

1

2

COUNCIL OF THE CITY OF PHILADELPHIA

3

COMMITTEE ON TRANSPORTATION AND

4

PUBLIC UTILITIES

5

6

7

Room 400, City Hall
Philadelphia, Pennsylvania
Tuesday, June 8, 2010
9:20 a.m.

8

9

10

PRESENT:

11

COUNCILMAN WILLIAM K. GREENLEE, CHAIR

12

COUNCIL PRESIDENT ANNA C. VERNA

12

COUNCILMAN DARRELL CLARKE

13

COUNCILMAN JACK KELLY

13

COUNCILMAN BRIAN J. O'NEILL

14

15

BILL 100368 - An ordinance authorizing the
City of Philadelphia to enter into purchase
obligations for the delivery of electric
supply for use by facilities owned and leased
by the City, including agreements that
obligate payments for delivery of electric
supply in the fiscal years 2011, 2012, 2013
and 2014, subject to certain terms and
conditions.

20

21

- - -

22

23

24

25

1

2

COUNCILMAN GREENLEE: Good

3

morning, everyone. This is the Committee

4

on Transportation and Public Utilities.

5

Councilman Jones, unfortunately, for a

6

family matter will not be able to be

7

here. I'll be chairing the Committee.

8

And we have a quorum, together with

9

Councilman O'Neill and Councilman Kelly

10

and Council President Verna is also here.

11

Ms. Bricklin, would you please

12

read the title of the bill before us

13

today, please.

14

THE CLERK: Bill No. 100368, an

15

ordinance authorizing the City of

16

Philadelphia to enter into purchase

17

obligations for the delivery of electric

18

supply for use by facilities owned and

19

leased by the City, including agreements

20

that obligate payments for delivery of

21

electric supply in the fiscal years 2011,

22

2012, 2013 and 2014, subject to certain

23

terms and conditions.

24

COUNCILMAN GREENLEE: Thank

25

you.

1 6/8/10 - TRANSPORTATION - BILL 100368

2 (Witnesses approached witness
3 table.)

4 COUNCILMAN GREENLEE:

5 Ms. Cutler, Mr. Davis, welcome. Please
6 identify yourself for the record and
7 proceed with your testimony.

8 DEPUTY MAYOR CUTLER: Good
9 morning. My name is Rina Cutler, Deputy
10 Mayor for Transportation and Utilities.

11 MR. DAVIS: Good morning. I'm
12 Barry Davis. I'm with the City's Law
13 Department.

14 COUNCILMAN GREENLEE: Do you
15 have copies of your testimony,
16 Ms. Cutler?

17 DEPUTY MAYOR CUTLER: I have a
18 copy.

19 COUNCILMAN GREENLEE: You just
20 have a copy, okay.

21 DEPUTY MAYOR CUTLER: No.
22 Wait; we do. I have one more. I thought
23 Shoshana had copies.

24 COUNCILMAN GREENLEE: That's
25 okay. Go ahead. Proceed. We'll get

1 6/8/10 - TRANSPORTATION - BILL 100368

2 copies made. Thank you.

3 DEPUTY MAYOR CUTLER: Okay.

4 I'm sure the testimony will be riveting.

5 COUNCILMAN GREENLEE: I have no
6 doubt.

7 DEPUTY MAYOR CUTLER: Good
8 morning, Councilman Greenlee and members
9 of the Committee. I'm here in support of
10 Bill 100368, which authorizes the
11 purchase of electricity for the City for
12 its facilities for delivery during Fiscal
13 Years 2011 through 2014.

14 Beginning January 1st, 2011,
15 Philadelphia's electricity market will
16 significantly change. The electricity
17 rate caps, which have made the
18 electricity supplied by PECO Energy the
19 least expensive option for the City, will
20 expire on December 31st, 2010. In
21 addition, as a large customer with
22 negotiated rates, the City enjoyed an
23 additional discount of 14.55 percent off
24 the approved PECO tariff. That discount
25 will also end on December 30th, 2011 --

1 6/8/10 - TRANSPORTATION - BILL 100368

2 2010.

3 Starting in January of 2011,
4 the PECO region will have a competitive
5 de-regulated energy supply. Customers
6 will choose their electricity supplier,
7 and PECO will continue to manage the
8 electricity transmission and distribution
9 system. PECO will also provide
10 electricity supply under state law as the
11 Provider of Last Resort.

