

RESOLUTION NO. 12409

A RESOLUTION OF THE COUNCIL OF THE CITY OF MESA, ARIZONA, AUTHORIZING AND APPROVING THE PROCUREMENT OF FIRM SUPPLIES OF ELECTRIC POWER AND ENERGY THROUGH A REVERSE AUCTION FOR DISTRIBUTION BY THE CITY ELECTRIC UTILITY FOR A PERIOD OF UP TO EIGHTEEN MONTHS.

WHEREAS, the City of Mesa ("City") 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 demands of the residential, commercial and industrial customers served by such utility;

WHEREAS, the City of Mesa Energy Resources Department will select a vendor to conduct a reverse auction for electric power supplies at no direct cost to the City.

WHEREAS, in response to the City's Reverse Auction, various qualified counterparties who have already executed an Edison Electric Institute (EEI) Master Power Purchase & Sales Agreement ("Enabling Agreement") or are willing to accept City's standard EEI terms and conditions at the time of the reverse auction ("Suppliers") will bid to sell to the City a supply of electric power and energy.

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 terms acceptable to the City with one or more of said Suppliers confirming the purchase of such supplies to be delivered over the reverse auction stipulated period of up to eighteen (18) months ("Supply Period") beginning no earlier than January 1, 2026.

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

Section 1. Authorizing the purchase of staggered 7x24, Base supply (up to 10 MW) of firm electric power and energy beginning on or after January 1, 2026 for the months of January, February, May, October, and December 2026 for a duration of up to the full Supply Period for each month with final average unit pricing over the Supply Period of no greater than \$90/MWh for a cost not to exceed \$2,110,320 ("Base Supply").

Section 2. Authorizing the purchase of 7 x 24, Base supply (up to 10 MW) of firm electric power and energy beginning on or after May 1, 2027 for the month of May 2027, with a duration of up to the full Supply Period and final average unit pricing over the Supply Period of no greater than \$60/MWh and for a cost not to exceed \$446,400 ("Base Supply").

Section 3. Authorizing entering into Edison Electric Institute (EEI) Master Power Purchase & Sales Agreement or similar agreement(s) ("Enabling Agreement") with Suppliers, with such additions, deletions and substitutions as approved by the City Attorney or designee and the City Manager or designee and modifying existing Enabling Agreements with Suppliers as approved by the City Attorney or designee and the City Manager or designee.

Section 4. Authorizing entering an associated transaction confirmation (collectively with Enabling Agreements, "Transaction Documents") for the purchased Supplies listed in Sections 1 and 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 Supplies listed in Sections 1 and 2 with one of the Suppliers, the City hereby authorizes the daily, monthly, or seasonal (three months) procurement through the Western Area Power Administration's Resource Management Services group of replacement energy in amounts up to the Base Supply (in addition to any marginal supply transactions needed to meet system demand, which are also hereby authorized) on the wholesale energy market on the City's behalf during the Supply Period.

Section 6. Authorizing the selection of a qualified reverse auction services provider who will facilitate a reverse auction at no direct cost to the City for the Supplies.

Section 7. 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 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 8th day of September 2025.

APPROVED:

Mayor

ATTEST:

City Clerk