

Lee Rubin
President

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Lee Rubin
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District Two
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Roosevelt L. Johnson
Vice President

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Jules R. Green

District Four
Harry B. Silver

District Five
Charles L. "Chuck" Fowler, Jr.

November 22, 2016

Mayor Jacques Roy
City of Alexandria
Alexandria, LA 71301

Dear Mayor,

The following Committee Meeting is scheduled for Monday, November 28, 2016 in the City Council Chambers. The meeting shall begin at 3:00 P.M. unless otherwise designated.

Utility-Finance and Legal Affairs Committee at 3:00 P.M.

- 1) To consider final adoption of an ordinance relative to the authority of the Ratemaker to provide for the Alexandria Utility System (the "AUS"), its creation, and its governance; to provide for policies and procedures for disputes as to rate application and the "Franklin Litigation"; to provide for rebate processes from previous litigation and to study and verify ratemaking findings; to provide for rate study and the procedures condition precedent to modification of existing rates, bond covenants, sale or modifications to the use of physical generating assets; and other strictures on modifying AUS operations without proper study; and to provide with respect to matters related thereto.
- 2) To consider final adoption of an ordinance relative to the settlement of previous litigation, its proceeds, value, reimbursement of costs, and milestone payment in the matter of the City of Alexandria versus Cleco Corporation, Docket No. Suit No. 1:05-cv-01121 ("City-Cleco Litigation"); to authorize the processes for determining the availability, entitlement, and eligible classes of individuals, commercial entities, and other juridical and public entities for cash payments and rebates; to authorize the Mayor to contract the necessary professional services, attorneys, and experts for determining and certifying the value of any and/or all additional rebates owed to citizens through settlement of the City-Cleco Litigation; to authorize the City Attorney to convoke the necessary proceedings in any proper Louisiana Court by interpleader, concursus, or declaratory action, within the defined circumstances as provided herein, if needed, in the City Attorney's

discretion; and to authorize and direct the Mayor to implement the procedures outlined herein, in his discretion as required, and as are necessary and proper to effectuate the goals stated herein; to provide for the budgetary matters and use of funds related to the contracts and procedures herein; and with respect to all matters related thereto, including to present those findings to the City Council as ratemaking authority for action.

- 3) To consider final adoption of an ordinance relative to the "Alexandria utilities sustainability project" ("AUSP") and to provide for the AUSP transition and continuance as the Alexandria utility system ("AUS"); to implement the plan of transition and continuance of AUSP activity to be subsumed by the AUS; and to authorize the continued security of the bonded indebtedness, rate structure, and agreements necessary to fund the project endeavor and related expenses, as they exist and are planned to be resourced in the future, based on the AUSP assumptions and transition needs for the AUS; to authorize continuing authorities of the Executive Branch and Mayor to operate the new AUS through existing and other necessary and proper agreements related to the function and operation of the AUSP and the existing authority created and arising from several articles of previous legislation more particularly described as Alexandria City Council Ordinance 64-2010 (and its requirement of a resource plan considering Alexandria's self-sustainability goals as outlined in the certification process affirmed by Alexandria City Council Resolution No. 8760-2010) and more formally indicated and confirmed by Alexandria City Council Ordinance 9-2013 (the "enabling legislation"); authorizing the continuation and renewal of contracts with bond underwriters and bond counsels for continuing advice on the debt instruments and further authorizing the Mayor to execute all necessary documents, agreements, contracts, and endeavors for any remedial work related to financing, the bond work related to the issuance of the existing bonded indebtedness, and the previous sale of those bonds forming the basis of the AUSP (but not authorizing new bonded indebtedness which is specifically repudiated herein as unauthorized); authorizing the Mayor to negotiate and execute any necessary and proper amendment of the terms related to the bonds that would not increase bonded indebtedness or alter the material assumptions of the enabling legislation without new Council approvals; continuing those courses of action and ratifying the acts to date in the use of such bonds to finance and implement the project endeavor known as the AUSP and being authorized herein to continue as the AUS; to authorize continuation of those 9-2013 and enabling legislation joint operating agreements; and for the continuing efficacy of those agreement allowing for operations of the generating assets providing equal to or just exceeding an eventual plan total of 225 mw of net total dependable generating capacity or as authorized for growth by the enabling legislation; and all matters related thereto including authorization for federal energy regulatory commission ("FERC") enforcement actions or any other civil or regulatory action

including with the Louisiana Public Service Commission ("LPSC") incident to implementation of the AUS and operation of the AUS; and approval for reimbursement of all related costs, capital monies, professional fees and services, and any other funds expended as incident thereto for AUS-related expenditures to be paid out of the AUS or the bond proceeds but only as approved through budgeting line items for approved purposes or incident to authority for transfers contained by the City Charter and as enabled by the current fiscal budget, the fiscal year 2016-2017 major budget amendment, and the future actions of new Council Legislation; and providing for all matters related to the AUSA and transition of the AUSA to the AUS, and those cooperative, intergovernmental, and professional services endeavors, with respect thereto, including, by way of illustration, Wärtsilä manufacturing company, Bayou Cove Peaking Power LLC ("BYC"), Cleco Power LLC and/or Cleco Corporation ("Cleco"), the Southwestern Power Administration ("SWPA"), the Louisiana Energy and Power Authority ("LEPA"), Entergy Louisiana, the Mid-Continent Independent System Operator ("MISO"), NRG Generating, Bayou Cove Peaking Power, LLC and their all parent, subsidiary and affiliate companies.

Please have your staff note the change in format for the committee meetings done in compliance with R.S. 42.7. The scheduling regarding committee meetings is always with the intention of the Council to convene committee meetings at the conclusion of the prior committee meeting unless the chairman of the meeting may indicate otherwise for the convenience of the public. Please have appropriate members from your Administration present for discussion.

Sincerely,



Lee Rubin, President
Alexandria City Council

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