

AGREEMENT RESOLUTION #104 OF 2015

**AUTHORIZING A REPLACEMENT AGREEMENT WITH
NEW YORK STATE ELECTRIC & GAS (NYSEG) FOR
THE NORTH DIVISION STREET DAM
HYDRO FACILITY PROJECT**

By Councilor Cuddy.

September 17, 2015

WHEREAS, on October 11, 1991 the City of Auburn entered into a Power Purchase Agreement (“PPA”) with New York State Electric and Gas (“NYSEG”) for the purchase of electricity from the City of Auburn’s North Division Street hydro facility; and

WHEREAS, the PPA is for a thirty (30) year period commencing on the date of commercial operation, February 1992, with payments for the first twenty (20) years at a contractual base rate and for the second period (years 21-30) NYSEG will pay 90% of actual avoided costs; and

WHEREAS, the City of Auburn now desires to terminate the PPA with NYSEG provided that the City enters into a replacement agreement for the Facility; and

WHEREAS, the Replacement Agreement will entail a cash payment of \$110,000 consisting of a \$10,000 deposit and the balance due when the upgraded N. Division Street Facility is placed into service; and

WHEREAS, under the Replacement Agreement the City will make payments to NYSEG in an amount equal to 5% of the net revenue earned by the upgraded facility through February 2, 2023; and

WHEREAS, the upgraded hydro facility will result in an increase in expected annual energy production due to the replacement of the existing 810 kw Flygt Turbine to a 1.1 MW Kaplan Turbine; and

WHEREAS, it is necessary to authorize the Mayor to enter into the Replacement Agreement with NYSEG prior to commencing site improvements at the North Division Street Dam Hydro Facility.

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Auburn, New York, that it does hereby

City of Auburn, New York

authorize the Mayor to enter into a replacement agreement with NYSEG of Binghamton, New York with a term beginning at the in service date on or before December 31, 2017 of the upgraded North Division Street Hydro Facility through February 2, 2023; and

BE IT FURTHER RESOLVED, that the City Comptroller is authorized to make payment in the amount of \$10,000 deposit and the balance of \$100,000 within 10 days of the in service date from Power Utility Fund Hydroelectric Account (#E8240.450).

Seconded by Councilor Ruzicka.

	Ayes	Noes
Councilor McCormick	X	
Councilor Camardo	X	
Councilor Cuddy	X	
Councilor Ruzicka	X	
Mayor Quill	X	
Carried and Adopted	X	

I do hereby certify that the foregoing is a correct copy of the vote for Council Resolution #104 of 2015 of the City Council of the City of Auburn, N.Y., at a regular meeting thereof, held in the Council Chambers, Memorial City Hall, in said city, on the 17th day of September, 2015 and that the City Council approved such by the vote listed above.



Charles Mason, City Clerk Date: September 18, 2015