

**CITY OF BALTIMORE  
COUNCIL BILL 06-0198R  
(Resolution)**

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Introduced by: President Dixon, Councilmembers D'Adamo, Young, Curran, Kraft, Clarke,  
Branch, Reisinger, Conaway, Kraft, Welch, Rawlings Blake, Holton  
Introduced and adopted: July 10, 2006

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**A COUNCIL RESOLUTION CONCERNING**

**Baltimore Municipal Electric Company – Preliminary Feasibility Study – Funding**

FOR the purpose of requesting the Director of Finance to identify a funding source to advertise Request For Proposals (RFPs ) for qualified engineering and law firms to perform a preliminary feasibility study of establishing a Baltimore City municipal public power utility.

**Recitals**

On Wednesday, June 28, 2006, the City Council Committee of the Whole heard testimony on Council Bill 06-0160R– Investigative Hearing – Publicly Owned Municipal Electric Company – for the purpose of exploring, with the expertise of the Departments of Finance and Public Works, the feasibility of developing a publicly owned municipal electric utility to provide service to Baltimore City residents at a more reasonable rate than the expected increased rate that current service providers will offer.

The Department of Finance presented testimony that a study of municipal electric aggregation, the method by which the local government buys electric power on behalf of consumers within their borders, should include: (1) analysis of types of electric purchasing and risk tolerance to consumers; (2) in-depth comparison of aggregation options; (3) study of leverage and cost of adding green energy to purchases; (4) investigation of legal authority; (5) licensure approval and regulation requirement of the Public Service Commission; and (6) the need for local ordinance to establish an enterprise fund and utility.

Testimony presented by the American Public Power Association, a non-partisan organization of the nation's more than 2,000 not-for-profit, community- and state- owned electric utilities, gave detailed requirements for information that would determine the net benefits that could be realized by a city and its citizens from establishing a publicly owned electric utility. Cost estimations based on the size of the community, the type and condition of resources needed to serve the community, travel expenses required by the consultant, and the length, scope, and formality of the final report presentation indicated that a municipal utility district with a population of 700,000 spent \$150,000 to properly study its potential role as an electric utility.

Based on the City's information needs, the size of our population, and the current professional market rates, testimony indicates that the Department of Finance needs to set aside a minimum of \$150,000 to fund the subject RFPs.

EXPLANATION: Underlining indicates matter added by amendment.  
~~Strike out~~ indicates matter deleted by amendment.

**Council Bill 06-0198R**

1       **NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE**, That the  
2 Director of Finance is requested to identify a funding source to advertise Request For Proposals  
3 (RFPs) for qualified engineering and law firms to perform a preliminary feasibility study of  
4 establishing a Baltimore City municipal public power utility.

5       **AND BE IT FURTHER RESOLVED**, That a copy of this Resolution be sent to the Mayor, the  
6 Director of Finance, the City Solicitor, the Director of Public Works, and the Mayor's  
7 Legislative Liaison to the City Council.