12 The City government's
13 electricity costs are significant. The
14 cost for all City funds - General Fund,
15 Aviation Fund and Water Fund - were
16 approximately \$61 million in Fiscal Year
17 2009. The cost of the General Fund for
18 2009 was 33 million, with 14 million of
19 that going to street lighting and traffic
20 signals.

21 The electricity supply portion
22 of the total bill in 2011 is expected to
23 be about two-thirds of the total
24 electricity cost. The remaining third of
25 costs is made up of PECO distribution

6/8/10 - TRANSPORTATION - BILL 100368

charges, capacity charges that ensure there is adequate supply during periods of high demand, transmission costs, ancillary costs and the energy supplier's margin. The PECO Provider of Last Resort prices have not yet been finalized, but they are expected to result in some level of overall increase in electricity costs to customers. PECO is also requesting a tariff increase for the transmission and distribution portion of the electricity bill. In addition, as noted above, the PECO discount will no longer be in effect.

In order to manage the potential for rising costs, it is essential that the City make the best choices for purchasing electricity supply. The City can purchase electricity supply at prices that will be lower than the PECO Price of Last Resort price. To do this, the City must act now while electricity prices are low. For example, we could purchase a megawatt of

1 6/8/10 - TRANSPORTATION - BILL 100368
2 electricity for delivery in Fiscal Year
3 '13 today for about \$55. Last year that
4 same purchase would have cost us \$70.
5 Current prices represent six-year lows.
6 These current electricity prices reflect
7 the lower demand associated with the
8 economic downturn, and prices could begin
9 rising quickly as recovery occurs. The
10 proposed ordinance would authorize the
11 City to make agreements for delivery of
12 electricity during the next four fiscal
13 years through a state-regulated Licensed
14 Service Provider. The Licensed Service
15 Provider would be selected through a
16 competitive process and would act as the
17 City's agent in making purchases in the
18 regional electricity marketplace.

19 While this approach will not
20 lower the City's electric bill, the
21 approach will protect the City from a
22 rapid escalation in electricity prices
23 over the next several years. For
24 decades, the City was certain of what
25 electric prices would be in the future

1 6/8/10 - TRANSPORTATION - BILL 100368

2 because of the regulated marketplace.

3 That era is ending, but this approach
4 will substantially contribute to budget
5 certainty for the price we pay for
6 electricity.

7 The City has engaged a highly
8 qualified consultant, which has
9 successfully assisted other
10 municipalities and institutions with
11 electricity purchasing in de-regulated
12 markets. Upon approval of the ordinance,
13 the City will formalize an Electricity
14 Supply Advisory Committee through a
15 Mayor's Executive Order. The City
16 Council Committee Chairs for
17 Transportation and Utilities, Public
18 Works and the Environment, or their
19 representatives, will be members of the
20 Committee. The Electricity Supply
21 Advisory Committee will review the
22 Electricity Purchasing Plan, which will
23 be approved by the Procurement
24 Commissioner and implemented by the City,
25 working with its consultant and the

1 6/8/10 - TRANSPORTATION - BILL 100368

2 Licensed Service Provider. All City
3 Council members will be provided with
4 copies of the approved Electricity
5 Purchase Plan and quarterly reports on
6 electricity purchases.

7 City Council has recently
8 passed an ordinance creating an Energy
9 Authority. As Council recognized, the
10 major advantage of an authority is the
11 ability to enter into long-term
12 agreements for alternative energy
13 projects, such as solar or wind power or
14 long-term Energy Service Company, ESCO,
15 agreements to upgrade City buildings with
16 energy-efficient features. The purchases
17 made with this authorization provided by
18 this ordinance will serve as an important
19 complement to the Authority's efforts.
20 The purchases can take care of the City's
21 everyday energy needs, while the
22 Authority pursues opportunities for
23 innovation.

24 At the request of PECO, the
25 Administration supports a technical

1 6/8/10 - TRANSPORTATION - BILL 100368
2 amendment that replaces the "PECO Energy
3 electric distribution territory" with
4 "Philadelphia Region" in the second
5 "whereas" clause.

6 Thank you for the opportunity
7 to testify today. I respectfully request
8 that the bill be reported out of
9 Committee and that the rules of Council
10 be suspended to allow first reading at
11 the next session of Council.

12 Barry and I will be happy to
13 answer any questions you may have.

14 COUNCILMAN GREENLEE: Thank
15 you, Ms. Cutler.

16 Councilman O'Neill.

17 COUNCILMAN O'NEILL: Yes.

18 Thank you.

19 Ms. Cutler, I support this and
20 with the suspension. So these questions
21 are not related to trying to defeat it,
22 but some things I want to get on the
23 record, and I hope I frame it properly.
24 If you don't understand where I'm going,
25 I'll try to clarify it.

1 6/8/10 - TRANSPORTATION - BILL 100368

2 I understand a lot about this
3 area. Over the years before we had the
4 de-reg, we were in a situation like this
5 throughout the Commonwealth before. Then
6 it ended. Now it's back. It's mainly
7 because of rates. And there were
8 consultants all over the place dealing
9 with municipalities and universities and
10 everybody else trying to aggregate, I
11 think was the term that was used.

12 What I want to ask of the
13 Administration today is, is there a
14 recognition, as oftentimes these are
15 fractions of pennies that we get involved
16 with with the different rates, that PECO
17 doesn't operate out of another state or
18 even another county, it operates in
19 Philadelphia, has a major presence both
20 from an employment standpoint, wage tax,
21 the like, but also a major presence in
22 the community in terms of its civic
23 engagement and its civic contributions?
24 So when we get to these marginal areas --
25 and I'm not talking about huge

1 6/8/10 - TRANSPORTATION - BILL 100368

2 fluctuations between PECO's price and
3 somebody we've never heard of, we don't
4 even know where they operate out of, but
5 they're cheaper, but it's very small.

6 Is there a policy that we will
7 sit down with PECO and make sure that
8 we're talking, whether we eventually
9 choose them or not? It won't be, why
10 didn't you come to see us, we're
11 Philadelphia and we've been serving you
12 all these years and maybe we can make you
13 understand that you're actually doing
14 better with PECO even though there's a
15 fractional difference, or, in fact,
16 sitting down with them may bring the
17 price down.

18 Is there any kind of discussion
19 going on internally in the Administration
20 that we don't want to ruin or in any way
21 harm our relationship with PECO, which
22 couldn't be more positive from a City
23 standpoint, as a result of this? That's
24 all. And still do right by the taxpayers
25 and ratepayers and the City.

1 6/8/10 - TRANSPORTATION - BILL 100368

2 DEPUTY MAYOR CUTLER: I guess I
3 would like to also then go on the record,
4 Councilman, and say that probably as the
5 primary liaison with PECO for the
6 Administration, I think we have a very
7 good relationship, and we are speaking on
8 a very regular basis on a variety of
9 issues that have to do with what the Rate
10 of Last Resort would be, what the rate
11 case might look like going forward as
12 they have filed for a variety of pieces.

13 So I do think the relationship
14 is good, and in no way would I ever stop
15 speaking to PECO in terms of how the cost
16 and purchase of electricity for the City
17 is going to impact both parties. And I
18 do think -- I agree wholeheartedly, I
19 think they've been a great neighbor and a
20 great corporate sponsor for a variety of
21 issues. So this desire to be able to go
22 out into the marketplace and get the best
23 price for the City over the next four
24 years in no way negates that.
25 Ultimately, it may come down to pennies,

1 6/8/10 - TRANSPORTATION - BILL 100368

2 but my suspicion is it will not, that the
3 market will, currently being as low as it
4 is, will be very responsive to the
5 request for our ability to be able to
6 purchase for the next four years.

7 I mean, I think the one other
8 piece I have -- and then I will certainly
9 turn it over to Barry also to be able to
10 comment -- part of why we're introducing
11 this now instead of later in the year is
12 because as rate caps start to come off in
13 January, there will be so many entities
14 getting into the market, that we thought
15 it was in our best interest -- and it
16 appears to be -- to come into the market
17 now in advance of the rate caps coming
18 off at the end of December. And so we
19 actually -- and we will track it and it
20 will be part of the report we send to
21 Councilpeople, which is, this is what we
22 bought it at, this is currently what the
23 price is. And so we will be able to
24 calculate the savings in fact over the
25 next four years.

