

**CITY OF DOVER  
DRAFT PROPOSED RESOLUTION**

**COUNCIL RESOLUTION NO. 2008-02**

**CITY OF DOVER'S SUPPORT FOR ENTRY OF POWER SUPPLY CONTRACT WITH  
BLUEWATER WIND.**

1 WHEREAS, the Electric Utility Retail Customer Supply Act of 2006 required Delmarva Power to  
2 seek new, Delaware based power generation, to assist in providing stable prices and a reliable  
3 energy source to Delmarva's customers;

4 WHEREAS, in compliance with that legislation State Agencies issued a Request for Proposals and  
5 received proposals from three different companies, each offering different means of generating  
6 power;

7 WHEREAS, one of the responses to that Request for Proposals was submitted by Bluewater Wind  
8 for the construction of offshore wind turbines to provide a renewable, reliable, Delaware-based  
9 energy source;

10 WHEREAS, after significant public input, research and review, on May 22, 2007, the Public Service  
11 Commission, Delaware Department of Natural Resources and Environmental Control, the Office  
12 of the Controller General, and the Office of Management and Budget determined that Delmarva  
13 should enter into negotiations with Bluewater Wind to construct an offshore windfarm to meet  
14 Delaware's power supply needs now and in the long-term;

15 WHEREAS, on April 27, 2007, the Delaware Municipal Electric Corporation ("DEMEC") and  
16 Bluewater Wind entered into a Memorandum of Understanding ("MOU") for the purchase by  
17 DEMEC of electrical power produced by the Bluewater Wind Project;

18 WHEREAS, the City of Dover is a member of DEMEC and the citizens of Dover will benefit  
19 greatly from the Bluewater Wind Project;

20 WHEREAS, since that time Bluewater Wind and Delmarva have been in negotiations for Bluewater  
21 Wind to supply power to Delmarva's customers;

22 WHEREAS, Bluewater Wind has taken numerous steps to address concerns raised regarding the  
23 construction and operation of the windfarm, including re-working their pricing structure to  
24 significantly lower the cost increases and to establishing significant penalties to Bluewater Wind if  
25 they do not perform as promised;

26 WHEREAS, a contract between Delmarva and Bluewater Wind has been drafted and presented to  
27 the Public Service Commission, Delaware Department of Natural Resources and Environmental  
28 Control, the Office of the Controller General, and the Office of Management and Budget for their  
29 approval;

30 WHEREAS, the Public Service Commission Staff have given the contract a favorable review;

31 WHEREAS, on December 18, 2007, the Public Service Commission, Delaware Department of  
32 Natural Resources and Environmental Control, the Office of the Controller General, and the Office  
33 of Management and Budget met to consider the terms of the contract but instead decided to postpone  
34 the vote;

35 WHEREAS, the Bluewater Wind Project will provide a substantial, additional source of power for  
36 DEMEC's member municipalities, including the City of Dover, that is easily accessed, reliable, and  
37 price-stable, and that offers certain credits and offsets because of its renewability;

38 WHEREAS, having a Delaware-based wind farm will establish the State of Delaware as a leader  
39 in providing renewable power to its citizens; and

40 WHEREAS, the construction and operation of a project of this size will provide significant  
41 economic development benefits to Delaware;

42 WHEREAS, there has been enough study of this matter and it is time for action on behalf of  
43 Delaware's citizens;

44 NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE  
45 CITY OF DOVER:

46 1. That the City of Dover supports the proposed contract between Bluewater  
47 Wind and Delmarva, as it will provide the citizens of Delaware with clean  
48 renewable, Delaware-based energy supply and make Delaware a leader in  
49 providing renewable energy sources.

50 2. That the City of Dover urges the Public Service Commission, Delaware  
51 Department of Natural Resources and Environmental Control, the Office of  
52 the Controller General, and the Office of Management and Budget to vote to  
53 approve the contract presented by Delmarva and Bluewater Wind as quickly  
54 as possible.

55 3. That such approval will enable DEMEC and its member municipalities,  
56 including the City of Dover, to move forward with the MOU with Bluewater  
57 Wind for the purchase of renewable wind power.

58 ADOPTED: \*

59 Actions History: Jan 14, 2008 - Introduced in Utility Committee