

ORDINANCE NO. 86-28 AC CMS

AN ORDINANCE AUTHORIZING AND APPROVING AN AGREEMENT BETWEEN
THE CITY OF OBERLIN, OHIO, AND AMERICAN MUNICIPAL POWER-OHIO, INC.,
FOR THE PURCHASE AND SALE OF ELECTRIC POWER AND ENERGY

BE IT ORDAINED 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 agreement between the City of Oberlin, Ohio, and
American Municipal Power-Ohio, Inc. (AMP-Ohio), a copy of which is attached
hereto as "Exhibit A" and incorporated herein by reference, for the purchase
and sale of electric power and energy for the City, is hereby authorized and
approved, and the City Manager is hereby authorized and directed to execute
same on behalf of the City.

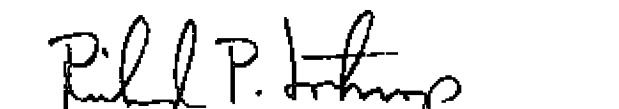
SECTION 2. It is hereby found and determined that all formal actions
of this Council concerning or relating to the adoption of this Ordinance were
adopted in an open meeting of this Council, and that all deliberations of
this Council and of any of its committees that resulted in such formal action,
were in meetings open to the public, in compliance with all legal requirements,
including Section 121.22 of the Ohio Revised Code.

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

PASSED: 1st Reading- May 5, 1986 (Emergency)
2nd Reading-
3rd Reading-

ATTEST:


Clerk of Council


Chairman of Council

POSTED: May 6, 1986

Ordinance No. 86-28 AC CMS
Exhibit A

AGREEMENT

By and Between

THE City OF Oberlin, OHIO

And

AMERICAN MUNICIPAL POWER-OHIO, INC.

RECORDED
INDEXED

OCT 10 1986

ONEA AND R

FOR THE TERM ENDING

CITY - AMP-OHIO AGREEMENT

THIS AGREEMENT is made, entered into, and effective as of May 5, 1986, by and between the City of Oberlin, a municipal corporation existing under the laws of the State of Ohio (hereinafter called "City") and AMERICAN MUNICIPAL POWER-OHIO, INC., an Ohio corporation not for profit (hereinafter called "AMP-Ohio").

WITNESSETH:

WHEREAS, AMP-Ohio is an Ohio corporation not for profit organized, inter alia, to own and operate facilities, or to otherwise provide for the generation, transmission or distribution of electric power and energy, and to furnish technical services on a cooperative non-profit basis for the mutual benefit of its patrons, such patrons being, and to be, electric systems owned and operated by municipal corporations in the State of Ohio; and

WHEREAS, AMP-Ohio desires to coordinate and develop power supply and interchange arrangements and to purchase electric power and energy for and from its municipal electric system patrons and, in accordance with such objectives, to purchase and sell electric power and energy from, to and on behalf of the City, one of AMP-Ohio's patrons; and

WHEREAS, in order to obtain a source of economical electric power and energy the City desires to purchase, from time to time, electric power and energy from AMP-Ohio or have AMP-Ohio arrange for the same; and

WHEREAS, in order to obtain a source of economical, emergency, or other electric power and energy to supplement AMP-Ohio's other sources, AMP-Ohio desires to purchase from time to time electric power and energy from City when and if the City has the same or has rights thereto; and

WHEREAS, AMP-Ohio has entered or will enter into agreements or other arrangements providing for the generation and/or transmission of electric power and energy and other services for the benefit of its patrons; and

WHEREAS, AMP-Ohio has available or may have available other services which would assist the City in the provision of economical and reliable electric service to its customers.

NOW, THEREFORE, in consideration of the conditions, terms and covenants hereinafter contained, the parties hereto do hereby mutually agree as follows:

ARTICLE I

TERM

SECTION 101 - TERM: Subject to the conditions contained herein, this Agreement shall be for an initial term beginning on the effective date hereof and ending December 31, 2005, and shall continue in full force and effect thereafter for successive terms of five (5) years unless terminated by the City or AMP-Ohio upon not less than one (1) year's written notice given prior to the end of any term, unless a Schedule made pursuant to this Agreement otherwise provides. In such case the contract will be deemed continuing, for purposes of that Schedule only, until the terms and conditions of that Schedule are fulfilled. Once given, notice of termination may not be revoked without the written agreement of the parties hereto.

