

ORDINANCE NO. 917 AC CMS

AN ORDINANCE AUTHORIZING THE CITY MANAGER TO ENTER INTO A SETTLEMENT OF THE PROPOSED RATE INCREASE FILED WITH THE FEDERAL POWER COMMISSION BY THE OHIO EDISON COMPANY AND DECLARING AN EMERGENCY

WHEREAS, the Ohio Edison Company filed with the Federal Power Commission (Docket E-7705) a proposed rate increase to be charged municipalities who purchase electricity from the Ohio Edison Company for distribution, and

WHEREAS, agents previously authorized by this City (Resolution No. 656 CMS) have objected to such rate increase, have filed pleadings and supplementary materials with the Federal Power Commission in support of such objection, and

WHEREAS, such agents have negotiated with representatives of the Ohio Edison Company and the Federal Power Commission and have reached a settlement of the proposed rate increase which the agents believe to be a just and reasonable resolution of all matters pending before the Federal Power Commission;

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

SECTION 1. That the City Manager be and is hereby authorized to execute the Settlement Agreement.

SECTION 2. That this Ordinance is hereby declared to be an emergency measure necessary for the preservation of the public welfare of the City of Oberlin for the reason that it is necessary to enter into such Settlement Agreement in order to preserve the rights of this municipality and the customers of its municipal electric system, and it shall take effect and be in force immediately upon its passage.

PASSED: January 4, 1973 - Emergency

ATTEST:

  
CLERK OF COUNCIL

  
CHAIRMAN OF COUNCIL

POSTED: January 5, 1973

### THE PROPOSED OHIO EDISON SETTLEMENT

1. The Company's proposed base rate increase of \$1,140,000 per year (based upon 1970 bills) be reduced to \$742,000. This figure is also \$57,000 below the \$799,000 increase to which the F.P.C. Staff felt the Company was entitled.
2. The funds collected by the Company in excess of the negotiated rates from Sept. 1, 1972, will be refunded plus 6% interest.
3. The Company's proposed blanket provision for load shedding would not be a part of the tariff filing, however, the Cities promise to engage in a joint study to develop a mutually acceptable load shedding program. This should result in a very limited program involving a small number of communities.
4. The Company's proposed fuel clause would be added to the tariff.
5. The Company's proposed elimination of territorial restriction presently contained in the purchase contracts would be approved.
6. The Company will sign an agreement accepting the Negotiating Committee's request for joint study to arrive at a mutually acceptable "partnership" arrangement which would give the communities the opportunity to share in the economies associated with bulk power supply generation and transmission.