



Legislation Details (With Text)

File #: 2023-1747 **Version:** 1

Type: Resolution **Status:** Passed Finally

File created: 7/14/2023 **In control:** Committee on Public Works and Infrastructure

On agenda: 7/18/2023 **Final action:** 7/25/2023

Enactment date: 7/25/2023 **Enactment #:** 485

Effective date: 7/28/2023

Title: Resolution amending Resolution No. 446 of 2021, which authorized the Mayor and Director of the Department of Public Works to enter on behalf of the City of Pittsburgh into a Professional Services Agreement or Agreements and/or Commodity Master Agreement(s) with Direct Energy Business LLC ("Direct Energy") for the supply of electricity to City buildings and facilities, by extending the current term by three years through 2029 and adding additional services such as the purchase of renewable energy certificates from a sleeved Wind Renewable Energy Opportunity, for an annual increase of Twenty-Five Thousand Nine Hundred Sixty-Three Dollars and Forty-Three Cents (\$25,963.43) and a new total amount not to exceed of Three Hundred Fifty-Seven Thousand Five Hundred Twenty-Nine Dollars and Twenty Cents (\$357,529.20).

Sponsors:

Indexes: AGREEMENTS (AMENDING)

Code sections:

Attachments: 1. 2023-1747 Cover Letter-Direct Energy Extension Resolution - signed (updated), 2. Summary 2023-1747

Date	Ver.	Action By	Action	Result
7/28/2023	1	Mayor	Signed by the Mayor	
7/25/2023	1	City Council	Passed Finally	Pass
7/19/2023	1	Standing Committees	Affirmatively Recommended	Pass
7/18/2023	1	City Council	Read and referred	
7/18/2023	1	City Council	Waived under Rule 8	Pass

Resolution amending Resolution No. 446 of 2021, which authorized the Mayor and Director of the Department of Public Works to enter on behalf of the City of Pittsburgh into a Professional Services Agreement or Agreements and/or Commodity Master Agreement(s) with Direct Energy Business LLC ("Direct Energy") for the supply of electricity to City buildings and facilities, by extending the current term by three years through 2029 and adding additional services such as the purchase of renewable energy certificates from a sleeved Wind Renewable Energy Opportunity, for an annual increase of Twenty-Five Thousand Nine Hundred Sixty-Three Dollars and Forty-Three Cents (\$25,963.43) and a new total amount not to exceed of Three Hundred Fifty-Seven Thousand Five Hundred Twenty-Nine Dollars and Twenty Cents (\$357,529.20).

WHEREAS, the City is a member of the Western Pennsylvania Energy Consortium ("WPEC"), which is comprised of public and private entities who have partnered together in order to optimize savings and maximize their use of renewable energy sources; and

WHEREAS, WPEC members have agreed in a Memorandum of Understanding to share in the aggregated purchase of electricity in prorated volumetric amounts based upon members' actual usage thereof; and

~~WHEREAS, the City along with other WPEC members have previously hired an energy consultant, Enel X North America, Inc. (“Enel X”), for services relating to energy procurement strategies including with regard to hiring an electricity supplier/subaccount holder for an agreement to commence in June 2021; and~~

~~WHEREAS, each WPEC member has separately entered into an agreement with Enel X for said energy consultant services; and~~

~~WHEREAS, the City along with other WPEC members require enhanced services with regard to long term electricity supply in order to meet WPEC goals of reducing emissions and achieving greater financial savings, for example, the establishment and management of an electricity subaccount along with procuring electricity through Power Purchase Agreements; and~~

~~WHEREAS, following a Request for Proposals administered by the City on behalf of WPEC for said electricity supply/subaccount holder agreement, Direct Energy Business LLC (“Direct Energy”) was selected by the City and other WPEC members; and~~

~~WHEREAS, each WPEC member shall separately authorize and execute its own individual agreement with Direct Energy, whose compensation shall be separately billed to the respective members as determined by prorated volumetric amounts based upon members’ actual respective usage thereof; and~~

WHEREAS, the City and Seller (The Parties) Parties executed the CMA on June 15, 2021, which was subsequently amended on August 6, 2021 and December 14, 2021; and,

WHEREAS, the Western Pennsylvania Energy Consortium WPEC developed an Energy Strategy to purchase Renewable Energy so as to thrive towards the climate action plan 3.0 100% renewable electricity by 2030; and,

WHEREAS, Enel X and Seller have located a 250-Megawatt onshore wind farm, Scioto Ridge Wind Farm, in Hardin and Logan Counties Ohio (Wind Farm), which will be able to assist the City in meeting the City’s WPEC climate action plan goals in part through the purchase of Renewable Energy Certificates from the Wind Farm; and,

WHEREAS, the Parties intend to amend the CMA to accommodate the purchase of Renewable Energy Certificates from the Wind Farm; and,

WHEREAS, the Parties intend to further amend and extend the Term of the CMA; and,

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

Section 1. The Mayor and Director of the Department of Public Works are hereby authorized, on behalf of the City of Pittsburgh, to enter into a Professional Services Agreement or Agreements and/or Commodity Master Agreement(s) with Direct Energy Business LLC (“Direct Energy”) for the provision of electricity supply and related services in conjunction with aggregated electricity purchases by members of the Western Pennsylvania Energy Consortium (WPEC), including the establishment of a subaccount on behalf of WPEC members and procuring electricity through Power Purchase Agreements. Said services shall be performed in connection with the guidance provided by WPEC’s energy consultant, Enel X North America, Inc. (“Enel X”).

Section 2. Compensation will be paid to Direct Energy chargeable to and payable from the following utility accounts in their respective budget years, and/or any other accounts as may be determined by City's Office of Management and Budget:

2021	11101.450000.54.54601.2021
2022	11101.450000.54.54601.2022
2023	11101.450000.54.54601.2023
2024	11101.450000.54.54601.2024
2025	11101.450000.54.54601.2025
2026	11101.450000.54.54601.2026
2027	11101.450000.54.54601.2027
2028	11101.450000.54.54601.2028
2029	11101.450000.54.54601.2029

Section 3. Said Professional Services Agreement(s) and/or Commodity Master Agreement(s) shall be in a form approved by the City Solicitor.