ARTICLE II

SALES, DELIVERY POINTS, SCHEDULING AND OPERATION

SECTION 201 - SALES: Subject to the terms and conditions of this Agreement the parties hereby agree to purchase from and sell to each other, or arrange for such purchase and sale, and pay for such amounts of electric power and energy as may be purchased and sold from time to time in order to effect economical purchases, sales and/or transmission of electricity between, and for the benefit of, the parties pursuant to the terms of this Agreement, as well as the terms of mutually agreed upon Schedules which shall be made part of this Agreement. Each transaction pursuant to this Agreement shall be made

pursuant to a written Schedule detailing said transaction and shall be agreed to and executed by each party. Said Schedules shall become part of this Agreement as if fully rewritten herein and shall remain in full force and effect during the term of this Agreement or any extensions thereof, unless otherwise agreed to by the parties in such Schedules. The party acting as seller of electric power and energy or providing transmission or other services under this Agreement or making arrangements for the sale of the same shall be designated in this Agreement and in any such Schedules as "Seller" and the party acting as purchaser of electric power and energy or other services under this Agreement or receiving the same shall be designated in this Agreement and in any such Schedules as "Purchaser".

SECTION 202 - DELIVERY POINTS: The initial and any additional delivery points for electric power and energy to be delivered hereunder ("Point of Delivery" or "Delivery Point") shall be established by mutual agreement of the parties to this Agreement for each transaction under this Agreement. It is understood by the parties hereto that both parties, unless otherwise provided in a Schedule, shall cooperate to make arrangements with others to provide delivery service and facilities which will permit the establishment of the initial or additional Points of Delivery, including the construction of new facilities. Notwithstanding any other provision of this Agreement, the Purchaser shall not be liable to Seller for any payment on account of power and energy which cannot be delivered because of any inability to make arrangements for the initial delivery thereof at the Point of Delivery. City shall, upon the request of

AMP-Ohio, provide AMP-Ohio as an attachment hereto a diagram of each Delivery Point including applicable metering, transformation and line voltage(s). Said diagram shall be updated as required.

SECTION 203 - CHARACTERISTICS OF SERVICE: Electric power and energy furnished under this Agreement shall be in the form of three-phase alternating current having a frequency of sixty (60) hertz at such delivery voltage as is mutually agreed to by the parties hereto.

SECTION 204 - CONTINUITY OF SERVICE AND LIABILITY: Seller shall use reasonable diligence in assuring the provision of continuity of service in the delivery of electric power and energy under this Agreement, but Seller does not guarantee that the supply of electric service hereunder will be uninterrupted or at all times constant. If the supply of electric power and energy shall fail or be interrupted or be reduced or become defective through an act of God, nature, the common enemy or public authority, or because of accident, riot, insurrection, war, explosion, labor dispute, necessary maintenance, repairs or replacements, fire, flood or action taken to prevent or limit the extent or duration of disturbances of service on the system of Seller or Seller's suppliers, or that of systems through which electric service is rendered to Purchaser, or any cause beyond the control of Seller, Seller shall not be liable therefore or for damages caused thereby and such events shall not constitute a breach of Seller's obligations hereunder. The failure of the Purchaser to receive electric power and energy because of any of the aforesaid

conditions shall not relieve the Purchaser of its obligations to make payments to Seller for electric power made available by Seller pursuant to this Agreement should Seller incur charges or other costs therefore. However, in such circumstances Seller shall make all reasonable efforts to reschedule, sell or otherwise attempt to make arrangements which would avoid or mitigate Purchaser's payments for power and energy which is not so received. Each Schedule relating to a purchase made hereunder may contain additional force majeure or other continuity and liability provisions as agreed to by the parties.

The Purchaser and Seller shall each provide, or cause to be provided and maintained, suitable protective devices on its system to prevent any loss, injury or damage that might result from single-phasing conditions, over or low voltage, reverse power flow, loss of synchronism, or any other fluctuation or irregularity in the supply of electric power and energy. Seller shall not be liable for any loss, injury or damage resulting from any such conditions or other fluctuations or irregularities in the supply of energy which could have been prevented by use of such protective devices.

Use of service furnished under this Agreement for pumping water for purposes of fire protection shall not in any case subject Seller to any liability to the Purchaser, any individual, firm or corporation, private or municipal, for damages due to failure in water supply resulting from an interruption or deficiency in the supply of such electric power and energy from whatsoever cause such interruption or deficiency may arise.

