

VILLAGE OF COVINGTON, OHIO

RESOLUTION R13-24

RESOLUTION AUTHORIZING THE VILLAGE ADMINISTRATOR TO ENTER INTO AN AGREEMENT FOR THE PURCHASE OF NATURAL GAS FOR THE VILLAGE'S NATURAL GAS AGGREGATION PROGRAM

WHEREAS, the electorate of Covington has previously authorized the Village to aggregate eligible retail natural gas loads located within the governmental boundaries of Covington and enter into service agreements for the sale and purchase of natural gas, such aggregation to occur automatically except where any person elects to opt out; and

WHEREAS, the Village has engaged in a fair and open process to request proposals for supplying natural gas for the future from such certified natural gas suppliers; and

WHEREAS, to obtain the most competitive price, the process of entering into a contract for the supply of natural gas requires the Village to accept a proposal within hours after it is submitted, which short-time requires delegation of authority to the Village Administrator to enter into a contract.

NOW, THEREFORE, BE IT ORDAINED by the Council of the Village of Covington, Ohio:

SECTION 1: That Village Administrator, is authorized to enter into an agreement with Volunteer Energy Services, Inc. for natural gas services.

SECTION 2: That the Village Administrator, is authorized to execute contracts for and to take such other steps as necessary for the purchase of natural gas for Village use from a retail natural gas supplier for a period of at least 12 months if the natural gas rate is based on the recommendation of Affordable Gas & Electric Company, LLC, the Village's consultant for its aggregation program; and

SECTION 3: That the Village Administrator shall notify the Village Council at the next available meeting, of actions taken pursuant to the Resolution.

APPROVED: April 15, 2024


Lee Harmon, Mayor


Derrick Canan, President of Council


Rhonda Gill, Fiscal Officer

January 24, 2024

Municipality Name: Village of Covington, OH
Municipality Address : 1 S. High St.
City/State/Zip : Covington, OH 45318

Subject: Electric and Natural Gas Municipal Aggregation Services Agreement

This Agreement for Electric and Natural Gas Municipal Aggregation Services ("Agreement") is made between Priority Power Management, LLC ("PPM") and Village of Covington, OH ("Client"). PPM agrees to assist Client in exclusively evaluating electric and/or natural gas supply options available in the marketplace with the intent of contracting with a competitive electric and/or natural gas supplier to provide price stability through the procurement process.

I. Scope of Services

During the Term, PPM shall provide the following:

1. Community Outreach and Education on Benefits of Aggregation Program
2. Collection, Analysis, and Modeling of Historical Usage Data
3. Review Plan of Operation and Governance required by applicable Ohio law *(if necessary)*
4. Coordination and Implementation of Public Hearings on Community's behalf *(if necessary)*
5. Preparation and Issuance of Supplier Bid Solicitation
6. Conducting of Pre-Bid Conference Calls with Suppliers
7. Layered hedging evaluation and valuation of potential solar sleeve-in options
8. Evaluation and Clarifications of Supplier Bid Proposals
9. Second Round of Supplier Bids Requested *(if necessary)*
10. Evaluation and Clarifications of Supplier Bid Proposals
11. Presentation of Supplier Pricing Results & Supplier Recommendation
12. Supplier Contract Negotiations
13. Contracting Facilitation Between Communities and Winning Bidder
14. Preparation of Enrollment Materials – Opt Out Letters, Frequently Asked Questions, etc.
15. Monitoring of Supplier Enrollment Process
16. Management of additional Enrollment requests for Move-Ins after the initial Enrollment process
17. Preparation of Performance Reports
18. Strategic Market Timing Recommendations after Initial Procurement

II. Term and Termination Provisions

This Agreement shall commence on the date listed below on page 3 and will terminate:

1. At the conclusion of the Contract with a competitive electric and/or natural gas supplier provided that the Client sends written notice of its desire to terminate this Agreement at least one-hundred twenty (120) days prior to the conclusion of the Contract with a competitive electric and/or natural gas supplier, otherwise, this Agreement will stay in place for the renewal period of the Contract; or
2. Upon written agreement of both Parties.

Both parties agree that PPM will undertake significant time and resources to perform the scope of services listed in Section I above. Client agrees that during the term of this Agreement, it shall not directly solicit proposals or offers from, enter into any agreements with, or accept services for professional services that are substantially similar to the scope of services performed by PPM pursuant to this Agreement.

III. Confidentiality

Confidential Information Defined

PPM acknowledges that it will be receiving from Client information of a non-public nature ("Confidential Information") to be used for the solicitation and delivery of retail electric and/or natural gas supply associated with the Electric and/or Natural Gas Municipal Aggregation effort. This information includes the names, addresses and accounts of customers taking electric supply from the applicable Electric Distribution Utility and natural gas supply from the applicable Local Distribution Company. PPM acknowledges that any such information shall be considered Confidential Information and shall adhere to all applicable requirements found in Sections 4928.20 (electric) and 4929.26 (gas) of the Ohio Revised Code, with administrative rules in 4901:1-21-16 & 4901:1-21-17 (electric), and 4901:1-28 (gas) of the Ohio Administrative Code

Non-Disclosure Obligation

PPM shall maintain the confidentiality of any Confidential Information and shall not disclose such Confidential Information, in whole or in part, to any person other than its Representatives who need to know such Confidential Information and to suppliers in conjunction with the performance of the services described herein. Representatives shall be informed by PPM of the confidential nature of the Confidential Information and shall be directed by PPM to treat the Confidential Information confidentially. PPM agrees to be responsible and liable for any breach of the Agreement by its Representatives.

