

### **Legislative Summary**

To authorize the City of Cleveland to purchase electricity supply for all city facilities not serviced by Cleveland Public Power. 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 electricity supply including renewable energy resources for all city facilities not serviced by Cleveland Public Power.

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

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

The request for legislative authority is for the City of Cleveland to procure electricity for the facilities not serviced by Cleveland Public Power.

Request authority to enter into electricity supplier agreements for a period of upto three (3) years, with two (2) options to renew of upto one year each, exercisable by the Director of Finance.

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

Request authority to explore the joint procurement of electricity supply with the Northeast Ohio Regional Sewer District, by combining the electricity 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 expiry of the electricity supply contract in August 2022, and not continue to expose the City to fluctuating utility or tariff-based electricity pricing beyond early 2023.

#### **Anticipated Costs and funding source:**

Citywide electricity supply budget – same funding source as current and prior years

**Schedule or Term of Contract:**

Upto three (3) years, with two options to renew of up to one year each

**Current Contract (s):**

Master Agreement No. RC 2021-84

<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