

ORDINANCE NO. 1527 AC CMS

AN ORDINANCE AUTHORIZING THE FILING OF A FORMAL OBJECTION WITH THE FEDERAL ENERGY REGULATORY COMMISSION TO THE PROPOSED RATE INCREASE REQUESTED BY THE OHIO EDISON COMPANY AND FILED WITH THE FEDERAL ENERGY REGULATORY COMMISSION; AND FURTHER PROVIDING FOR SAID OBJECTION TO BE PROCESSED AS A JOINT EFFORT WITH OTHER OHIO MUNICIPALITIES WHO ARE WHOLESALE PURCHASERS OF ELECTRIC POWER FROM OHIO EDISON COMPANY AND WHO OPERATE THEIR OWN ELECTRIC DISTRIBUTION UTILITY; ESTABLISHING PROCEDURE TO BE FOLLOWED IN PROCESSING SAID OBJECTION; AUTHORIZING PAYMENT OF EXPENSES INCIDENT THERETO; APPROPRIATING FUNDS THEREFOR; AND DECLARING AN EMERGENCY

WHEREAS, the Ohio Edison Company has filed with the Federal Energy Regulatory Commission, a proposed rate increase to be charged municipalities who purchase their electricity from the Ohio Edison Company for distribution, and

WHEREAS, said proposed rate increase, if approved by the Federal Regulatory Commission, will result in a substantial increase in cost to this municipality, and

WHEREAS, there are other municipalities in Ohio facing the same proposed rate increase, and

WHEREAS, this City proposes to join with the other Ohio municipalities similarly situated in an effort to prevent acceptance by the Federal Energy Regulatory Commission of Ohio Edison's new rate proposal;

NOW THEREFORE BE IT ORDAINED BY THE COUNCIL OF THE CITY OF OBERLIN, LORAIN COUNTY, STATE OF OHIO, (hereinafter the "Municipality"), five-sevenths (5/7ths) of all members elected thereto concurring:

SECTION 1. That by these presents, we authorize the filing of a formal objection with the Federal Energy Regulatory Commission to the proposed municipal wholesale rate increase filed by the Ohio Edison Company with the Federal Energy Regulatory Commission.

SECTION 2. That we declare our intention to cooperate, in processing this objection, with all other municipalities purchasing power from the Ohio Edison Company, who also oppose the proposed rate increase.

SECTION 3. That in order to expedite the filing of the formal objection to the proposed rate increase described above, it is agreed that a meeting of the Wholesale Customers of Ohio Edison Company ("WCOE") affected by the proposed rate increase with authority to participate in the selection of a committee to act as agents for the Municipality.

SECTION 4. That the individuals eventually selected by WCOE to act as a committee to coordinate the activities envisioned herein are hereby authorized to take whatever action is appropriate and necessary to prepare and file an objection to the proposed rate increase before the Federal Energy Regulatory Commission on behalf of the Municipality and to engage and pay for the services of expert witnesses, attorneys, engineers and such others as may be necessary to the successful conclusion of the objectives outlined in this Ordinance. The Committee is further empowered to institute and conduct negotiations with the Ohio Edison Company, relative to an equitable solution to the proposed rate increase but shall have no power to bind the Municipality to any settlement.

SECTION 5. That we further agree to cooperate in the hearing of said objection by having officers and employees of the Municipality appear as witnesses as deemed necessary by the filing agents herein, and to supply all exhibits needed in processing this objection.

SECTION 6. That we agree to share in the necessary costs of this hearing of said objection for the entire group of municipalities joining in this objection. We agree with the other municipalities joining in the filing of this objection that the share of costs to be borne by this Municipality, and all others, shall be determined as follows, to wit: a proportionate cost of the entire amount expended as determined by the comparative amount of power purchased during the year 1979 by this Municipality from Ohio Edison Company in proportion to power purchases of the other municipalities joining in the filing of this objection for the same period.

SECTION 7. That it is understood by this Municipality and the other municipalities joining in this objection that expenditures incident to said filing shall only be made upon the joint and unanimous concurrence of the individuals selected by WCOE to act as a committee to coordinate the activities envisioned herein.

SECTION 8. The Fiscal Officer of the City of Wadsworth, Ohio is hereby designated as the collecting and disbursing agent for all money matters incident to this legal process. It is agreed that the proportionate share owed by this Municipality shall be paid forthwith upon receipt of statement for same.

SECTION 9. That such sums as are necessary for this purpose, but in no event more than \$10,000.00, are hereby appropriated by this Municipality.

SECTION 10. That the auditor of this Municipality be and he is hereby authorized to expend such sums as are necessary for this purpose, but in no event more than \$10,000.00 from such fund as he may create for that purpose.

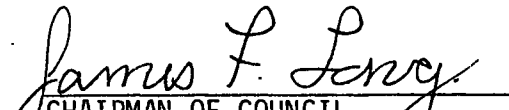
SECTION 11. That this Ordinance is hereby declared to be an emergency measure necessary for the preservation of the public peace, health, safety, convenience and welfare of the citizens of the Municipality, and the inhabitants thereof, for the reason that it is immediately necessary to file an objection with the Federal Energy Regulatory Commission in order to preserve the rights of this Municipality and the customers of the municipal electric distribution system.

SECTION 12. This Ordinance shall take effect and be in force immediately upon its passage and approval.

PASSED: 1st reading - June 23, 1980 (Emergency)
2nd reading -
3rd reading -

ATTEST:


CLERK OF COUNCIL


CHAIRMAN OF COUNCIL

POSTED: