

RESOLUTION NO. _____

**A RESOLUTION OF THE COUNCIL OF THE CITY OF MESA, ARIZONA,
("CITY") AUTHORIZING AND APPROVING THE PROCUREMENT OF FIRM
ELECTRIC 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-2019-10 ("RFP") for electric power supplies; and

WHEREAS, Shell Energy North America (US), L.P. ("SENA"); Exelon Generation Company, LLC ("Constellation"); CitiGroup Energy, Inc. ("Citi"); Morgan Stanley Capital Group, Inc ("Morgan Stanley"); and Direct Energy Business Marketing LLC ("Direct Energy") (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 firm 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 up to three (3) years ("Supply Period");

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

Section 1. The City hereby authorizes the procurement of an annual 7x24, base load (up to 10 MW) firm electric power supply beginning after December 31, 2019, for January through December (inclusive) for the Supply Period and final average pricing over the Supply Period of no greater than \$40/MWh ("Base Supply").

Section 2. The City hereby authorizes the procurement of an annual 7x16 or 7x8 (up to 10 MW) firm electric power supply beginning after December 31, 2019, for June through October or June through September for the Supply Period and final average pricing over the Supply Period of no greater than \$90/MWh ("Peak Supply").

Section 3. The City hereby authorizes entering Edison Electric Institute ("EEI") Master Power Purchase & Sales Agreement or similar agreement(s) ("Enabling Agreement") with Suppliers, with such additions, deletions and substitutions as shall be approved by the City Attorney or designee and the City Manager or designee. The City hereby further authorizes the modification to any existing Enabling Agreements with Suppliers as shall be approved by the City Attorney or designee and the City Manager or designee.

Section 4. The City hereby authorizes entering an associated transaction confirmation (collectively with Enabling 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 5. Alternatively, in the instance that City does not execute on the Base Supply and/or the Peak Supply with one of the Suppliers, the City hereby authorizes the daily, monthly, or seasonal (three month) procurement through the Western Area Power Administration's Resource Management Services group of replacement energy in amounts up to the Base Supply and Peak Supply (in addition to any marginal supplies needed to meet system demand) on the wholesale energy market on the City's behalf.

Section 6. Approval by the City Attorney or designee and signature by the City Manager or designee of Enabling Agreements, Transaction Documents or other confirmations shall constitute conclusive evidence of this City Council's approval thereof.

Section 7. 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 4th day of November, 2019.

APPROVED:

Mayor

ATTEST:

City Clerk