

## ORDINANCE 17-2001

### AN ORDINANCE AUTHORIZING AND DIRECTING THE EXECUTION OF THE LIMA ENERGY LONG TERM SCHEDULE TO THE MASTER AGREEMENT WITH AMERICAN MUNICIPAL POWER-OHIO, INC.

**WHEREAS**, the Village of Oak Harbor (the Municipality) is a member of American Municipal Power-Ohio, Inc. (AMP-Ohio) a non-profit corporation whose membership includes eighty-four (84) municipalities that own and operate municipal electric systems, including the Municipality; and

**WHEREAS**, the Municipality and AMP-Ohio have entered into a generic contract agreement, AMP-Ohio contract no. 04-88-285, dated April 20, 1988 (hereinafter "Master Agreement"), under which certain services may be provided by AMP-Ohio to the Municipality via Schedules pursuant thereto; and

**WHEREAS**, AMP-Ohio has executed an agreement, (hereinafter "Lima Energy Contract"), dated February 28, 2001 between AMP-Ohio and Lima Energy Company for the purchase of up to 215 MW of capacity and associated energy respectively; and

**WHEREAS**, the power and associated energy to be provided by Lima Energy Contract is generated using "green power" technologies; and

**WHEREAS**, investment in "green power" technologies can offer benefits to the Municipality and society as a whole from both an economic and environmental perspective, saving money, improving competitiveness, creating jobs, cutting air pollution, and helping to make climate objectives more attainable; and

**WHEREAS**, the Municipality desires to enter into a Schedule (hereinafter "Lima Energy Long Term Schedule") with AMP-Ohio to purchase a share of the 215MW Lima Energy Contract capacity and associated energy from AMP-Ohio, in order to give the Municipality access to reliable, economic, renewable "green power" on a long-term basis; and

#### **NOW THEREFORE BE IT ORDANINED BY THE COUNCIL OF THE VILLAGE OF OAK HARBOR, OHIO:**


**Section 1.** That the form of the Lima Energy Long Term Schedule attached hereto as Exhibit 1 between AMP-Ohio and Municipality be, and hereby is approved; subject to and with any and all changes therein, as hereinafter provided.

**Section 2.** That the Village Administrator be and hereby is authorized and directed to execute and deliver on behalf of Municipality the Lima Energy Long Term Schedule, substantially in the form of the attached Exhibit 1, with such changes, insertions, deletions and substitutions therein, if any, as the Village Administrator shall deem necessary and advisable.

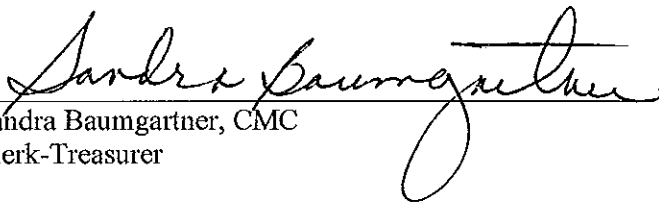
**Section 3.** That the Village Administrator be and is hereby authorized and directed to determine the appropriate nominal amount of kilowatts to acquire pursuant the Lima Energy Long Term Schedule, but such nominal amount shall not to exceed 500 kilowatts.

**Section 4.** That it is found and determined that all formal actions of the Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements.

**Section 5.** This Ordinance shall take effect at the earliest time allowed by law

  
Thomas C. Leaser  
Mayor

Attest:

  
Sandra Baumgartner, CMC  
Clerk-Treasurer

First Reading: June 18, 2001  
Second Reading: July 2, 2001  
Third Reading: July 16, 2001  
Adopted: July 16, 2001

**AMP-Ohio LIMA ENERGY LONG TERM  
AMP-Ohio Contract #  
Schedule to  
American Municipal Power - Ohio, Inc,  
and  
Village of Oak Harbor, Ohio (Agreement)  
(AMP-Ohio Generic Contract #4-88-285)**

This Schedule made the 1st day of May 2001, by and between the Village of Oak Harbor, party of the first part and American Municipal Power - Ohio, party of the second part.