1 6/8/10 - TRANSPORTATION - BILL 100368

2 So while I would certainly
3 never rule out PECO as a provider,
4 they're going to have to sharpen their
5 pencils if they want to keep the City's
6 business.

7 COUNCILMAN O'NEILL: You
8 mentioned it may come down to pennies,
9 and I understand that. That's kind of
10 where I was going. What's driving my
11 questions is, I want to make sure we're
12 not penny wise and dollar foolish in the
13 end.

14 The other concern I have -- and
15 this is, again, more policy from the
16 Administration -- is, the consultant
17 obviously is top shelf or he or she
18 wouldn't be operating around the country
19 like this, because it's best practices
20 that people learn about and hire people
21 like that, but I also guess -- and you
22 can confirm for me -- that the person is
23 not a Philadelphian; is that --

24 DEPUTY MAYOR CUTLER: They are
25 not.

1 6/8/10 - TRANSPORTATION - BILL 100368

2 COUNCILMAN O'NEILL: So, again,
3 it's Part 1, the Administration fully
4 understands the importance of PECO to
5 this City.

6 Secondly, is somebody
7 sensitizing, educating our consultant on
8 that same fact?

9 DEPUTY MAYOR CUTLER: Well --

10 COUNCILMAN O'NEILL: So this
11 isn't just another company that's out
12 there as they're looking through penny
13 differences, if it comes down to that,
14 and we can use pennies for any small
15 margin that may not be as small as we
16 think in the big picture. And I don't
17 know if our consultants are here today or
18 not, but you understand -- I see some
19 heads nodding, but something on the
20 record would be helpful.

21 MR. DAVIS: Councilman, I want
22 to make sure that we fully understand
23 here how the Provider of Last Resort
24 tariff that PECO provides works.

25 PECO now is a very different

1 6/8/10 - TRANSPORTATION - BILL 100368

2 company than it was prior to the merger
3 with Exelon. So PECO is no longer itself
4 a generating company. Of course, there's
5 a relationship with Exelon that
6 continues.

7 When the state passed Act 129,
8 which was a bill passed last fall -- or,
9 actually, in 2008 that created an
10 obligation for utility companies, in
11 anticipating of the rate caps coming off,
12 to dedicate a significant amount of their
13 revenue to energy-efficiency projects,
14 they also created the framework for how
15 it would be that companies would buy
16 power to provide to their customers who
17 didn't go out and shop for power, and
18 they created a very structured type of
19 purchasing requirement. So when PECO
20 goes out to the marketplace now to
21 provide -- to get the power that would be
22 used by folks who haven't shopped, they
23 have to follow a procurement process
24 that's probably almost as strict as the
25 City's procurement process in terms of

1 6/8/10 - TRANSPORTATION - BILL 100368

2 the bids that they receive. And so they
3 don't get the opportunity to hand that
4 over to Exelon. It's all bid in a very
5 open sort of way.

6 And one of the reasons why the
7 pricing for the POLR, Provider of Last
8 Resort, rate, as it's called, POLR, the
9 reason those prices have come in higher
10 than what you would expect in the
11 marketplace right now is that those
12 prices reflect a certain amount of risk
13 associated with the companies that have
14 bid into that pool. That risk is that
15 PECO doesn't actually know how much power
16 they're going to use. So they've gone
17 out and they've asked these generators to
18 give them a price for a block of power,
19 if you will. So each one of these
20 generators that's bidding in is providing
21 a certain amount of power. That price is
22 not -- it's not a firm price on PECO's
23 end, so if PECO doesn't have the
24 customers signed up, those electric
25 generators are not going to be able to

1 6/8/10 - TRANSPORTATION - BILL 100368

2 provide -- are not going to get the
3 opportunity to provide that power. So
4 there's a risk associated with the price
5 there, and that's all part of this
6 procurement process.

7 And I guess my point is that I
8 think if you were to talk to PECO -- and
9 Mr. McBride from PECO is here in the
10 audience today.

11 COUNCILMAN O'NEILL: He's hard
12 to miss.

13 MR. DAVIS: -- you would find
14 that they would not at all be
15 disappointed that the City is going out
16 into the marketplace, that this is really
17 what they anticipate that particularly
18 large customers will do in order to get
19 the best prices. And so it's just the
20 way that this marketplace works and it's
21 the way PECO is going to be adapting
22 their business model.

