City of PIQUA

PIQUA CITY COMMISSION PUBLIC HEARING
TUESDAY, AUGUST 11, 2026
6:00 PM
COMMISSION CHAMBER - 2ND FLOOR
201 WEST WATER STREET
PIQUA, OHIO 45356

CALL TO ORDER

THE PLEDGE OF ALLEGIANCE

ROLL CALL

MAYOR OPENS PUBLIC HEARING

1) Review meeting procedures to be followed.

2) Mass swearing-in by Mayor Vetter

3) Rules of Conduct

PUBLIC HEARING

1) The Public Hearing is to discuss Ordinance No. O-7-26. A Franchise between Dayton Power and Light Company d/b/a AES Ohio, and the City of Piqua to permit AES Ohio to construct, maintain and operate electric utility facilities within the City of Piqua.

PRESENTATION

1) Staff Report

2) Representative from entity seeking franchise agreement

3) Representative from project necessitating franchise agreement

4) Representative from data center industry

PUBLIC COMMENTS

1) Citizens and interested parties registered to speak will be called to present comments; the time limit is 5 minutes per speaker

COMMISSIONER COMMENTS

ADJOURNMENT

PROCEDURAL RULES AND RULES OF CONDUCT FOR CITY COMMISSION MEETINGS

BUSINESS AGENDA

1. Commission meetings shall be called to order by the mayor or presiding officer of the meeting. The clerk shall call the roll of the Commissioners.

2. The mayor or presiding officer shall thereafter lead the Commission in the Pledge of Allegiance.

3. Upon roll call being completed, the Business Meeting of the Commission shall commence.

4. The Commission shall, if necessary, add or remove items to the Business Agenda and approve the agenda once it is established.

5. After approval of the agenda, the Commission shall vote on approval of the minutes of prior meetings.

6. After the establishment of the agenda, the Commission shall permit public comment by the citizens of Piqua as required by Section 4 of the Piqua Charter on any approved agenda item. Any person providing public comment shall provide his or her name and street address prior to making any comments.

7. Any non-citizen may also participate in public comment if an ordinance or resolution made part of the agenda affects his or her business located within the city of Piqua or utility service they receive within the city of Piqua. Any non-citizen shall state his or her name and either what business he or she operates that is being affected by an ordinance or resolution, or what property address inside the city limits that he or she is receiving utility service.

8. Any person providing public comment may speak once for up to a total of five minutes on each resolution and ordinance made part of the agenda. No person shall be permitted to comment twice on an agenda item.

9. Once public comment is completed, the Commission shall immediately begin debate and deliberate on each agenda item. No public comments from the public shall be permitted during the debate and/or deliberation of ordinances and resolutions by the commission.

10. After deliberation on ordinances and resolutions, votes on ordinances shall be recorded by roll call and votes on resolutions may be recorded by voice vote; if a commissioner wishes to have a roll call vote on a resolution, any commissioner may request the clerk to call the roll to record the vote. The Clerk of Commission shall record the vote tally for each ordinance and resolution.

11. During the Business Agenda, only city employees including department heads and guests of department heads to discuss matters affecting the city, the Piqua Chamber Director, the Main Street Piqua Director, may make presentations during the Business Agenda part of the meeting.

12. At the completion of the Business Agenda, the mayor may or may not permit commissioners to address the community for the good of the city. Afterwards, the commissioners shall call the business meeting of the commission to a close and city staff may be excused.

NON-AGENDA PUBLIC COMMENT

13. Non-agenda public comment sessions may, upon the discretion of the Commission, commence after the regular business meeting of the commission adjourns.

14. Any non-agenda public comment shall not begin after 9 p.m. and shall not continue after 9 p.m.

15. Comments by the public shall be addressed to the Commission and mayor and shall be limited to a seven-minute period per person. Under no circumstances should the Commission or mayor interrupt any person's seven-minute time period unless the individual violates the Rules of Conduct or the individual commenting requests interactive dialogue. If a Commission member or the mayor comment during an individual's allotted time, the time taken for any comment by Commission members or the mayor shall not be deducted from the individual's allotted seven minutes so that they receive their full allotted time to speak. No person may speak more than one time during any non-agenda public comment session.

16. All comments shall be related to city business or activities.

17. The Clerk of Commission shall not be under any obligation to keep minutes of the non-agenda public comment session.

18. Public comment time shall be only afforded to persons who live within the City of Piqua city limits, Springcreek Township, Washington Township and/or Miami County or own property within the city or own a business within the city limits.

19. Any person providing public comment shall provide his or her name and street address prior to making any comments.

20. Any individual attending the Non-Agenda Public Comment period of the City Commission meeting may have signs that do not exceed 8 ½ x 11 in size. Such signs shall not be displayed in a way that obstructs the view of any other individual attending the meeting or any camera recording the meeting.

