ohio which 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, in order to satisfy the electric power (capacity) and energy requirements of its electric utility system, the Municipality has heretofore purchased economical and reliable power and energy from AMP, an Ohio non-profit corporation, of which the Municipality is a member, or has heretofore purchased power arranged by AMP; and

WHEREAS, the Municipality, acting individually and, along with other municipalities which own and operate electric utility systems, jointly through AMP, endeavors to arrange for reliable, reasonably priced supplies of electric power and energy for ultimate delivery to its customers; and

WHEREAS, Municipality has executed a Master Services Agreement with AMP which sets forth the general terms and conditions for the provision of power supply and other services by AMP to the Municipality; and

WHEREAS, AMP will negotiate with one or more reputable and financially sound third party power suppliers to enter into an agreement(s) to purchase electric power and/or energy in various megawatt (“MW”) or megawatt hour (“MWh”) blocks for a term beginning on January 1, 2016 and ending no later than December 31, 2020, all of which will provide an economical source of electric power and/or energy (herein “Long Term Power Purchase(s)”) for Municipality; and

WHEREAS, AMP, on behalf of the Municipality, desires to purchase from third party supplier(s) and then to resell the power and energy available from these Long Term Power Purchase(s) on a long term basis to Municipality at contract cost (excluding any taxes, transmission costs, replacement power, losses, congestion costs, purchased power security costs, or AMP service fees) not to exceed \$59 per MWh; and

WHEREAS, AMP, has prepared and delivered to the Municipality the form of a 2016-2020 Non-Pool Power Sales Schedule, pursuant to which the Municipality may purchase power and/or energy; and

WHEREAS, AMP has provided and will continue to provide appropriate personnel and information regarding the Long Term Power Purchase(s) to the Municipality, as such officers and representatives of the Municipality deem necessary or appropriate, to enable the Municipality to evaluate the benefits and risks of the Long Term Power Purchase(s), to take actions contemplated by the ordinance hereinafter set forth and to determine that the same are in the public interest; and

WHEREAS, in recognition of the unique nature of the Purchases described herein, competitive bidding is not required on the Municipality's purchase of power and energy, through the Non-Pool Power Sales Schedule, however, any competitive bidding requirement that might otherwise be applicable for the purchase of any power and energy through the execution of the Non-Pool Power Sales Schedule authorized by this ordinance, should be waived; and

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE VILLAGE OF GEORGETOWN, OHIO.

SECTION 1. That the form of the Non-Pool Power Sales Schedule between this Municipality and AMP, substantially in the form attached hereto as Exhibit 1, is approved, subject to and with any and all changes provided for herein and therein.

SECTION 2. That the Village Administrator is hereby authorized to execute the Non-Pool Power Sales Schedule and to acquire the Municipality's power and energy from one or more Long Term Power Purchase(s), each with a term beginning on January 1, 2016 and ending no later than December 31, 2020, and with a third party contract price (excluding any taxes, transmission costs, replacement power, losses, congestion costs, purchased power security costs, or AMP service fees) not to exceed \$59 per MWh, from AMP, and is further authorized to execute and deliver any and all documents necessary to participate in one or more Long Term Power Purchase(s), pursuant to the conditions set forth herein for a term beginning on January 1, 2016 and ending no later than December 31, 2020, as set forth in the Non-Pool Power Sales Schedule; provided, however, that (i) the total MW for all such 7x24 purchases under the Non-Pool Power Sales Schedule shall not exceed 4 MW and the total MW for all such 5x16 purchases under the Non-Pool Power Sales Schedule shall not exceed 1.75 MW.

SECTION 3. That competitive bidding is not required on the Municipality's acquisition of its right to secure power and/or energy under the Non-Pool Power Sales Schedule, and in the event any competitive bidding requirements are applicable, any such competitive bidding requirement that might otherwise be applicable, are hereby waived.

SECTION 4. 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 a quorum of the Council, and that all deliberations of this Council and of any its committees that resulted in such formal action, were held in meetings open to the public, in compliance with all legal requirements.

SECTION 5. 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.

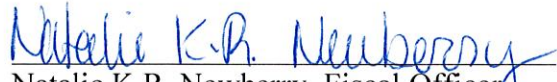
SECTION 6. That this ordinance shall take effect immediately upon its passage.

PASSED: July 25, 2013.



