

OHIO TURNPIKE COMMISSION

Resolution Awarding an Agreement for Energy Provider Consulting Services, and Approving the Use of RFP's to Obtain Current and Future Energy Supplies

WHEREAS, on August 30, 2012, the Commission issued a Request for Proposals ("RFP") for Energy Provider Consulting Services to identify and engage lower cost alternatives to its current gas and electric energy supplies; and

WHEREAS, on September 27, 2012, seven Proposals to provide the Energy Provider Consulting Services were received and reviewed by an Evaluation Team consisting of staff from the Commission's Engineering Department, the CFO/Comptroller, and the Staff Attorney, which, after meeting with the three top-ranked Firms, concluded that **Independent Energy Consultants of Aurora, Ohio ("IEC")** has presented the most desirable Proposal for brokering the Commission's energy consumption portfolio to suppliers, and has also proposed providing a software system called "EnergyCap" to monitor the Commission's energy consumption, systematically analyze the data on a building-by-building basis, and identify waste or improvements that can be made in managing the facilities; and

WHEREAS, the Evaluation Team believes that IEC's Proposal to utilize an electronic reverse-auction methodology through WorldEnergy Solutions is the best approach to obtaining lower cost energy supplies because it is analogous to the competitive bidding process that the Commission utilizes in obtaining other commodities, and it will create a hyper-competitive process that maximizes the market efficiencies intended by energy deregulation; and

WHEREAS, there is no upfront fee to obtain the consulting, brokerage, and software services from IEC, rather the compensation for the services is paid through an addition to the Commission's utility bills on a consumption basis of \$0.10 per thousand cubic feet of natural gas and \$0.0015 per kilowatt hour of electricity, which is estimated to equate to approximately \$62,000 per year based on historical energy usage; and

WHEREAS, the volatility and nature of the gas and electric energy supply market only allows energy suppliers to hold firm pricing for mere hours after the electronic reverse-auction closes, requiring the Commission to execute agreements with energy suppliers that have the potential to exceed \$150,000.00 without an intervening Commission Meeting; and

WHEREAS, the General Counsel advises that the process to select the Energy Provider Consultant was conducted in conformance with the Commission's procedures for the selection of consultants, and further that the proposed process for bidding the sources of the Commission's energy consumption is in conformance with Ohio Revised Code Section 9.30; and

WHEREAS, the Executive Director has reviewed the reports of the Evaluation Team and the General Counsel and, predicated upon their analysis, has made his recommendation to the Commission that a Consulting Agreement should be awarded to Independent Energy Consultants of Aurora, Ohio, and that the Commission should procure its future natural gas and electricity consumption through IEC's electronic reverse-auction methodology; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the Proposal submitted by **Independent Energy Consultants of Aurora, Ohio** to perform Energy Provider Consulting Services to identify and engage lower cost alternatives to the Commission's current gas and electric energy supplies using an electronic reverse-auction method and EnergyCap software is hereby accepted, and that the Executive Director and General Counsel are directed to: 1) execute an Agreement with Independent Energy Consultants for a term coinciding with the supply contracts executed as a result of its services, and 2) take any and all action necessary to properly carry out the terms of said RFP and said Agreement; and

FURTHER RESOLVED that the Executive Director and General Counsel are authorized to execute energy supply agreements with the energy providers that submit the lowest and best bids to RFP's for both current and future energy supply contracts.

(Resolution No. 56-2012 adopted December 17, 2012)