RULES OF CONDUCT

Recognizing that the city has a compelling and significant interest in conducting its meetings in an efficient manner, the following Rules of Conduct shall be enforced during the Commission Business Meeting and the Non-Agenda Public Comment session:

1. Obscene comments, physically threatening remarks, and disruptive conduct are prohibited;

2. Profanity that is disruptive is prohibited;

3. Racist and hate-filled epithets are prohibited;

4. Loud and boisterous conduct or comments are prohibited;

5. Cheering, jeering or clapping, unless for ceremonial purposes as determined by the mayor, are prohibited;

6. Noisemakers are prohibited;

7. All persons shall remain seated during commission meetings unless they are leaving the Commission Chambers or are addressing the Commission from the podium;

8. Any person desiring to make a public comment shall complete a public comment request card provided by the Clerk of Commission and shall deposit the card in the public comment request box. The box will be monitored throughout public comment

sessions and cards will be given to the mayor or presiding officer by the commission's designee during public comment sessions;

9. The mayor shall call the persons requesting to make public comment during the appropriate public comment periods;
10. When called by the mayor to address the Commission, the individual called shall address the Commission from the commission podium unless the person so called has a medical condition that prevents the individual from doing so; in such case, the mayor will make every attempt to accommodate the individual so his or her comments are heard by the public;
11. If during the non-agenda public comment session, the public comment cards have not all been called prior to the end of the meeting, the individuals not called will be placed at the top of the list for presenting comments at the next scheduled meeting;
12. If during the non-agenda public comment session, the public comment cards have been exhausted and the meeting has not been concluded, individuals who have not spoken may request to do so until the conclusion of the meeting.

Any individual violating a commission rule shall be warned by the mayor or presiding officer of the violation, and if such individual does not cease the activity so warned, he or she shall be asked to leave city hall. If an individual refuses to comply with the mayor or presiding officer's directive to leave city hall, the individual may be charged criminally for his or her conduct.

Ordinance No. O-7-26

An Ordinance approving a franchise between the Dayton Power and Light Company d/b/a AES Ohio, and the City of Piqua to permit AES Ohio to construct, maintain, and operate electric utility facilities within the City of Piqua, Ohio, for the provision of electric utility service to J5 LLC, for a period of 30 years, automatically renewing for successive 1 year terms thereafter.

WHEREAS, as an Ohio municipality, the City of Piqua (the "City") has the right under the Ohio Constitution, Art. XVIII, § 4 to provide electric utility service to its residents to the exclusion of other electric utility providers;

WHEREAS, pursuant to the Ohio Constitution, Art. XVIII, § 4, the City may contract with electric utility providers for the provision of electric utility service to the City's residents;

WHEREAS, pursuant to the Ohio Constitution, Art. XVIII, § 4, the City may limit the scope of authority granted to electric utility service providers, such as limiting their ability to serve in only certain locations within the City and/or certain residents of the City;

WHEREAS, J5 LLC (the "Customer") is a hyperscale data center operator that intends to construct a facility that will be located on 607.656 acres of land located at the northeast corner of the intersection of Farrington Road and Washington Road, in Piqua, Ohio ("Facility"), which is more fully described in Exhibit A attached hereto;

WHEREAS, to adequately meet the unique electric service needs and load characteristic of the Facility, the Customer seeks to directly connect the Facility to the interstate transmission grid;

WHEREAS, the Customer and the City agree to The Dayton Power and Light Company d/b/a AES Ohio ("AES Ohio"), its successors and assigns, providing electric utility service to the Customer to achieve the direct interconnection of the Facility with the interstate transmission grid; and AES Ohio agrees to provide such retail electric distribution service to the Customer subject to the terms of a limited utility service franchise agreement (the "Agreement") granted to AES Ohio pursuant to the Ohio Constitution, Art. XVIII, § 4;

WHEREAS, in exchange for the City granting this limited franchise right to AES Ohio, AES Ohio agrees to certain terms and conditions described more fully below that prohibit AES Ohio from serving in the future any customers now served by the City or any future homeowner or business located within the City, except as otherwise set forth herein;

WHEREAS, in exchange for the City granting this limited franchise right to AES Ohio, AES Ohio agrees to pay the City due and valid consideration, which are described more fully below;

WHEREAS, AES Ohio has confirmed to the City that the transmission investment necessary to serve the Customer will not result in an increase in transmission costs for the residents and businesses served by the City of Piqua; and

NOW, THEREFORE, BE IT ORDAINED by the Commission of the City of Piqua, Miami County, Ohio, the majority of all members elected thereto concurring that:

Section 1. AES Ohio, and its successors and assigns, are hereby granted the limited right, privilege, franchise, and authority to acquire, construct, maintain, and operate lines for the distribution and transmission of electric energy, either by means of overhead or underground conductors, and the provision of public utility service to the Facility. Should the Customer seek to expand Facility through the acquisition of contiguous property that also will be utilized for data center activities, the City shall upon request by the Customer or AES Ohio approve that additional property to be served by AES Ohio under this Agreement, which if expanded the original and expanded property would be considered part of the Facility for purposes of this Agreement. A property shall be considered contiguous to the Facility if it is contiguous to a property where any portion of the Facility is located regardless of any easements, public thoroughfares, transportation rights-of-way, or utility rights-of-way that may separate such properties. AES Ohio shall have no right to serve electric load even at the Facility if (i) it is not the electric load of the Customer, or an affiliate of the Customer or (ii) the load is unrelated to data center activities. Nothing in this Agreement conveys a right to AES Ohio to own, construct, or operate any generation within City limits to provide electrical energy to the Customer or any other end users wherever located, and AES Ohio explicitly agrees that it will not seek to own, construct, or operate any generation within City limits without first obtaining the express written consent of the City, which City may withhold for any reason.

The initial term of the Agreement (the "Initial Term") shall commence on the Effective Date of this Ordinance (the "Effective Date") and, unless otherwise terminated as provided herein, end on the date that is thirty (30) years after the Effective Date; provided, however, if not sooner terminated, the Agreement shall renew at the end of the Initial Term and thereafter continue for successive one (1) year terms (each a "Renewal Term") unless (i) AES Ohio or City notifies the other in writing that it objects to the Renewal Term at least one hundred eighty (180) days in advance of the start of that Renewal Term in which case this Agreement shall not renew, or (ii) this Agreement is otherwise terminated as provided herein (collectively, the "Term").

Section 2. Except for the express terms discussed in this Ordinance with respect to AES Ohio and its limited right to provide electric utility service to the Facility during the term of this electric utility service agreement, the City is not establishing competition for any component of retail electric service in any other areas of the City or for other residents or businesses of the City. Through this Ordinance, the City is providing a limited exception to its right under the Ohio Constitution to provide exclusive electric utility service to all its residents and businesses due to the unique service needs of the Facility, which includes, in part, the need to interconnect the Facility with the interstate transmission grid and the anticipated size of the electrical demand. This Ordinance does not provide AES Ohio the right to provide electric utility service to any other residents or businesses of the City, nor does this Ordinance provide any other residents or businesses of the City the right to service from AES Ohio. AES Ohio agrees that, unless it receives prior consent from the City, it will not serve any resident or business currently served by City and will not serve any future resident or business within the City's municipal boundary. AES Ohio acknowledges that service to the

Customer is based on very unique circumstances and that City does not intend to allow current or future customers within the City limits to be served by AES Ohio or any other retail electric utility. AES Ohio further agrees not to solicit current or future customers of the City or otherwise interfere in the City's provision of electric service to such current and future customers of the City.

Section 3. Nothing in this Ordinance shall be construed as the City waiving its rights under the Ohio Constitution, Art. XVIII, § 4 to provide electric utility service to its residents to the exclusion of other electric utility service providers. The City hereby expressly states that it intends to provide retail electric utility service to all residents and businesses within the City's boundary except for the Customer's Facility which shall be served by AES Ohio in accordance with this limited franchise agreement while such Agreement is in effect. Upon the expiration or termination of this Agreement, the City will file an application for abandonment under R.C. 4905.20 and R.C. 4905.21 with the Public Utilities Commission of Ohio ("PUCO") to initiate electric service for the Customer.
After the filing of any such application, AES Ohio shall be permitted to continue providing electric service to the Customer until such time that the PUCO issues a decision approving the abandonment and City is able to provide electric service to the Customer. AES Ohio hereby agrees not to oppose or challenge such application at the PUCO or any other forum in any manner.

