

**Legislative Summary**

To authorize the City of Cleveland to purchase natural gas supply for all city facilities. To authorize the City of Cleveland to enter into potential cooperative purchase agreements and joint procurement capabilities with other regional entities such as but not limited to the Northeast Ohio Regional Sewer District.

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**Background/Purpose:**

The City of Cleveland made a commitment through its Sustainable Cleveland Municipal Climate Action, to save the City money and reduce its environmental footprint. One mechanism to implement this is to leverage the purchasing power of the City to purchase natural gas supply for all city facilities, while exploring options for blending in renewable sources of natural gas, such as biodigestors and landfill natural gas.

The Request for Proposals (RFP) procurement process offers more competition and participation from energy suppliers to procure natural gas as a service, provides the city more flexibility to react to volatile natural gas market pricing, receive ongoing market analysis and reporting from the selected energy supplier, and to explore renewable natural gas sources.

**Scope of Work/Commodities/Services:**

The request for legislative authority is for the City of Cleveland to procure natural gas supply for the facilities serviced by Dominion East Ohio (DEO) and Columbia Gas.

Request authority to enter into natural gas supplier agreements for a period of upto 3 years, with two (2) 1-year options to renew, exercisable by the Director of Finance.

Request authority to procure natural gas supply through potential cooperative purchase agreements with other governmental agencies.

Request authority to explore the joint procurement of natural gas supply with the Northeast Ohio Regional Sewer District, by combining the natural gas load of the two organizations, thereby capturing better pricing for the City of Cleveland.

**Justification/Urgency:**

The importance of this request for legislation is due to the upcoming expiration of the current natural gas supply contract on Nov 30 2022, and not expose the City to volatile and fluctuating pricing, especially during the winter months.

**Anticipated Costs and funding source:**

Citywide natural gas budget – same funding source as current and prior years

**Schedule or Term of Contract:**

3 years, with two (2) 1-year options to renew

**Current Contract (s):**

Master Agreement No. RC 2020\*82

<b>Vendor Name</b>	<b>Vendor Address</b>	<b>Vendor Contact</b>
Direct Energy Business, an NRG Company	1001 Liberty Avenue, Pittsburgh, PA 15222	Allison Chough

**Cleveland-Area Small Business Participation:**

N/A

**Previous contract:**

<b>Vendor Name</b>	<b>Vendor Address</b>	<b>Vendor Contact</b>
Direct Energy Business, an NRG Company	1001 Liberty Avenue, Pittsburgh, PA 15222	Allison Chough