Each party assumes no responsibility of any kind with respect to the construction, maintenance, or operation of the system or other property owned or used by the other. Each party agrees to protect, indemnify and save harmless the other from any and all claims, demands or actions for injuries to persons or property by any person, firm or corporation in any way resulting from, growing out of, or arising in or in connection with (a) the construction, maintenance or operation of the other's system or other property, (b) the use of, or contact with, electric energy delivered hereunder after it is delivered to the other, and while it is flowing through the lines of the other, or is being distributed by the other, or (c) is being used by consumers served by the other, or any interruptions in service to the other's customers unless otherwise provided in a Schedule.

SECTION 205 - PARALLEL OPERATION: It is recognized by the parties hereto that the feasibility of this Agreement both to the City and AMP-Ohio as well as the ability of AMP-Ohio to receive power from others may be contingent upon operation in parallel (synchronism) of one or more electric systems through which power is delivered pursuant to this Agreement.

SECTION 206 - SCHEDULING OF POWER AND ENERGY: Unless otherwise provided in a Schedule, on or before the fifteenth (15th) day of each month preceding a month during which electric power and energy is to be purchased under a Schedule to this Agreement, the Purchaser shall provide Seller with a written "energy schedule" of the amount of electric power and energy to be delivered by Seller to

Purchaser, specifying the amount of power and energy to be delivered to each Delivery Point for purchase by the Purchaser hereunder during each hour of the following month. The Purchaser shall have full responsibility for arranging to receive, or causing to be received at the Delivery Point(s), all power and energy scheduled pursuant to this Section 206.

It is understood by the parties that obtaining a timely energy schedule is often critical to Seller's ability to reliably and economically satisfy the Purchaser's electric energy and power requirements.

SECTION 207 - FAILURE TO TIMELY PROVIDE ENERGY SCHEDULE:

Unless otherwise provided in a Schedule, in the event the Purchaser fails to provide Seller with the energy schedule required by Section 206 of this Article II on or before the fifteenth (15th) day of each month preceding a month during which electric power and energy is to be purchased under a Schedule to this Agreement, Seller, in its sole judgment and discretion, shall have the right to estimate an energy schedule for the requirements of the Purchaser and use said estimated energy schedule for purposes of satisfying any scheduling requirements of Seller. It is understood and agreed that the Purchaser's obligations hereunder, with regard to electric power and energy which have been estimated on its behalf by Seller for scheduling purposes, shall be the same as if the Purchaser had timely provided an energy schedule to Seller containing the same information as estimated by Seller under this Section 207.

For purposes of illustration and without limitation, Seller

may estimate the electric power and energy requirements of the Purchaser for any month for which the Purchaser has failed to timely submit an energy schedule by any of the following methods:

- A. An estimated energy schedule may be developed by Seller by assuming that the electric power and energy requirements for the weekdays and the weekend days during the month to be scheduled are the same, hour by hour, as the average requirements for the week and weekend periods respectively during the most recent month for which the Purchaser provided a timely energy schedule.
- B. An estimated energy schedule may be developed by Seller by assuming the electric power and energy requirements for weekdays and weekend days during the month to be scheduled are the same, hour by hour, as the requirements timely scheduled for the same month in a prior year.
- C. Such other method as is reasonable under the circumstances.

Notwithstanding any other provision of this Agreement and unless otherwise provided in a Schedule, in recognition of the costs imposed upon Seller in estimating such an energy schedule, in addition to all other compensation provided for in this Agreement, Purchaser

shall pay Seller \$350.00 for each month an energy schedule is estimated pursuant to this Section. Said \$350.00 charge may be increased by the increase in The Consumer Price Index for the prior year for each calendar year this Agreement is in effect beginning with the calendar year 1986 at the sole option of the Board of Trustees of AMP-Ohio.

ARTICLE III

CONTRACT QUANTITIES AND RATE

SECTION 301 - CONTRACT QUANTITIES: For the compensation hereinafter set forth, and pursuant to the terms and conditions contained herein and in each Schedule, Seller shall arrange for the delivery of power and energy to Purchaser, in accordance with the quantities set forth in each applicable Schedule attached hereto and incorporated herein by reference as well as any applicable energy schedules.

