

CLEVELAND PUBLIC LIBRARY

Finance Committee

May 14, 2024

RESOLUTION TO AUTHORIZE DIRECTOR TO NEGOTIATE AND ENTER INTO ELECTRICITY CONTRACT TO TAKE EFFECT AFTER EXPIRATION OF CURRENT CONTRACT

WHEREAS, On December 17, 2020, the Board of Library Trustees ratified the agreement entered into by the Library on November 30, 2020 with Energy Harbor LLC for electricity at the rate of \$4.120 cents per kWh for a 36 month term from August 2021 through August 2024, and

WHEREAS, Due to uncertainty and volatility of capacity charges in the current electricity market, North Shore Energy Consulting, LLC, the Library's energy broker, recommends that the Library begin contract negotiations for its electricity service now in order to obtain a favorable price upon expiration of the current agreement on August 31, 2024; and

WHEREAS, North Shore Energy Consulting, LLC presented the Library with three options for pricing models for the Library's upcoming electricity contract: 1) capacity pass-through (energy, ancillary, and line loss charges are fixed, and the capacity charge varies annually); 2) bilateral (all charges are fixed, but capacity charges vary after the first year); and fixed all-in (all charges are fixed for the duration of the contract, but capacity charges could increase); and

WHEREAS, The Library Administration is requesting authority to negotiate a new electricity rate to commence at the expiration of the Library's current electricity contract after August 2024 in accordance with North Shore Energy's pricing; now therefore be it

RESOLVED, That the Board of Library Trustees hereby authorizes the Executive Director, CEO or his designee, to negotiate and enter into a new agreement commencing August 2024 with an electricity supplier that has the best rate for a 24- to 60-month term for either a capacity pass-through, bilateral, or fixed all-in agreement, which agreement shall be subject to the review and approval of the Library's Director of Legal Affairs; and be it further

RESOLVED, That the contract entered into will be presented for ratification by the Board of Library Trustees at their next regularly scheduled meeting.