

DEPARTMENTS OF PUBLIC UTILITIES & FINANCE & SUSTAINABILITY

Ordinance. No. assigned: 386-2024

Legislative Summary

Purpose: To authorize the Director of Finance and/or the Director of Public Utilities of the City of Cleveland, in collaboration with the Mayor's Office of Sustainability, to renew the Sustainable Ohio Public Energy Council ('SOPEC') Community Choice Retail Electric Aggregation ('CCA') program at a fixed price for residential and small commercial customers for 12 months at a time for the next two years, or at a fixed price for up to 24 months, starting with August 2024 meter read dates.

Background/Purpose:

The City's community choice electric aggregation program applies to residents and small commercial customers of First Energy, who currently save on electricity costs through this program and have access to green energy. The City of Cleveland entered into an agreement with SOPEC to provide this program for August 2023 – July 2024 meter read dates, with additional two one-year options to renew after the first one-year period to be authorized by council.

The first year of the SOPEC's CCA program has an annual savings of approximately \$12M total combined across all accounts, with an average of \$275 annual savings per customer for participants, and has a default fixed price of 6.302 cents/kWh backed by 100% renewable energy credits. SOPEC has a Cleveland office, a NE Ohio program lead and a dedicated toll-free customer service phone number.

Summary:

This legislation is specifically to authorize the Directors of Finance and/or Public Utilities to exercise either of the following:

- a. Renewal through two 12-month options: a 12 month fixed price for the August 2024 – July 2025 meter read term, and a 12 month fixed price for the August 2025 – July 2026 meter read term
- b. Renewal through a 24-month (2 year) fixed price for the August 2024 – July 2026 meter read term

The renewals will be exercised based on market refresh(es) to the fixed price.

Justification/Urgency:

The City seeks these options in order to continue the current successful SOPEC CCA program through July 2026.

Anticipated Costs and Funding Source:

There is no cost to the City associated with these contracts.

- **Contract: SOPEC Membership Agreement:**

SOPEC	Cleveland Address: 6815 Euclid Ave, Cleveland, OH 44103	Contact: Phillip Leppla (Pricing)	Contact: Jennifer McMillan (Program Lead)
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