SECTION 302 - RATE: The Purchaser shall pay Seller for all electric power and energy purchased hereunder and for transmission services required to deliver such power and energy at a rate equal to the total charges billed to or incurred by Seller for the power and energy contemplated herein, including all capacity and wheeling charges, any additional charges occasioned by untimely payments by the Purchaser to Seller which cause Seller to incur additional charges from generating or intervening utilities, plus the amount specified in Section 303, Article III, below, plus provision for any applicable

taxes. When the Seller is the generating utility, the rate shall be a negotiated rate to be set forth in the related Schedule. Different terms of compensation may be agreed to in a Schedule by the parties.

It is expressly understood that the Purchaser shall be required to pay all charges, including charges related to the provision of generation or transmission capacity, which are incurred by or billed to Seller as a result of Seller's efforts to meet the electric power and energy requirements scheduled by the Purchaser pursuant to this Agreement or any Schedule agreed to hereunder.

SECTION 303 - ADDITIONAL CHARGES: In addition to the compensation to be paid AMP-O as Seller by the City as Purchaser pursuant to Section 302 of this Article III, the City shall also pay AMP-O an amount of up to five-tenths of one mill (\$.0005) per kilowatt hour (kWh) for all energy delivered to the City at the Delivery Point(s). Said additional charge may be prospectively increased at the sole option of the Board of Trustees of AMP-O at any time. Such increases are limited, however, to an additional one-tenth of one mill (\$.0001) for power delivered hereunder on and after January 1 of each year this Agreement is in effect. Provided, however, that should AMP-O elect not to increase said charge in any year, the charge may be increased in any following year by an additional one-tenth of one mill (.0001) for each year said additional charge was not increased. Provided further, that at AMP-O's sole option it may convert and replace said additional charge per kWh, to a system of additional charges based upon demand and energy. Said demand and energy charge, however, may not operate to cause City to

incur costs in excess of what would have been allowable under the "per kWh" method utilizing an assumption of a load factor of 70%, regardless of City's actual load factor. A different charge may be agreed to by the parties in a Schedule.

ARTICLE IV

POWER FACTOR

SECTION 401 - REACTIVE POWER: It is understood by the parties that the Purchaser shall furnish or cause to be furnished, at its own expense, its own reactive power requirements. It is also understood that the delivery of electric power and energy pursuant to this Agreement may require the Purchaser to maintain a specific power factor or keep its power factor within a specified range. To the extent this Agreement contemplates maintaining either a power factor range or a specific power factor, the Purchaser shall take all steps necessary to maintain the range or specific power factor stated in the schedules incorporated herein by reference. Seller may levy a charge equal to Seller's cost of obtaining reactive power or power factor correcting equipment if Purchaser fails to correct such problems within a reasonable time of notification by Seller that such a problem exists.

ARTICLE V

PAYMENT AND TERMINATION

SECTION 501 - BILLING AND PAYMENT: Seller shall each month render to the Purchaser a statement for amounts due under this Agreement and such amounts shall be due and the Purchaser shall pay such amounts on the due date shown on the bill. Such date shall not be less than ten (10) days after the date of invoice unless otherwise agreed in a Schedule. The amount due shall be considered paid when actually received by Seller during normal business hours, or deposited in Seller's account and available for Seller's use. At Seller's option, in addition to the amounts specified in Article III of this Agreement and/or any applicable Schedules, Purchaser shall pay any and all other charges which Seller may incur as a result of untimely payment by the Purchaser; or, all amounts due and not paid within ten (10) days after the date of the invoice shall be subject to an additional charge for interest computed at the average prime rate from said due date to the date of payment. The applicable average prime rate for each calendar month, or any part thereof, shall be the arithmetic mean, to the nearest one-hundredth of one percent, of the prime rate values published in the Federal Reserve Bulletin for the fourth, third and second months preceding the due date. The interest required to be paid hereunder shall be compounded monthly.

In the event of the non-payment of any amounts due hereunder from the Purchaser to Seller for a period of thirty (30) days after the same is due and payable, then Seller shall have the right, at its election, to discontinue deliveries of electric power and energy or

other services hereunder forthwith and/or to terminate this Agreement including any or all Schedules hereunder. It is understood and agreed, however, that such a discontinuation of delivery shall not constitute a breach of this Agreement by Seller or work forfeiture or waiver of any rights of Seller hereunder. Any expense Seller may reasonably incur by reason of such default and discontinuation of delivery shall be borne by the Purchaser.