**WHEREAS**, the Village of Oak Harbor, Ohio (Municipality) and American Municipal Power - Ohio, Inc. (AMP-Ohio) have entered into a Generic Contract Agreement (AMP-Ohio Contract No. 4-88-285); hereinafter, Agreement) under which certain services may be provided; and

**WHEREAS**, AMP-Ohio has executed agreements, dated February 28, 2001 (hereinafter "Lima Energy Contract"), between AMP-Ohio and Lima Energy Company, for the purchase of up to 215 MW of capacity and associated energy respectively; and

**WHEREAS**, the Contract provides, among other things, significant opportunities for the Municipality to receive reliable, economic, renewable electric service from AMP-Ohio; and

**WHEREAS**, the Municipality desires to enter into this Schedule to purchase a share of the 215 MW Lima Energy Contract capacity and associated energy from AMP-Ohio; and

**NOW, THEREFORE**, in consideration of the following mutual promises, AMP-Ohio and the Municipality agree as follows:

**SECTION 1 - TERM.**

The term of this Schedule shall begin on the Commercial Operation Date of the Lima Energy Contract and remain in effect until June 30, 2025, provided, however, that AMP-Ohio's obligation under this Schedule to deliver power and energy to Municipality is contingent on Lima Energy's performance pursuant to the Lima Energy Contract. In the event the Lima Energy Contract terminates prior to June 30, 2025, either because of a default by either party to the Lima Energy Contract, or by operation of a condition in the Lima Energy Contract, this Schedule shall terminate upon termination of the Lima Energy Contract.

## **SECTION 2 - SERVICES.**

AMP-Ohio agrees to sell to Municipality and Municipality agrees to purchase up to 500 kW of power and associated energy for the benefit of the Municipality beginning on the Commercial Operation Date and continuing through the term of this Schedule. Municipality agrees that AMP-Ohio's obligation to sell power and associated energy to Municipality under this Schedule is contingent upon Lima Energy fulfilling its obligations under the Lima Energy Contract. Municipality specifically acknowledges that although power and energy made available pursuant to the Lima Energy Contract is intended to be the primary source of power and energy pursuant to this Schedule, AMP-Ohio may, from time to time, provide substitute energy so as to maintain Municipality's delivery of contracted capacity (Substitute Power).

## **SECTION 3 - RATES, CHARGES AND BILLING.**

(a) Power and energy purchased by the Municipality pursuant to this Schedule shall be billed at the rates specified in the Lima Energy Contract for power purchased or acquired through the Lima Energy Contract, or at the rates paid by AMP-Ohio to procure Substitute Power plus all applicable taxes.

(b) Municipality shall pay AMP-Ohio's power sales service fee for all power sold or arranged for and delivered pursuant to this Schedule as set forth in the Master Agreement. Municipality shall also pay AMP-Ohio's regular retail service fee on Municipality's retail sales as set forth in the Agreement.

(c) Municipality shall be responsible for all transmission charges to deliver the power and associated energy procured pursuant to the Lima Energy Contract from West Lima Substation (where the Lima Energy Contract power is being delivered to AMP-Ohio) to the Delivery Points set forth in Section 4 of this Schedule. Municipality shall be responsible for all transmission charges to deliver any substitute power and energy to the Delivery Points set forth in Section 4 of this Schedule.

(d) AMP-Ohio shall bill for all services provided under this Schedule and Municipality shall pay in accordance with the billing provisions set forth in the Agreement.

## **SECTION 4 - DELIVERY POINTS.**

The Delivery Point, pursuant to this Schedule, shall be Municipality's interconnect with FirstEnergy, or as mutually agreed to by the parties.

## **SECTION 5 – MISCELLANEOUS.**

Unless otherwise modified herein, all terms and conditions of the Agreement shall be applicable to this Schedule. In the event there is any conflict between any term or condition of the Agreement and any term or condition of this Schedule, the term and condition of this Schedule shall supercede the conflicting term or condition of the Agreement.

**IN WITNESS WHEREOF**, the parties hereto have caused this Schedule to be executed by their proper officers respectively, being thereunto duly authorized, and their respective corporate seals, if any, to be hereto affixed.

APPROVED AS TO FORM:

The Village of Oak Harbor, Ohio

\_\_\_\_\_  
Vickie Ruffing  
Village Solicitor

By: \_\_\_\_\_  
Timothy Wilkins  
Village Administrator

APPROVED AS TO FORM:

American Municipal  
Power - Ohio, Inc.

\_\_\_\_\_  
John W. Bentine  
General Counsel

By: \_\_\_\_\_  
Marc S. Gerken  
President