23 So I don't think we're going to
24 get to the point where there's a couple
25 of cents separating the interests of PECO

1 6/8/10 - TRANSPORTATION - BILL 100368

2 and the interests of the City. And I'm
3 sure if we do get to that point, we will
4 all know about it.

5 But I think going forward, PECO
6 understands that the City is going to be
7 in the marketplace, along with all their
8 other large customers. In fact, PECO has
9 been running many public outreach
10 seminars, both to large customers and
11 small customers, preparing them for this
12 change, and if you were at those outreach
13 sessions, you would not hear PECO say,
14 Buy from us, because they know that their
15 price is likely not to be the best price
16 for their large customers. And the
17 profit motivation under the framework
18 that was created for the Provider of Last
19 Resort pricing isn't that rewarding for
20 PECO, that it provides a big incentive
21 for them to try to hold onto customers
22 and have them come in under this Provider
23 of Last Resort rate.

24 COUNCILMAN O'NEILL: Okay.

25 That's very helpful. You must have gone

1 6/8/10 - TRANSPORTATION - BILL 100368

2 to St. Joe's.

3 COUNCILMAN GREENLEE: I already
4 told Councilman Kelly.

5 COUNCILMAN O'NEILL: But I just
6 feel good that we understand the
7 importance of the relationship, and if
8 PECO is not the number one in that
9 category of being involved in the
10 community, contributing to community,
11 it's tied for first. So it's not like we
12 got a borderline case here, and I think
13 you've made it very clear that you
14 understand that.

15 COUNCILMAN GREENLEE: Thank
16 you, Councilman.
17 Councilman Kelly.

18 COUNCILMAN KELLY: Thank you,
19 Mr. Chairman.

20 Good morning, Mr. Davis, Ms.
21 Cutler.

22 DEPUTY MAYOR CUTLER: Good
23 morning.

24 COUNCILMAN KELLY: First of
25 all, I'm a Roman guy, so I don't know if

1 6/8/10 - TRANSPORTATION - BILL 100368

2 I can really agree with you, Mr. Davis,
3 but --

4 COUNCILMAN GREENLEE: For the
5 record, you're outnumbered here, sir.

6 MR. DAVIS: Sir, I ride the bus
7 with a lot of Roman kids every day to
8 school. Does that count?

9 COUNCILMAN KELLY: That's good.

10 I agree with Councilman O'Neill
11 as far as PECO is concerned. They've
12 been a great partner with the City for
13 many, many worthwhile projects, and this
14 is something that we would really have to
15 look at. But this bill is giving us the
16 ability to look around, to shop around
17 for a good supplier and a good price,
18 perhaps to save the City money, we hope.

19 Could you tell me, if a
20 supplier is picked, how long would the
21 contract be for; do you know?

22 MR. DAVIS: The way that these
23 prices -- these contracts would be
24 structured is typically on a one-year
25 basis for a certain amount of power. The

1 6/8/10 - TRANSPORTATION - BILL 100368

2 intention is that the City would buy
3 blocks of power. That is, if you think
4 about all the power we use and you think
5 about it as sort of building blocks to
6 cover all of the power requirements that
7 the City has, we would be buying these
8 blocks in each of the City's fiscal year.
9 And one of the things that this bill
10 allows us to do is to look out to Fiscal
11 Year 2013 and 2014 and look at the
12 pricing that's available out in those
13 years and make some good decisions about
14 whether or not it's the right time to
15 lock in that price. And so typically
16 each one of those agreements would be for
17 a year. So it would be a certain amount
18 of power delivered to the City for a
19 year.

20 COUNCILMAN KELLY: What is the
21 current price now?

22 MR. DAVIS: The current price
23 in the energy market is about \$55 a
24 megawatt hour. The price -- if you look
25 at what the price has been over time,

1 6/8/10 - TRANSPORTATION - BILL 100368

2 you'll see a wild fluctuation starting as
3 low as about \$35 in year 2001 or 2. It
4 rose to over \$100 in 2008, which was just
5 before the recession. So if you recall
6 back in the summer of 2008, gas prices
7 were probably at the highest we've ever
8 seen them. They were in the \$4 range. I
9 know because I bought a Prius, but the --
10 not a great investment. But at that
11 point, prices really peaked out and then
12 subsequently have fallen, not
13 precipitously at first but at this point
14 are very close to where we think the
15 bottom is.

