

North Canton City Council  
Water, Sewer and Rubbish Committee

Ordinance No. 4 - 2015

An ordinance authorizing the Mayor of the City of North Canton to enter into a 5-year contract with Energy Curtailment Specialists, Inc., (ECS) PowerPay Program for the purpose of participating in the Emergency Demand Response program, and declaring the same to be an emergency.

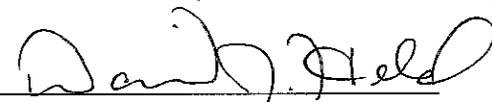
WHEREAS, the City of North Canton is desirous of entering into an agreement that will compensate it for reducing its electrical demand during high demand periods; and

WHEREAS, such program will compensate the City of North Canton for periodically test its emergency backup systems.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORTH CANTON, COUNTY OF STARK, AND STATE OF OHIO:

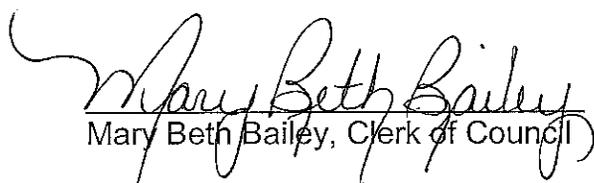
- Section 1. That the Mayor of the City of North Canton, be and is hereby authorized to enter into a 5-year contract with ECS's PowerPay Program for the purpose of participating in the Emergency Demand Response program. The program will compensate the City of North Canton for the use of alternate generator power at the North Canton's Drinking Water Plant during such times when the electrical grid is experiencing high demand.
- Section 2. That the City of North Canton may, without penalty, decline to participate in the program.
- Section 3. That if a provision of this ordinance is or becomes illegal, invalid or unenforceable, that it shall not affect the validity or enforceability of any other provision of this ordinance.
- Section 4. That this ordinance is hereby declared to be an emergency measure necessary for the preservation of the health, safety and peace of the City of North Canton, and further necessary to ensure a continuous, potable water supply is available for residents and customers, and to timely participate in the 2015 calendar-year program; wherefore, provided it receives the affirmative vote of six (6) or more members of Council elected thereto, this ordinance shall take effect and be in full force immediately upon its adoption by Council and approval by the Mayor. Otherwise, it shall take effect and be in force from and after the earliest period allowed by law.

Passed in Council this 12<sup>th</sup> day of January, 2015.

  
David Held, Mayor

Signed: 1/12, 2015

ATTEST:

  
Mary Beth Bailey, Clerk of Council

Company Name: \_\_\_\_\_ (Hereinafter, "We" or "Our") Utility Name: \_\_\_\_\_

Utility Acct #(s): \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_ Zip: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Title: \_\_\_\_\_

Tel # \_\_\_\_\_ Fax: \_\_\_\_\_ Email: \_\_\_\_\_

We hereby enroll in Energy Curtailment Specialists, Inc. (ECS) PowerPay! Program(s) and authorize ECS to be our Curtailment Service Provider with PJM Interconnection, LLC (PJM) for the Emergency Demand Response program. We will execute an addendum if we wish to participate in the Economic and Sync Reserves programs. We shall assist ECS by providing all of the information required for registration and event notification. It is within our authority to curtail electricity usage at our facilities. Prior to enrollment with PJM, on an annual basis, we will execute an addendum to this agreement specifying the PJM program(s) and program parameters that we agree to participate in.

For the 2015/16 Emergency program, (which begins 6/1/2015), we agree to curtail our electricity use when we are notified by ECS that PJM has called an emergency event (event) for our zone during the Obligation Period (June 1 to September 30). We agree to begin curtailing at the time told to us by ECS which may be within 30 minutes of an event call by PJM. We can be called for a maximum of 10-events at a maximum duration of 6-hours each event. An event can be called between 12:00PM to 8:00PM during weekdays only. If no event is called, we shall respond to a 1-hour test.

Payments:

- (A.) Capacity Payment Rate: We will be paid as follows for our reduction: We will receive 70% of the PJM weighted clearing price for our zone. Payments are made twice, prior to December 31st and prior to June 30th of the following calendar year.
- (B.) Energy Payment Rate: We will additionally receive \$0.70 per kWh as an energy payment associated with our reduction, capped at 70% of any payments received. Energy payments are paid prior to June 30th of the following calendar year.

General Terms:

- (1.) We will not be subject to out-of-pocket financial penalties by participating in this program, even if we fail to reduce electricity when called.
- (2.) If necessary, ECS will install an interval meter at no cost to us. We understand that ECS retains ownership of this meter and we will cooperate with ECS in the event that ECS wishes to recover its meter if we no longer have an agreement with ECS.
- (3.) Payments are based on our Capacity Payment Rate (above) multiplied by our expected reduction multiplied by our performance, where:
  - a. "Expected reduction" is the expected kW reduction ECS assigns based upon their assessment of our ability to perform. ECS will notify us of the expected reduction. ECS shall reassess our expected reduction on an annual basis and maintains sole discretion in the determination of our expected reduction;
  - b. "Performance" is measured according to the applicable PJM Program rules and for purposes of this agreement equals our average performance (capped at 100% per hour) over all called Event hours during the season. If no event is called, our payments will be based on our performance during any required Tests.
- (4.) Our participation and payments are contingent upon successful registration confirmed by PJM and the actual sale of our capacity in a PJM auction.
- (5.) If we use a generator to provide all or part of our expected reduction, we represent that we have all Local, State and Federal environmental and use permits required to operate as a demand response resource in the enrolled program(s) and shall operate the generator in accordance with the permits during a PJM grid emergency. We shall maintain the permits during the term of this contract and shall promptly notify ECS if this should change. We will provide ECS with a copy of our permits including any revisions.
- (6.) In order to streamline the registration of our account(s) with PJM, we authorize ECS to complete any documents required by our utility. This would include a Third Party Authorization to allow our utility to release required information to ECS and any forms required so that ECS can install an interval meter if eligible.
- (7.) This agreement will be effective as of the date we sign this Agreement. We agree to participate for five (5) PJM Delivery Years beginning with PJM DY 2015/16 (Term). After the Term, to ensure continuous enrollment, this Agreement shall automatically renew under the same terms and conditions, unless we notify ECS in writing by February 1st prior to the beginning of the upcoming Obligation Period. ECS has a right of first refusal to match any other offers for Demand Response by another provider at the end of the Term of this Agreement or renewal period. ECS shall determine in its discretion if we qualify for a PJM program and whether we will be registered in the applicable program. In the event that we determine that we are unable to participate in a program, ECS will not register us that year, however this contract will continue to remain in effect.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Signed by ECS: \_\_\_\_\_ Date: \_\_\_\_\_