IV. Indemnification

To the fullest extent permitted by law, PPM shall fully indemnify, defend, release, and completely hold harmless Client, its agents, insurers, and/or employees from and against all third-party actions, claims, demands, liabilities, damages, losses, costs and expenses related to this Agreement.

V. General Terms and Conditions

1. PPM will be compensated directly by the electric and/or natural gas supplier who is awarded the bid. Client shall not incur any out-of-pocket costs with respect to PPM's compensation.
2. This Agreement shall be governed and construed in accordance with the laws of the State of Ohio.
3. This Agreement may be amended from time to time by the Parties. Any amendment to this Agreement shall be made in writing and shall be signed by the Parties or their respective successors and assigns.

4. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. Facsimiles and copies of original signature pages will be treated as originals.
5. Notices hereunder may be given by mail or by fax transmission addressed or faxed to the Party to which it is being given at such Party's address or fax number set forth below and shall be effective (a) in the case of mail, 3 days after deposit in the postal system, first class postage pre-paid and (b) in the case of fax notices, when sent. Either Party may change its address and fax number by written notice to the other Party.

Priority Power Management, LLC
Attn: Jordan Haarmann
Address : 300 S. Wacker Dr., Suite 800
City State : Chicago, IL 60606
Phone : 618-203-8328
Email: jordan.h@agellc.com

Municipality: Village of Covington, OH
Attn: Tyler Rensch, Village Administrator
Address: 1 S. High St.
City/State/Zip: Covington, OH 45318
Phone: 937-473-3420
Email: administrator@covington-oh.gov

Upon acceptance of the terms of this Agreement, please sign the document where indicated below and return a copy to me either by email (Jordan.h@agellc.com) or fax to 618-205-5069.

Agreed and accepted this 16 day of APRIL 2024.

Priority Power Management, LLC:

By: _____
Jeff Haarmann, Managing Director

Municipality: Village of Covington, OH

Signature: 
Print Name: TYLER E. RENSCH
Title: VILLAGE ADMINISTRATOR

**NATURAL GAS AGGREGATION
MUNICIPALITY POWER OF ATTORNEY**

MUNICIPALITY: Village of Covington
ADDRESS: 1 South High St.
CITY STATE ZIP: Covington OH 45318
TELEPHONE: 937-473-3420


Municipality hereby appoints Priority Power Management, LLC ("PPM") as Attorney-In-Fact for purposes herein and authorizes PPM to negotiate, execute and deliver a Municipal Natural Gas Aggregation Supply Agreement ("contract") with the selected natural gas supply bidder on behalf of Municipality.

The start date for the contract shall coincide with the expiration of Municipality's current agreement in October 2024.

Municipality authorizes the execution of the contract under the above terms. Further, Municipality represents and warrants through the term of the agreement, as follows: 1) all acts necessary to the valid execution, delivery and performance of the agreement or contract extension, including without limitation, public notice, election, referendum, prior appropriation or other required procedures has or will be taken and performed as required; 2) all persons authorized to act on behalf of the Municipality are the duly elected or appointed incumbents in their positions and hold such positions in good standing in accordance with Municipality by-laws or other applicable law; 3) entry into and performance of this agreement are for a proper public purpose; 4) the term of this agreement or contract does not extend beyond any applicable limitation imposed by relevant or applicable law; and 5) Municipality acknowledges that PPM is paid through the contract by the supplier.

This Power of Attorney shall expire on the earlier of (i) the execution of the contract on behalf of Municipality and (ii) February 28, 2025.

MUNICIPALITY

Sign: 
Print: Tyler E. Rowett
Title: Municipal Administrator
Date: 4/14/2024

Please return the signed Municipality Power of Attorney to:

Priority Power Management, LLC
Attn: Jordan Haarmann
300 S. Wacker Dr., Suite 800
Chicago, IL 60606
FAX: (618)-205-5069
Email: jordan.h@agellc.com

**ELECTRIC AGGREGATION
MUNICIPALITY POWER OF ATTORNEY**

MUNICIPALITY: Village of Covington
ADDRESS: 1 South High St.
CITY STATE ZIP: Covington, OH 45318
TELEPHONE: 937-473-3420

Municipality hereby appoints Priority Power Management, LLC ("PPM") as Attorney-In-Fact for purposes herein and authorizes PPM to negotiate, execute and deliver a Municipal Electric Aggregation Supply Agreement ("contract") with the selected electric supply bidder on behalf of Municipality.

The start date for the contract shall coincide with the expiration of Municipality's current agreement in December 2024.

Municipality authorizes the execution of the contract under the above terms. Further, Municipality represents and warrants through the term of the agreement, as follows: 1) all acts necessary to the valid execution, delivery and performance of the agreement or contract extension, including without limitation, public notice, election, referendum, prior appropriation or other required procedures has or will be taken and performed as required; 2) all persons authorized to act on behalf of the Municipality are the duly elected or appointed incumbents in their positions and hold such positions in good standing in accordance with Municipality by-laws or other applicable law; 3) entry into and performance of this agreement are for a proper public purpose; 4) the term of this agreement or contract does not extend beyond any applicable limitation imposed by relevant or applicable law; and 5) Municipality acknowledges that PPM is paid through the contract by the supplier.

This Power of Attorney shall expire on the earlier of (i) the execution of the contract on behalf of Municipality and (ii) February 28, 2025.

MUNICIPALITY

Sign: 

Print: Tyler E. Renert

Title: Village Administrator

Date: 4/16/2024

Please return the signed Municipality Power of Attorney to:

Priority Power Management, LLC
Attn: Jordan Haarmann
300 S. Wacker Dr., Suite 800
Chicago, IL 60606
FAX: (618)-205-5069
Email: jordan.h@agellc.com