In case a portion of any amount included in a statement rendered pursuant to this Section is in bona fide dispute, the entire amount shall be payable when due and the difference between the billed amount and the correct amount, if any, shall be promptly refunded after the determination of the correct amount, with interest thereon computed as provided in this Section, unless otherwise provided in a Schedule. Notice of any such dispute shall be in writing and submitted no later than the due date of the bill in dispute.

SECTION 502 - TERMINATION FOR CAUSE: If either party hereto fails to carry out any of its material obligations under this Agreement with the exception of non-payment as discussed in, and governed by, Section 501 of this Article V, for a period of forty-five (45) days after written notice of such failure is delivered to such party by the other party hereto, the party giving such notice shall have the option of terminating this Agreement.

ARTICLE VI

GENERAL

SECTION 601 - SUCCESSORS AND ASSIGNMENT: The terms, provisions, covenants and conditions of this Agreement and the rights and obligations of the parties to this Agreement shall not extend to, inure to, bind, be transferred to or vest in the successors or assigns of the City or AMP-Ohio, other than by operation of law, unless the prior written consent of AMP-Ohio or the City to continue this Agreement, including any or all Schedules hereunder, with any such successor or assign shall be obtained.

SECTION 602 - AGENCY: In order to promote efficient and economical transactions pursuant to this Agreement the parties agree that the City may designate AMP-Ohio as its agent for purposes related to the provision of economical and reliable power to the City. Said designation shall be in writing and shall be specific as to the type of transactions contemplated thereunder and shall be deemed accepted by AMP-Ohio unless AMP-Ohio notifies the City in writing the contrary within seven days of the receipt of the designation by AMP-Ohio.

SECTION 603 - OTHER SERVICES: During the term of this Agreement AMP-Ohio may offer, and the City wish to purchase, other services, e.g. financial, technical, management or information services, provided to the City by AMP-Ohio or its agents, for the purposes of aiding the City in providing economical and reliable electric service to the City's consumers. Such services, and the

terms and conditions pursuant to which they are to be provided, may be set forth in a Schedule to this Agreement and thereby provided hereunder.

SECTION 604 - WAIVERS: Any waiver at any time by either party hereto of its right with respect to a default under this Agreement, or with respect to any other matter arising in connection with this Agreement shall not be deemed a waiver with respect to any subsequent default or any other matter. Any delay, short of the statutory period of limitation, in asserting or enforcing any right under this Agreement shall not be deemed a waiver of such right.

SECTION 605 - ARBITRATION: Except for non-payment of billed amounts not in bona fide dispute, any controversy, claim, counterclaim, defense, dispute, difference or misunderstanding arising out of or relating to this Agreement or breach thereof, shall be settled by binding arbitration before three arbitrators, one of whom shall be named by AMP-Ohio, one of whom shall be named by the City, and the third of whom shall be named by the two arbitrators appointed by AMP-Ohio and the City, respectively. In the event the arbitrators selected by the City and AMP-Ohio can not agree upon a third arbitrator, the third arbitrator shall be appointed by the American Arbitration Association. Alternatively the parties may agree to proceed before a single arbitrator jointly selected.

The arbitration shall be conducted in accordance with rules of the American Arbitration Association then in effect and judgment upon any

award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. This provision shall survive the termination of this Agreement. The parties expressly agree that this provision shall constitute a condition precedent to the institution of any proceeding in any court or other forum relating to the subject matter of this Agreement, except for collection of billed amounts not in bona fide dispute.

SECTION 606 - NOTICES: Any notices given or required to be given hereunder by AMP-Ohio to the City shall be deemed to be effective when received at the following address:

Office of the City Manager
City of Oberlin
85 South Main Street
Oberlin, OH 44074

Any notices given or required to be given hereunder by the City to AMP-Ohio shall be deemed to be effective when received at the following address:

AMERICAN MUNICIPAL POWER-OHIO, INC.
Attn: President
P. O. Box 549
1001 Eastwind Drive, Suite 109
Westerville, Ohio 43081

Said addresses may be updated from time to time.

SECTION 607 - COMPLETE AGREEMENT: This Agreement including the provisions which are incorporated by reference hereto, contains the complete agreement of the parties with respect to the services to

be furnished hereunder except to the extent set forth in Schedules adopted hereunder. The parties recognize, however, that Seller's ability to perform the obligations imposed by this Agreement may be contingent upon the receipt of power pursuant to other agreements, and revisions to, or the operation of the terms and conditions of, such other agreements may give rise to circumstances which, in order to carry out the intent of this Agreement which is to allow the delivery of economic, reliable power to the Purchaser, may require the amendment or revision of this Agreement. Acquiescence to such amendment or revision of this Agreement shall not be unreasonably withheld by AMP-Ohio or the City.