16 The other thing about electric
17 prices is, they're very closely tied to
18 natural gas prices. So if you look at
19 the commodity market for natural gas,
20 you'll see that over time there has been
21 a very close association between rises in
22 natural gas.

23 COUNCILMAN KELLY: That was my
24 next question.

25 MR. DAVIS: The natural gas

1 6/8/10 - TRANSPORTATION - BILL 100368

2 prices right now are very low.

3 COUNCILMAN KELLY: With the
4 de-regulation, do you expect, in just
5 your opinion, these prices to continue to
6 fall or do you expect them to...

7 MR. DAVIS: Well, I think the
8 prices right now are -- there's certainly
9 no guarantee that they couldn't go lower.
10 So the real question is, I think, if
11 you're looking into the market and you
12 want to buy smart, you don't put all your
13 eggs in one basket. So if we had
14 authorization today to go out into the
15 market and buy, we certainly wouldn't buy
16 100 percent of what we need for any year.
17 We would be buying pieces of what we need
18 for each of those years and waiting to
19 see what happens in the market.

20 This is, as you know, it's like
21 any market, it's subject to fluctuation,
22 but I think we would try to buy a fair
23 amount of power while the market is at
24 the current pricing.

25 COUNCILMAN KELLY: Thank you.

1 6/8/10 - TRANSPORTATION - BILL 100368

2 Thank you, Mr. Chairman.

3 COUNCILMAN GREENLEE: Thank
4 you, Councilman.

5 Councilman Clarke is also here.
6 Councilman, you had a question or a
7 comment?

8 COUNCILMAN CLARKE: Sure. Just
9 very brief.

10 COUNCILMAN GREENLEE: You
11 always say that.

12 COUNCILMAN CLARKE: Yeah, I
13 know. It's the company I keep.

14 Thank you, Mr. Chair.

15 Good morning. I just briefly
16 want to say a couple of things. I had
17 some minimal involvement throughout this
18 process. I'd just like to say that in
19 listening to the testimony and having a
20 little bit of interaction with you all,
21 first I would like to on the record just
22 commend you, your team from the
23 Administration, Barry from the Law
24 Department and Ms. Cutler as it relates
25 to your forward-thinking approach on

1 6/8/10 - TRANSPORTATION - BILL 100368
2 getting out in the market early on and
3 locking in what we hope will be probably
4 the lowest pricing as it relates to units
5 on this particular issue. We were all
6 concerned, which is why we introduced the
7 Energy Authority bill, and once we did
8 that, we found out that you guys had
9 already started the process of preparing
10 the City of Philadelphia to be involved
11 in a meaningful way early on in the
12 process, and I want to commend you
13 publicly for your good work and making
14 very prudent decisions on this.

15 And I would like to also concur
16 with Councilman O'Neill as he references
17 the longstanding relationship and, we
18 believe, future relationship with PECO.
19 They have not only been a wonderful
20 participant as it relates to providing
21 energy to the City of Philadelphia and
22 the citizens of the City of Philadelphia,
23 but I think in some cases, most
24 importantly, as a corporate partner, and
25 we also anticipate both in their role as

1 6/8/10 - TRANSPORTATION - BILL 100368
2 dealing with distribution of power, that
3 will probably continue, one based on
4 statute and one most likely the most
5 prudent decision. And the corporate
6 partner, needed to be said, we always
7 relish that opportunity to continue that
8 relationship, but -- and there's always a
9 "but" -- I think it's also important to
10 understand that at the end of the day,
11 both we as elected officials and
12 individuals who are appointed, the most
13 important aspect of all of this is to
14 make sure that we make the best decisions
15 for the citizens of the City of
16 Philadelphia, be it commercial customers,
17 be it institutional customers or be it
18 residents.

