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3 **Resolution Relating to**
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6 APPROVAL OF POWER PURCHASE
7 AGREEMENT WITH H.Q. ENERGY
8 SERVICES (U.S.) INC.
9

RESOLUTION _____
Sponsor(s): Councilors Keogh,
Wright, Paul: Bd. of Finance
Introduced: 08/09/10
Referred to: _____
Action: _____
Date: _____
Signed by Mayor: _____

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11
12 **CITY OF BURLINGTON**
13

14 In the year Two Thousand Ten.....

15 Resolved by the City Council of the City of Burlington, as follows:

16 That WHEREAS, Vermont's electric distribution utilities have negotiated a 26-year power
17 purchase and sale agreement (PPA) with H.Q. Energy Services (U.S.) Inc. (HQUS), a wholly-
18 owned subsidiary of Hydro-Quebec, for up to 225 megawatts (MW) of energy starting in 2012
19 and ending in 2038;

20 WHEREAS, Burlington Electric Department (BED) proposes to purchase 5 MW from HQUS
21 starting in 2015 through 2020, 9 MW from 2020 to 2035, and 4 MW from 2035 to 2038, with the
22 9 MW representing approximately eighteen percent (18%) of BED's peak load;

23 WHEREAS, BED has determined that future pricing under the PPA, which is tied to a series of
24 market indexes, should provide significant price stability at very competitive rates as BED
25 continues to develop a 100% renewable energy portfolio;

26 WHEREAS, at its regular meeting on July 14, 2010, the Burlington Board of Electric
27 Commissioners voted to approve the PPA; and

28 WHEREAS, pursuant to Section 228 (b) of the City Charter, City Council approval of the PPA is
29 required;

30 NOW, THEREFORE, BE IT RESOLVED by the City Council that the PPA between HQUS and
31 Vermont's electric distribution utilities, including BED, is hereby approved; and

32 BE IT FURTHER RESOLVED that Barbara L. Grimes, BED General Manager, and/or her
33 designee(s), be and hereby is authorized to execute the PPA and all associated documents on
34 behalf of the City of Burlington; and

35 BE IT FURTHER RESOLVED that BED is authorized to proceed before the Vermont Public
36 Service Board to obtain all necessary approvals for its purchases under the PPA, and assuming
37 PSB approval, to obtain the approval of Burlington voters.