



City of Philadelphia

City Council
Chief Clerk's Office
402 City Hall
Philadelphia, PA 19107

BILL NO. 250953

Introduced October 30, 2025

Councilmember Bass for Council President Johnson

**Re-Referred to the
Committee on Finance**

AN ORDINANCE

Authorizing the Procurement Department, on behalf of the City of Philadelphia, to enter into an agreement with the Philadelphia Energy Authority for implementation and evaluation of energy conservation capital measures designed to reduce energy, water, wastewater, or other consumption or operating costs at specified City properties, under certain terms and conditions.

WHEREAS, the City, through the Philadelphia Water Department, owns and operates the Southwest Water Pollution Control Plant and the Northeast Water Pollution Control Plant (together, the “WPCPs”), which are in need of energy conservation measures that include equipment, alterations or upgrades designed to reduce energy;

WHEREAS, the Office of Sustainability (“OOS”) and the Philadelphia Water Department (“PWD”) have requested that the Philadelphia Energy Authority (the “Authority”) undertake a project to provide energy conservation measures for the City (“the Project”);

WHEREAS, the City is authorized under the Constitution, the Philadelphia Home Rule Charter and the laws of the Commonwealth of Pennsylvania, including without limitation the Guaranteed Energy Savings Act (62 Pa. C.S. § 3751 et seq.), to enter into this contract for the purpose of implementing selected energy conservation measures;

WHEREAS, the Authority is authorized by the Municipality Authorities Act, 53 Pa. C.S., Ch. 56, to enter into long term contracts suitable for the Project;

WHEREAS, the Authority is given responsibility for actions concerning the development or facilitation of energy efficiency projects under Ordinance No. 100163-AA, passed by the Philadelphia City Council on June 3, 2010 and signed by the Mayor on July 29, 2010;

WHEREAS, Johnson Controls, Inc. (“JCI”) has been selected through a competitive process, to provide energy conservation measures in accordance with a Request for Proposals; and

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WHEREAS, the Project will require the Authority to enter into a guaranteed energy savings contract (the “GESC”) with JCI, and the City will undertake certain obligations that Authority has to JCI; and

WHEREAS, the GESC includes a scope aimed at addressing deferred maintenance, implementing energy conservation measures that improve plant and energy efficiency, future-proofing the facilities for anticipated regulations and requirements, eliminating flaring of biogas, and ensuring productive use of the WPCPs’ produced biogas; now, therefore,

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. The Procurement Commissioner, on behalf of the City of Philadelphia, is hereby authorized to enter into a GESC intergovernmental agreement with the Authority, under which the Authority will cause JCI to evaluate and implement energy conservation measures at the WPCPs pursuant to a GESC contract between the Authority and JCI, and the City will undertake certain obligations that the Authority has to JCI.

SECTION 2. The following condition shall apply to the authority granted pursuant to Section 1: The contract price for the GESC between the Authority and JCI must be a firm, fixed price. Such agreement may provide that price increases are permitted for the following reasons: (1) a change in law or permit requirements after the date hereof affecting Project design or implementation; (2) preexisting hazardous materials discovered in the course of Project implementation; (3) other unknown conditions discovered in the course of Project implementation; (4) force majeure events occurring in the course of design or Project implementation that are beyond the reasonable control of the affected party; (5) Authority-ordered changes to the scope of work or schedule; (6) Authority failure to provide services required during the Project implementation period; or (7) Authority-ordered suspension of the work other than for JCI’s default. Any price increase must be supported by a demonstration of additional costs to JCI resulting from one of the reasons enumerated above, and any reduction to the Project implementation costs resulting from one of the reasons enumerated above must be reflected in an equitable reduction in the Project price.

SECTION 3. The GESC intergovernmental agreement between the City and the Authority will be substantially in the form set forth in Exhibit A of this Ordinance. The GESC between the Authority and JCI will be substantially consistent with the terms set forth in the document attached hereto as Exhibit B of this Ordinance.

SECTION 4. The City Solicitor is hereby authorized to review and approve the agreements necessary to effectuate this Ordinance, and to impose such terms and conditions on them as the City Solicitor may deem necessary and proper to protect the interests of the City of Philadelphia and to carry out the purpose of this Ordinance.

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SECTION 5. The Chief Clerk of City Council shall keep the exhibits to this Ordinance on file and make them available to the public for inspection and copying during regular office hours.

SECTION 6. This Ordinance shall take effect immediately.