

## ORDINANCE NO. 10-01 AC CMS

### AN ORDINANCE AUTHORIZING AN EXTENSION OF THE AGREEMENT WITH WORLDOLOR (FORMERLY QUEBECOR WORLD) FOR INTERRUPTIBLE ELECTRIC SERVICE AND DECLARING AN EMERGENCY

WHEREAS, on April 5<sup>th</sup>, 1999, Oberlin City Council approved Ordinance No. 99-26 AC CMS authorizing the execution of an Interruptible Electric Service Agreement between Oberlin Municipal Light and Power System and Quebecor World, now known as Worldcolor, providing two (2) discounts on retail electric service for a term of nine (9) years and nine (9) months, terminating December 31, 2008; and

WHEREAS, on January 20<sup>th</sup>, 2009, Oberlin City Council approved Ordinance No. 09-07 AC CMS authorizing an extension of that Interruptible Electric Service Agreement for a maximum one (1) year period, through December 31, 2009; and

WHEREAS; the Midwest Independent System Operator (MISO) is expected to release non-performance penalty rules for interruptible electric service arrangements sometime in 2010; and

WHEREAS, OMLPS and Worldcolor will need time to consider any adverse impacts associated with these as of yet not released non-performance penalties before executing a long-term Interruptible Electric Service Agreement and therefore seek to extend the current agreement for a maximum period of twelve (12) months.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Oberlin, County of Lorain, State of Ohio, five-sevenths (5/7ths) of all members elected thereto concurring:

SECTION 1. That the current agreement between Worldcolor and the Oberlin Municipal Light and Power System for interruptible electric service be, and hereby is, extended for an initial period of six (6) months, until June 30, 2010, a copy of the agreement extension letter being attached hereto and incorporated herein by reference, and the City Manager is hereby authorized and directed to execute same on behalf of the City.

SECTION 2. That the City Manager is hereby further authorized to extend said agreement for an additional period of not more than six (6) months from and after June 30, 2010, to allow for the negotiation and approval of an appropriate successor agreement, after taking into consideration the new non-performance penalty rules.

SECTION 3. It is hereby found and determined that all formal actions of this Council concerning or relating to the adoption of this ordinance were adopted in an open meeting of this Council and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

SECTION 4. That this ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health and safety of the citizens of

the City of Oberlin Ohio, or to provide for the usual daily operation of a municipal department,  
to wit:

*“to authorize an extension of an existing Interruptible Electric Service Agreement as soon as possible in order to ensure the efficient operation of the municipal electric system”, and shall take effect immediately upon passage.*

PASSED: 1<sup>st</sup> Reading - January 4, 2010  
2<sup>nd</sup> Reading- January 19, 2010(S, E)  
3<sup>rd</sup> Reading-

ATTEST:

  
BELINDA B. ANDERSON  
CLERK OF COUNCIL

  
KENNETH SLOANE  
PRESIDENT OF COUNCIL

POSTED: 01/20/2010

EFFECTIVE DATE: 01/19/2010



OBERLIN MUNICIPAL LIGHT AND POWER SYSTEM ♦ 289 SOUTH PROFESSOR STREET ♦ OBERLIN, OHIO 44074

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January 28, 2010

Mr. Timothy Barrett  
Senior Director – Energy Waste and Paper  
Worldcolor, Inc.  
381 Riverside Drive, Suite 400  
Franklin, TN 37064

Re: Interruptible Electric Service Agreement – 2010 Extension

Dear Mr. Barrett:

As you know, Oberlin Municipal Light and Power System (OMLPS) and World Color (USA), LLC (formerly Quebecor World) entered into an interruptible electric service agreement effective May 1<sup>st</sup>, 1999 for the purpose of providing a demand discount and a power factor correction discount on Worldcolor's monthly retail electric costs for its facility located at 235 Artino Street, Oberlin. The interruptible electric service agreement required Worldcolor to interrupt electric service or purchase supplemental power when called upon by the City's wholesale power provider, American Municipal Power. The interruptible electric service agreement expired on December 31, 2008.

In January, 2009, Oberlin City Council authorized the extension of the interruptible electric service agreement for a period of up to one (1) year until December 31, 2009 to allow additional time to consider impacts to this interruptible service agreement from new rules developed by the City's regional transmission organization, the Midwest Independent System Operator (MISO). As you are aware, MISO is responsible for dispatching, planning and oversight of the transmission grid in our service territory. MISO is in the process of establishing new non-performance penalties for interruptible service. OMLPS is interested in executing a new interruptible electric service agreement; however, we believe it is prudent to continue to fully assess the impacts to Worldcolor resulting from these new non-performance penalties.

In order for Worldcolor to continue to take advantage of the discounts provided in the interruptible electric service agreement, OMLPS, by this letter, offers to extend the interruptible service agreement for a period of six (6) months to June 30, 2010. If you agree to this offer, please indicate by signing below.

If you have any questions, please contact me at (440)775-7261.

Sincerely,

Steve Dupee  
Electric Director, OMLPS

Agreed and approved:  
World Color (USA), LLC

By: Tij Barrett  
Its: Sr. Director, Corp. Procurement  
Dated: 2/4/10

City of Oberlin

By: [Signature]  
Its: City Manager  
Dated: 1/28/10

Approval to Form: [Signature]  
Eric Severs, Law Director