Dale E. Cahall, Mayor

ATTEST:



Natalie K.R. Newberry, Fiscal Officer

VILLAGE OF GEORGETOWN NON-POOL POWER SALES SCHEDULE

AMP Contract No. C-7-2013-9669

A Schedule to

American Municipal Power, Inc.,

and

Village of Georgetown, Ohio

Master Service Agreement No. C-1-2013-9504

Dated February 1, 2013

WHEREAS, the Village of Georgetown, Ohio ("Municipality") and American Municipal Power, Inc. ("AMP"), collectively ("Parties"), have entered into a Master Service Agreement dated February 1, 2013 ("Agreement") under which certain services may be provided under schedules thereto;

WHEREAS, in order to obtain economical electric power and energy, the Municipality desires to purchase electric power and energy from AMP or have AMP arrange for the same on behalf of the Municipality;

WHEREAS, AMP will negotiate with one or more reputable and financially sound third party power suppliers to enter into an agreement(s) to purchase electric power and/or energy in various megawatt ("MW") or megawatt hour ("MWh") blocks for a term beginning on January 1, 2016 and ending no later than December 31, 2020, all of which will provide an economical source of electricity and/or associated energy (herein "Long Term Power Purchase(s)") for Municipality; and

NOW, THEREFORE, in consideration of the conditions, terms and covenants hereinafter contained, the Parties hereto do hereby mutually agree as follows:

ARTICLE I
TERM

Subject to the conditions contained herein, this Schedule shall be for a term beginning on January 1, 2016 and ending December 31, 2020.

ARTICLE II
CONTRACT QUANTITIES AND RATE

SECTION 201 - CONTRACT QUANTITIES: For the compensation hereinafter set forth, and pursuant to the terms and conditions contained herein, AMP shall arrange for the

delivery of power and/or energy to the Municipality. The Municipality shall be invoiced and responsible for paying, and AMP is entitled to receive as compensation, the following:

- A. Actual monthly transmission fees, congestion charges, ancillary services, unforced capacity charges, losses, customer charges, security costs, replacement power, and taxes or other such costs incurred by AMP to deliver the power to the Municipality's Delivery Point; and
- B. AMP's Service Fee B, as defined in the Agreement, for all power sold or arranged for and delivered pursuant to this Schedule, unless the same is paid for under another power supply schedule; and
- C. The contract rates or fees that AMP pays or incurs for each MW or MWh of power and/or energy supplied to the Municipality, as set forth in Appendix A and the transaction confirmations set forth in the Appendix B.

The long term power supply resources anticipated to be executed as transaction confirmations between AMP and third party power suppliers for the benefit of Municipality are listed in the following table. The Municipality's Authorized Representative as designated in Section 402 (or his/her designee) shall be authorized to approve purchases (and execute necessary power confirmations) of power and energy each with a term beginning on January 1, 2016 and ending no later than December 31, 2020 as set forth in the table below ("Long Term Power Purchases"). Additionally, the third party power supply contract prices of all power purchases made under this Schedule (excluding any taxes, transmission costs, replacement power, losses, congestion costs, purchased power security costs, or AMP service fees) shall not exceed \$59 per MWh.

Total Planned Purchase	Description	Days/Week	Hours/Day	Term	Supplier
1 MW	7x24	Sunday – Saturday	24	2016 through no later than 2020	TBD via steps 1 – 4 below
1 MW	7x24	Sunday – Saturday	24	2016 through no later than 2020	TBD via steps 1 – 4 below
1 MW	7x24	Sunday – Saturday	24	2016 through no later than 2020	TBD via steps 1 – 4 below
1 MW	7x24	Sunday – Saturday	24	2016 through no later than 2020	TBD via steps 1 – 4 below
1.75 MW	5x16	Monday – Friday	16	2016 through no later than 2020	TBD via steps 1 – 4 below

Section 202 – Procedures for Authorization of Power Supply Acquisition and Sale

A. It is understood and anticipated that AMP may throughout the term of this Schedule, enter into power purchase transaction confirmations or other arrangements on behalf of the Municipality, subject to the approval of Municipality's Authorized Representative, to implement the Long Term Power Purchases contemplated in Section 201 of this Schedule. The steps that will be followed in securing such Long Term Power Purchases are set forth below.

At the time that AMP recommends that a Long Term Power Purchase should be finalized, the following shall take place:

1. Authorized personnel of AMP shall confer with the Municipality's Authorized Representative (or his/her designee) on a recorded telephone line or through E-mail, regarding AMP's recommended Long Term Power Purchases that meet the requirements of Section 201 and the table set forth therein prior to executing a transaction confirmation with a third party power supplier. AMP will provide power supply recommendations to Municipality's Authorized Representative based upon the best market information available to AMP at the time any conferring takes place.

2. If the Municipality's Authorized Representative approves AMP's recommendation and authorizes acquisition of the Long Term Power Purchase over a recorded telephone line or through E-mail, then AMP shall acquire the Long Term Power Purchase on behalf of the Municipality subject to the effective date and other terms and conditions approved by the Municipality's Authorized Representative.

3. AMP will enter into a transaction confirmation or other arrangement with the authorized and approved third party power supplier as soon as reasonably possible after approval is received as set forth above.

4. Once a Long Term Power Purchase is finalized and transaction confirmation executed, a copy of the transaction confirmation between the supplier and AMP shall be added to Appendix A and become part of this Schedule.