19 So I think that having the
20 ability to make these decisions, as you
21 say, not locking yourself in the entirety
22 into any one thing to give you the
23 flexibility, because we all don't know
24 where this market is going to go. It
25 probably won't -- as the de-regulation

1 6/8/10 - TRANSPORTATION - BILL 100368

2 kicks in, the prices probably won't go up
3 as some of us thought or some other
4 things, some of the advocates, and it
5 probably won't go as low as some of us
6 wish, but whatever happens, I think it's
7 important for us to be best positioned to
8 make the most prudent decisions. And if
9 there is an opportunity for purchasing
10 power from a supplier, we need to be in a
11 position to do that, be it the
12 Administration's team -- and I understand
13 as a part of this ordinance, there's
14 language with respect to the advisory
15 group as a part of that?

16 DEPUTY MAYOR CUTLER: That's
17 correct.

18 COUNCILMAN CLARKE: Or be it as
19 we move ahead with the Energy Authority,
20 wherever that may go. I just want to say
21 it's very important for us to be in a
22 position.

23 So at the end of the day, we
24 obviously hope we continue our long
25 relationship with PECO, but we also hope

1 6/8/10 - TRANSPORTATION - BILL 100368

2 that we're in a position to make the most
3 prudent decision for our residents and
4 our businesses and the City of
5 Philadelphia and any other entity who
6 would like to participate in some sort of
7 aggregation strategy.

8 So I just want to say that for
9 the record.

10 COUNCILMAN GREENLEE: Thank you
11 for those brief comments.

12 Any other questions or
13 comments?

14 (No response.)

15 COUNCILMAN GREENLEE: Thank you
16 both very much. Thank you for your
17 testimony.

18 DEPUTY MAYOR CUTLER: Thank
19 you.

20 COUNCILMAN GREENLEE: Is there
21 anyone else here to testify on this bill?

22 (No response.)

23 COUNCILMAN GREENLEE: Seeing
24 none, that will conclude the hearing on
25 the Committee of Transportation and

1 6/8/10 - TRANSPORTATION - BILL 100368
2 Public Utilities. We will now go into
3 our public meeting, and the Chair
4 recognizes Councilman O'Neill.

5 COUNCILMAN O'NEILL: Yes.
6 First of all, Mr. Chair, I would like to
7 move an amendment to Bill No. 100368 that
8 Ms. Cutler testified on, and it is in the
9 second "whereas" clause "PECO Energy
10 electric distribution territory" is
11 deleted and replaced by "Philadelphia
12 Region." I'd like to move that
13 amendment.

14 (Duly seconded.)

15 COUNCILMAN GREENLEE: It's been
16 moved and seconded for adoption of the
17 amendment.

18 All in favor say aye.

19 (Aye.)

20 COUNCILMAN GREENLEE: Opposed?

21 (No response.)

22 COUNCILMAN GREENLEE: Hearing
23 none, the amendment is adopted.

24 Once again, Councilman O'Neill.

25 COUNCILMAN O'NEILL: Mr. Chair,

1 6/8/10 - TRANSPORTATION - BILL 100368

2 I'd like to move Bill No. 100368, as
3 amended, and further move that the rules
4 of Council be suspended so as to allow
5 first reading at our next session of
6 Council.

7 (Duly seconded.)

8 COUNCILMAN GREENLEE: It's been
9 moved and seconded.

10 All in favor please say aye.

11 (Aye.)

12 COUNCILMAN GREENLEE: Opposed?

13 (No response.)

14 COUNCILMAN GREENLEE: Hearing
15 none, Bill No. 100368, as amended, is
16 reported out of this Committee with a
17 favorable recommendation with a
18 suspension of rules to allow for first
19 reading at our next session of Council.

20 Being no further business, this
21 Committee stands adjourned.

22 Thank you all very much.

23 (Committee on Transportation
24 and Public Utilities concluded at 9:50
25 a.m.)

1

2

CERTIFICATE

3

I HEREBY CERTIFY that the

4

proceedings, evidence and objections are

5

contained fully and accurately in the

6

stenographic notes taken by me upon the

7

foregoing matter on June 8, 2010, and that

8

this is a true and correct transcript of same.

9

10

11

12

13

14

MICHELE L. MURPHY

15

RPR-Notary Public

16

17

18

19

20

(The foregoing certification of this

21

transcript does not apply to any reproduction

22

of the same by any means, unless under the

23

direct control and/or supervision of the

24

certifying reporter.)

25

