

RESOLUTION NO. 9964

**A RESOLUTION OF THE COUNCIL OF THE CITY OF MESA, MARICOPA COUNTY, ARIZONA, ("CITY") APPROVING AND AUTHORIZING THE PROCUREMENT OF (i) FIRM ELECTRIC POWER SUPPLIES, AND (ii) PERIODIC SUPPLEMENTAL 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, transmit 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-0911 ("RFP") for electric power supplies; and

WHEREAS, Shell Energy North America ("SENA"); Citigroup Energy Inc. ("Citi"); Sempra Generation ("Sempra"); Constellation Energy Group ("Constellation"); and Arizona Electric Power Cooperative ("AEPSCO") (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 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 firm electric power supplies to be delivered over the RFP stipulated period of from three (3) up to five (5) years ("Supply Period"), as well as for possible supplemental power supplies during the 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, 15 MW firm electric power supply 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 \$55/MWh, inclusive of any additional transmission costs required to deliver the power.

Section 2. The City hereby approves the procurement of an annual 7x16, 10 MW firm electric power supply beginning September 1, 2012, for the Supply Period, to the Points of Delivery and final average pricing over the Supply Period of no greater than \$80/MWh, inclusive of any additional transmission costs required to deliver the power.

Section 3. The City hereby approves the procurement of an annual 7x16, 15 MW firm electric power supply beginning October 1, 2012, for the Supply Period, to the Points of Delivery and final average pricing over the Supply Period of no greater than \$80/MWh, inclusive of any additional transmission costs required to deliver the power.

Section 4. 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 3, 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 5. The City hereby approves the procurement of supplemental supplies in amounts in excess of those set forth in Sections 1 through 3 for the Supply Period, to be delivered to the Points of Delivery.

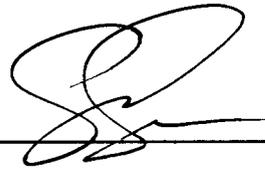
Section 6. The City hereby approves the execution and delivery of additional Transaction Documents, again with such additions, deletions and substitutions as shall be approved by the City Attorney or designee and the City Manager or designee, pursuant to which SENA, Citi, Sempra, Constellation or AEPCO may sell and the City may purchase supplemental electric power supplies as set forth in Section 5.

Section 7. 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 8. 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 9<sup>th</sup> day of January, 2012.

APPROVED:



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Mayor

ATTEST:

  
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City Clerk