

RESOLUTION NO. R89-5 CMS

A RESOLUTION DECLARING THE NEED TO DEFEAT H.B. 27

WHEREAS, H.B. 27 represents interference by state government as it would create geographic service territories for municipal electric systems, including the Oberlin Municipal Light and Power System; and,

WHEREAS, the City of Oberlin has a constitutional right to govern its community free from interference by state government; and,

WHEREAS, limitations already exist within the Ohio Constitution: Article XVIII, Section 6, which limits a municipality's ability to provide power outside municipal boundaries to no more than one-third of that municipality's total service of product; and,

WHEREAS, municipal electric systems, serving approximately five percent of the total electric load in the State of Ohio, have not threatened the existence of other utilities and therefore, there is no demonstrated need for such drastic legislation; and,

WHEREAS, H.B. 27 creates problems and questions concerning the right and obligation of electrical suppliers to provide electricity outside of a municipality; and,

WHEREAS, competition provided by municipal electric systems helps hold down electric rates for all Ohioans by keeping municipal systems, rural electric cooperatives and investor-owned utilities working to provide the best, most economical service possible; and,

WHEREAS, limitations proposed by H.B. 27 would effectively eliminate competition between electric utilities by mandating that only one company be allowed to serve each geographic area; and,

WHEREAS, the absence of competition caused by restrictions imposed by H.B. 27 will eliminate any viable incentive for investor-owned utilities to keep costs down for business and residential customers alike; and,

WHEREAS, municipal systems pay property taxes through wholesale rates charged by IOUS, direct gross receipts taxes and offer contributions to schools in lieu of tax payments.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Oberlin, County of Lorain, State of Ohio, a majority of all members elected thereto concurring:


SECTION 1. That the City Council of the City of Oberlin, County of Lorain, State of Ohio, hereby urges members of the Ohio General Assembly to defeat H.B. 27 without delay.

SECTION 2. It is hereby found and determined that all formal actions of this Council concerning or relating to the adoption of this resolution were adopted in an open meeting of the 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.

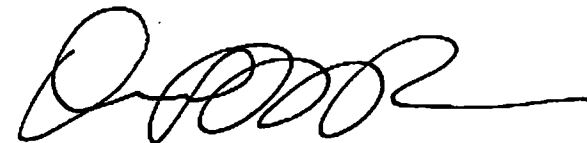
SECTION 3. That this resolution shall take effect at the earliest date allowed by law.

PASSED: 1st Reading- March 20, 1989 (E)
2nd Reading-
3rd Reading-

ATTEST:



Clerk of Council



Chairman of Council

POSTED: March 22, 1989

EFFECTIVE DATE: March 20, 1989