5. Municipality's Authorized Representative shall execute a transaction confirmation with AMP. A copy of the Member transaction confirmation shall be added to Appendix B and become part of this Schedule.

ARTICLE III
DELIVERY POINT

The delivery point(s) for electric power and energy to be delivered hereunder ("Point of Delivery" or "Delivery Point") shall be the Municipality's interconnections with PJM, or its successor.

ARTICLE IV
GENERAL

SECTION 401 - FIRMNESS OF SUPPLY: Firmness of supply under this Schedule shall be equal to the firmness provided by the power supply schedules and transmission service arrangements executed by AMP, which are utilized to provide power and energy under this Schedule.

AMP's obligations hereunder are specifically dependent upon the performance of the suppliers listed in Appendix A or otherwise agreed to by the Parties. AMP will have selected the power suppliers based on AMP's current risk management policies. In the event of default of a power supplier, AMP shall provide replacement power to Municipality and Municipality shall pay any cost difference (if any) of the replacement power (or, if the cost of replacement power is less, then Municipality shall pay that lower cost). Should a supplier default to such a degree that the agreement by and between that supplier and AMP is terminated, AMP shall execute an alternate supply agreement, with another supplier, utilizing the four (4) step method described in Section 202.

Municipality specifically acknowledges that although power and energy made available from the supplies listed in Appendix A or otherwise agreed to by the Parties are intended to be the primary source of power and energy pursuant to this Schedule, AMP may, from time to time, substitute for actual delivery purposes other power and energy; provided that such substitute power be of a similar firmness and reliability as that made available under the power supplier agreements and further provided that such substitution does not result in increased costs to Municipality.

When third parties providing firm transmission service interrupt deliveries from AMP to Municipality, AMP will use commercially reasonable efforts to deliver energy across other parties' transmission systems if interruptions occur from the primary firm transmission provider's system.

All other terms and conditions of the Agreement between AMP and the Municipality that are not consistent with the terms and conditions of this Schedule shall be applicable as if fully restated herein.

SECTION 402 – AUTHORIZED REPRESENTATIVE: The Municipality's Representative shall be the Village Administrator until modified by written notice to AMP by the Municipality.

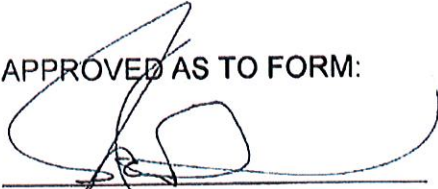
VILLAGE OF GEORGETOWN, OHIO

By: Jay Cutrell


Title: Village Solicitor

Date: 7-25-13

APPROVED AS TO FORM:



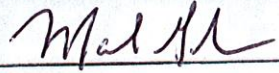
Legal Counsel

By: 

Jeremy Germann
Village Administrator

Date: 8-5-13

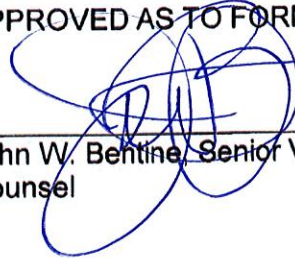
AMERICAN MUNICIPAL POWER, INC.

By: 

Title: CEO

Date: 8/6/13

APPROVED AS TO FORM:



John W. Bentine, Senior VP/General
Counsel

APPENDIX B (SAMPLE)

SAMPLE

AMP Contract No. C _____

_____, 2010

Village of _____

_____ Main Street

_____, OH xxxxx

ATTN: _____

The purpose of this Transaction Confirmation ("Confirmation") is to confirm the written agreement reached on _____ between American Municipal Power, Inc. (AMP) and Municipality.

This Confirmation is being provided pursuant to and in accordance with the Master Service Agreement (AMP Contract Number C _____) and Schedule (AMP Contract Number C _____) dated _____ between AMP and Municipality. This constitutes part of and is subject to the terms and conditions of such Master Services Agreement and Schedule. All terms and conditions of the Master Service Agreement and Schedule in effect between the Parties shall be applicable to this Confirmation unless such term or condition is in express conflict with a term or condition of this Confirmation, in which case the term or condition of this Confirmation shall prevail.

The commercial terms of this Transaction are as follows:

Trade Date: _____

Buyer: Village of _____

Seller: American Municipal Power, Inc.

Supplier: _____

Commodity: Firm Physical Power with Liquidating Damages

Term: _____

Delivery Period: _____

Hourly Schedule:	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
	___	___	___	___	___	___	___	___	___	___	___	___

Energy Rate: \$ _____

Delivery Point: _____

Please confirm that the aforementioned correctly sets forth the terms and conditions of our written agreement by executing and returning via facsimile to the attention of Director of Energy Marketing at (614) 540-1080.

VILLAGE OF _____

AMERICAN MUNICIPAL POWER, INC.

By: _____ Dated: _____

By: _____ Dated: _____

