



Legislation Details (With Text)

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Title: Resolution authorizing the Mayor to enter on behalf of the City of Pittsburgh into a Memorandum or Memoranda of Understanding with the Western Pennsylvania Energy Consortium (“WPEC”), for aggregated purchasing of electricity, prorated cost-sharing amongst WPEC members as well as the establishment of a subaccount on behalf of the members of the Western Pennsylvania Energy Consortium (WPEC) in order to procure electricity at lower costs and increase City’s use of renewable energy sources.

Sponsors:

Indexes: MISCELLANEOUS

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Attachments: 1. 2021-1379 Cover Ltr WPEC MOU Director's Letter, 2. Summary 2021-1379

| Date | Ver. | Action By | Action | Result |
|-----------|------|--------------------|---------------------------|--------|
| 4/29/2021 | 1 | Mayor | Signed by the Mayor | |
| 4/27/2021 | 1 | City Council | Passed Finally | Pass |
| 4/21/2021 | 1 | Standing Committee | Affirmatively Recommended | Pass |
| 4/13/2021 | 1 | City Council | Read and referred | |

Resolution authorizing the Mayor to enter on behalf of the City of Pittsburgh into a Memorandum or Memoranda of Understanding with the Western Pennsylvania Energy Consortium (“WPEC”), for aggregated purchasing of electricity, prorated cost-sharing amongst WPEC members as well as the establishment of a subaccount on behalf of the members of the Western Pennsylvania Energy Consortium (WPEC) in order to procure electricity at lower costs and increase City’s use of renewable energy sources.

WHEREAS, in December 2019 the Western Pennsylvania Energy Consortium was formed among its then-existing member entities (“WPEC Entities”) in a separate memorandum of understanding (“2019 WPEC MOU”) in which WPEC’s new procurement strategy was approved; and

WHEREAS, the 2019 WPEC MOU established short-term and long-term goals of WPEC Entities, the former including the procurement of an energy consultant and an electricity supply service provider for the WPEC Entities; and

WHEREAS, in 2020, the City of Pittsburgh executed an energy consultant contract with Enel X North America, Inc. (“Enel X”) who will serve as energy consultant to WPEC and has executed substantially similar consultant contracts with other WPEC Entities; and

WHEREAS, also in 2020, WPEC Entities agreed to a second MOU (“2020 WPEC MOU”) to further pursue a new purchasing strategy for electricity; and

WHEREAS, it was agreed therein by the WPEC Entities that Enel X shall serve as their consultant on organizational structure, development of additional WPEC MOUs or agreements as well as procedures and rules applicable to WPEC, electricity procurement options, cost analysis, risk management strategies, the development of a comprehensive electricity procurement plan including the procurement and integration of renewable energy purchases; and

WHEREAS, it was further agreed that the electric supply services contractor shall provide WPEC with its own dedicated PJM subaccount, enroll WPEC-only accounts, execute market transactions and bill the WPEC accounts under the direction of Enel X and WPEC in accordance with the WPEC-approved energy cost management and procurement plan (“ECMPP”); and

WHEREAS, the 2020 WPEC MOU provides that WPEC Entities shall administer the WPEC electric supplier service procurement(s) in 2021 and beyond, oversee the ECMPP including the ongoing procurement activity and modification of the plan as needed in response to changes in the electricity markets, to share the costs of consulting and electric supply services on a prorated basis, to add new parties to WPEC electricity procurement and to integrate renewable energy purchases into the overall WPEC energy procurement program.

Be it resolved by the Council of the City of Pittsburgh as follows:

Section 1. The Mayor is hereby authorized on behalf of the City of Pittsburgh to enter into a Memorandum or Memoranda of Understanding with the Western Pennsylvania Energy Consortium (“WPEC”), to provide for aggregated purchasing of electricity, prorated cost-sharing amongst WPEC members as well as additional services including those in regards to the establishment of a subaccount on behalf of the members of the Western Pennsylvania Energy Consortium (WPEC) in order to procure electricity at lower costs and increase our region’s use of renewable energy sources.