SECTION 608 - APPLICABLE LAW: This Agreement and any controversies arising hereunder are to be determined in accordance with the Laws and Constitution of the State of Ohio.

THIS AGREEMENT has been authorized by the parties hereto as follows: (i) the City has authorized this Agreement by Ordinance
No. 86-28 AC CMS which is attached hereto and made a part hereof as Exhibit A; (ii) AMP-Ohio has authorized this Agreement by the passage of a Resolution by its Board of Trustees which is attached hereto and made a part hereof as Exhibit B.

The City OF Oberlin, Ohio

AMERICAN MUNICIPAL POWER-OHIO, INC.

By Dale S. Sugerman
Dale S. Sugerman, City Manager

By Richard W. Lorsch

APPROVED AS TO FORM

Erin R. Senner

OBERLIN AND AMP-OHIO

Schedule No. OBER - 1
Dated: May 5 1986

- A. Type of transaction - Supplemental Displacement Power Service
- B. Seller - City of Oberlin
- C. Buyer - American Municipal Power - Ohio Inc.
- D. Scheduling - As provided to Oberlin by AMP-Ohio
- E. Rate - \$0.015/Kwh plus a payment for fuel allowance in conformance with the fuel allowance payment clause as provided in a contract between the City of Oberlin and AMP-Ohio entitled "Agreement on Generation to serve Oberlin's Native Load." Payment for fuel allowance under Rate D-1 shall be paid for separately and not as a part of nor in addition to payments under the above mentioned contract. It is understood, agreeing to this provision, will not affect the distribution of savings under Article 6 of the above mentioned contract.
- F. Expiration Date of this schedule: upon 30 days notice by either party.

CITY OF OBERLIN

By: Dale S. Sugerman
Dale S. Sugerman, City Manager

Date: 10-2-86

AMERICAN MUNICIPAL POWER - OHIO,
INC.

By: Richard H. Gansert

Date: 10-6-86

AMP-OHIO RATE SCHEDULE SD-1
FOR SUPPLEMENTAL DISPLACEMENT POWER SERVICE

DATED: April 1, 1986

1. General Terms and Conditions:

This rate and the service hereunder are available at the sole option of AMP-Ohio to its coincidentally metered patrons on the WCOE System during a "peak alarm" condition as determined by AMP-Ohio on the AMP-Ohio WCOE system, and only when AMP-Ohio has displacement capacity available to serve the needs of the patron. A "peak alarm" condition occurs when the WCOE's coincident capacity requirement is of such a magnitude which may be the highest WCOE coincident capacity requirement as metered at the delivery points. The purpose of this rate schedule, is to allow a purchaser to attempt to minimize its contribution to WCOE's coincident capacity requirement as metered at the delivery points.

This service is interruptible and may be terminated or curtailed by AMP-Ohio's dispatcher without notice to the Purchaser at AMP-Ohio's sole discretion. AMP-Ohio, however, will attempt to give notice to the Purchaser or his agent at the time of the termination or curtailment. The AMP-Ohio load management program involves inherent risk. This risk, contributing to the WCOE's capacity requirement, can be minimized by the use of this rate. However, AMP-Ohio does not represent that the use of this rate schedule will be an absolute protection as to the Purchaser's level of contribution to the WCOE coincident capacity requirement, nor will it guarantee lower costs. Indeed, the Parties expressly recognize that under certain circumstances increased costs could possibly result from the operation of this Schedule.

2. Scheduling:

Power shall be scheduled by the patron or his agent with the AMP-Ohio dispatcher. This power schedule shall be by the hour and in not less than 500 kW increments. Said schedule shall be in writing or confirmed in writing, within two business days of an oral request, using the attached request form.

3. Demand Charge:

No demand charge shall be made for supplemental, displacement power service under this rate schedule.

4. Energy Rate:

The charge for the kilowatthours (kWh) shall be the fuel allowance as defined herein, plus \$0.02/kWh, for all kilowatthours displaced in accordance with the power schedule. Said charge shall be in addition to all other charges.

