

RESOLUTION NO. 10338

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESA, MARICOPA COUNTY, ARIZONA, ("CITY") APPROVING AND AUTHORIZING THE PROCUREMENT OF (i) FIRM ELECTRIC POWER SUPPLIES AND (ii) DISPATCHABLE POWER SUPPLIES.

WHEREAS, the City of Mesa owns and operates a municipal electric distribution utility and is authorized by the provisions of the Laws of the State of Arizona and the City of Mesa City Charter to acquire, purchase and manage supplies of electric power and energy necessary to meet the requirements of the residential, commercial and industrial customers served by such utility; and

WHEREAS, the City of Mesa Energy Resources Department issued an Electric Power Request for Proposals, EPRFP-2013-05 ("RFP") for electric power supplies; and

WHEREAS, Shell Energy North America ("SENA"); Citigroup Energy Inc. ("Citi"); Sempra Generation ("Sempra"); Constellation Energy Group ("Constellation"); and Pinnacle West Capital Corporation ("APS"); (collectively the "Suppliers") in response to the City's RFP have offered to sell to the City a supply of electric power and energy; and

WHEREAS, the City desires to acquire sculpted, firm; and dispatchable electric power and energy for resale by its municipal electric distribution utility and further desires to enter into agreements with one or more of said Suppliers for such supplies to be delivered over the RFP stipulated period of from three (3) years up to ten (10) years ("Supply Period").

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MESA, MARICOPA COUNTY, AS FOLLOWS:

Section 1: The City hereby approves the procurement of an annual 7x24, sculpted monthly (0-13 MW) firm electric power supply beginning after September 30, 2013, for the Supply Period with points of delivery at Western Area Power Administration's ("Western") Pinnacle Peak 230-kV Substation and Western's West Wing 500 kV Substation ("Points of Delivery") and final average pricing over the Supply Period of no greater than \$60/MWh, inclusive of any additional transmission costs required to deliver the power.

Section 2: The City hereby approves the procurement of a day ahead dispatchable 7x16, 10 MW electric power supply from May through October beginning May 1, 2014, for the Supply Period, to the Points of Delivery with either a capacity charge or reservation charge of no greater than the equivalent of \$12,000/MW-Month plus either (i) an indexed dispatch charge that is coupled with a heat rate not to exceed 10,000 Btu/kWh or (ii) a fixed dispatch charge that is not to exceed \$40/MWh.

Section 3: The City hereby approves the execution of an Edison Electric Institute ("EEI") Master Power Purchase & Sales Agreement and an associated Confirmation or similar agreements ("Transaction Documents") for each supply listed in Sections 1 through 2, with such additions, deletions and substitutions as shall be approved by the City Attorney or designee and the City Manager or designee, pursuant to which the City will agree to purchase electric power and energy from one of said Suppliers, such deliveries to be made on the dates, at the volumes and within the contract prices set forth above and to be incorporated in such Transaction Documents.

Section 4: Approval by the City Attorney or designee and execution by the City Manager or designee of Transaction Documents shall constitute conclusive evidence of this City Council's approval thereof.

Section 5: The various City officers and employees are hereby authorized and directed to execute such other documents or certificates and to perform all other acts necessary to carry out the intent and purpose of this Resolution.

PASSED AND ADOPTED by the City Council of the City of Mesa, Arizona, this 7th day of October, 2013.

APPROVED:



MAYOR

ATTEST:



CITY CLERK

