RESOLUTION NO. 2011- 183

A RESOLUTION PROTESTING CAPPING ELECTRIC SWITCHING RATES IN THE AEP OHIO AREA AND DECLARING AN EMERGENCY

WHEREAS, The Ohio Legislature enacted deregulation legislation Am. Sub. Senate Bill No. 3 in 2000 which authorized the legislative authorities of municipal corporations, townships and counties to aggregate the retail electrical loads located in the respective jurisdictions and to enter into service agreements to facilitate for those loads the purchase and sale of electricity; and

WHEREAS, Governmental aggregation provides an opportunity for residential and small business customers collectively to participate in the potential benefits of electricity deregulation through lower electric rates than they would otherwise not be able to obtain individually; and

WHEREAS, the Public Utilities Commission of Ohio (PUCO) encourages and promotes large-scale aggregation as required by law in ORC 4928.20(K); and

WHEREAS, the City of Fremont has placed electric aggregation on the ballot for November 8, 2011.

WHEREAS, American Electric Power (AEP) has filed a proposed settlement of the AEP Electric Security Plan (ESP) which includes caps on the amount of electric load that will be entitled to buy capacity at the rates set by the PJM Reliability Pricing Model. The abovemarket pricing for all capacity above the caps creates a postdated "first-come-first-served" switching queue which will effectively prevent our residents from enrolling in the aggregation program;

NOW THEREFORE BE IT RESOLVED THAT, the Clerk of the Fremont City Council is instructed to serve copies of this resolution upon the PUCO, AEP and the Ohio Consumers' Counsel.

BE IT FURTHER RESOLVED THAT this legislative body requests that the PUCO reject the AEP ESP as written and allow residents the freedom to select suppliers unencumbered by switching caps or a postdated sign-up queue, whether those caps are implemented through the imposition of above market capacity pricing or otherwise.

This Resolution, provide it receives not less than (5) yea votes, is hereby declared to be an emergency measure for the health, safety and welfare of the citizens of the City of Fremont, said emergency being to provide our opposition to the PUCO before a decision is made.

PASSED:

EFFECTIVE:

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