5. Determination of Billing Kilowatthours:

The kilowatthours billed shall be all kilowatthours generated as a result of operations pursuant to the power schedule provided by the patron to the AMP-Ohio dispatcher. Only those kilowatthours actually scheduled and displaced when the AMP-Ohio WCOE system is in a peak alarm condition shall be billed to the patron. No voltage discounts or adjustments for losses shall be applied to the kilowatthours billed under this rate.

6. Billing:

Payment made in accordance with, and as an addition to the bill rendered pursuant to the AMP-Ohio/Patron contract for WCOE member cities.

7. Fuel Allowance:

The fuel allowance to be paid under this rate schedule shall be the actual cost to AMP-Ohio of fuel consumed by the generating unit(s) assigned to provide the supplemental displacement power service, as determined by AMP-Ohio. In determining the actual cost of fuel consumed, AMP-Ohio may consider the order in which all requests for supplemental displacement power were received. Requests received before the beginning of any month shall be treated equally.

8. Termination and/or Curtailment:

Termination and/or curtailment of the service provided hereunder shall be undertaken at the sole discretion of AMP-Ohio. Consideration shall be given, however, to the time when the supplemental displacement power service request was received with earlier requests being given priority. Purchasers submitting requests before the beginning of each month, shall be treated equally when service is terminated and/or curtailed.

AMP-OHIO SUPPLEMENTAL
DISPLACEMENT POWER SERVICE REQUEST
PURSUANT TO RATE SCHEDULE SD-1

CUSTOMER: _____ BY _____

AGENT: _____ BY _____

DATE: _____ DAY _____ TIME _____

RESERVATION PERIOD:

FROM HOUR ENDING: _____ HOUR _____ DATE _____

TO HOUR ENDING: _____ HOUR _____ DATE _____

SEE ATTACHED SCHEDULE (CHECK ONE): _____ YES _____ NO

RESERVATION AMOUNT
IN KILOWATTS: _____
(500 kW INCREMENTS)

AMP-OHIO DISPATCHER: _____

SEND COPY TO: CUSTOMER
AGENT
AMP-OHIO

EXHIBIT A

ORDINANCE NO. 86-28 AC CMS

AN ORDINANCE AUTHORIZING AND APPROVING AN AGREEMENT BETWEEN
THE CITY OF OBERLIN, OHIO, AND AMERICAN MUNICIPAL POWER-OHIO, INC.,
FOR THE PURCHASE AND SALE OF ELECTRIC POWER AND ENERGY

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American Municipal Power-Ohio, Inc. (AMP-Ohio), a copy of which is attached
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approved, and the City Manager is hereby authorized and directed to execute
same on behalf of the City.

SECTION 2. 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 3. That this ordinance shall take effect at the earliest date
allowed by law.

PASSED: 1st Reading- May 5, 1986 (Emergency)
2nd Reading-
3rd Reading-

ATTEST:

Julie A. Simonson
Clerk of Council

Richard P. Lohmeyer
Chairman of Council

POSTED: May 6, 1986

I do hereby certify that the above and foregoing is
a true and correct copy of

Ordinance 86-28
as passed by the City Council of the City of
Oberlin.

Witness my hand and seal of the City of Oberlin,
Ohio this 28th day of May, 1986

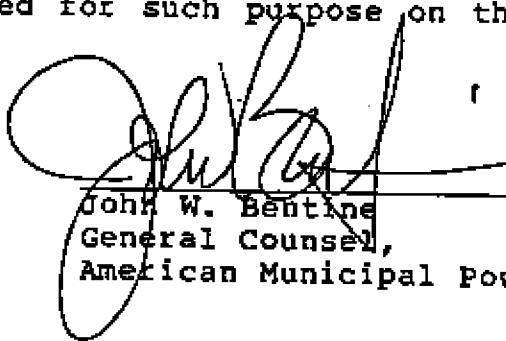
Julie A. Simonson
Clerk of Council

EXHIBIT B

AMP-Ohio Resolution

That the President of AMP-Ohio is hereby authorized to enter into "Generic" contracts, as drafted and approved by the General Counsel, as well as schedules thereunder, with any member municipality in order to allow for the purchase and sale of power and other services to and from those municipalities.

I hereby certify that the above Resolution was duly adopted at a special meeting called for such purpose on this 14th day of March, 1986.



John W. Bentine
General Counsel,
American Municipal Power-Ohio, Inc.