Section 4. (A) If AES Ohio violates its obligations of this ordinance, and subject to the cure provision set forth in Section 5, then AES Ohio shall be subject to a penalty of $50,000 associated with each violation related to the Facility. AES Ohio shall not actively pursue any customer within the current or future municipal limits of the City to provide retail electric service to that customer, and AES Ohio shall be subject to a penalty of $1,000,000 for violating this obligation for each such customer, provided that, and for the avoidance of doubt, AES Ohio shall not be subject to this penalty for any inadvertent or accidental violations of this obligation, but ongoing pursuit and conversations with the customer when AES Ohio knows, or has a reasonable opportunity to find out, that the customer is in the then-existing municipal boundary and not already served by AES Ohio shall trigger the penalty. If AES Ohio violates this Agreement with respect to providing retail electric service to other customers of the other party (unless AES Ohio is serving the customer at either the time of this Agreement or providing service to the customer when the City's municipal limits expands), then AES Ohio shall be subject to a penalty of $1,000,000 for each customer it serves, and AES Ohio and the City both recognize that in addition to this fine AES Ohio shall be obligated to cease serving such customer and the customer will be returned to the other party to be provided with retail electric service. This remedy is in addition to any other remedies available to the City under this Agreement or law. By accepting this ordinance, AES Ohio expressly acknowledge that this penalty structure is reasonable and agrees to waive any right it might have to challenge the penalty structure. (B) If AES Ohio violates its obligation to make the annual payment by the date required described in Section 6, then the City shall notify AES Ohio and AES Ohio shall have sixty (60) days from receipt of such notification to cure such violation of this Agreement. If AES Ohio fails to cure such violation, then such failure to pay shall be considered a material intentional breach of this Agreement and the City may terminate this Agreement pursuant to Section 5. Regardless of any other provision of this ordinance, the City's sole remedy for AES Ohio failing to pay the annual payment is termination of the Agreement.

Section 5. This limited franchise grant by the City to AES Ohio for the provision of electric utility service to the Customer shall continue to be in effect for the Initial Term and any Renewal Term, however, in the event of (i) a material intentional breach of this Agreement, or (ii) repeated violations of this Agreement, in addition to assessment of penalties under Section 4, the City may terminate this Agreement. Should the City elect to terminate the Agreement under this Section, AES Ohio agrees it will not contest the termination of this Agreement and City's right to provide electric service to the Customer following such termination.

Section 6. As consideration for the City granting AES Ohio the right to provide electric utility service to the Facility, and in recognition of the City's costs to administer and monitor this franchise and the forgone utility revenue and taxes from granting the franchise, AES Ohio shall be required to make an annual payment of one-million dollars ($1,000,000.00) to the City, to be reimbursed by Customer, and the first payment shall be made by AES Ohio to City within thirty (30) days of the Acceptance Date, and the second payment, and each annual payment thereafter, shall be made by the annual anniversary of the Acceptance Date, provided that if the Acceptance Date is a weekend or banking holiday, the next business day; and, AES Ohio agrees, without cost to the City, to relocate its existing 69kV transmission line beginning at a location near Experiment Farm Road and Farrington Road and extending north and east approximately 5,000 feet to a point near County Road 25-A south of Fox Drive to facilitate the City's efforts to develop the land over which AES Ohio's existing transmission line is located, with AES Ohio using reasonable efforts to facilitate a timely relocation of the line. The City and AES Ohio agree to work in good faith to discuss the specifics of a reasonable alternate route to relocate the existing transmission line and AES Ohio agrees to have good faith conversations about the City underbuilding on AES Ohio's lines for the relocated lines consistent with existing practices between the City and AES Ohio. Further, should there be a change in law, or a material change in regulation from the PUCO or PJM, that allows a municipality serving large industrial or data center load to receive a financial benefit for serving such load, then AES Ohio agrees to engage with the City in good faith discussions to see if a change to this Agreement is feasible to enable such benefits to flow to the City and/or to identify and pursue other alternatives where benefits in said amount could be received by the City.

Section 7. AES Ohio shall hold the City harmless from any and all liability arising in any way from AES Ohio's erection, maintenance, or operation of said lines for the distribution and transmission of electric energy. Further, whenever AES Ohio erects or installs any lines or equipment, it shall promptly and diligently prosecute the work to completion and leave the streets, thoroughfares, alleys, bridges, and public places where such work is done in as good condition of repair as before such work was commenced. AES Ohio shall also comply with all applicable City permitting requirements, and shall share its construction plans in advance of construction and otherwise work in good faith with the City to alleviate any City concerns regarding construction issues. AES Ohio shall seek City's approval for the construction and installation of anything beyond the facilities strictly necessary for the provision of distribution and/or transmission service to the Customer.

Section 8. All rights, privileges, franchises, and obligations herein conferred to AES Ohio by or on behalf of the City shall be binding upon, and inure to the benefit and obligation of the respective successors or assigns of AES Ohio, whether so expressed or not.

Section 9. In the event the City acquires the property of AES Ohio, whether by purchase, condemnation, or otherwise, the price to be paid for such property shall exclude any and all value attributable to this franchise, any renewal hereof. In determining the fair value of the AES Ohio's property for the purpose of permitting a reasonable return thereon, no allowance shall be made for the value of this franchise or any renewal thereof.

Section 10. This Ordinance shall be accepted by AES Ohio in writing within 60 days from its passage, with the date of that acceptance being the Acceptance Date. This notice shall be communicated to the City based on notice information provided by the City and updated from time to time. If AES Ohio fails to accept the terms and conditions of this ordinance within 60 days, then this ordinance shall be considered null and void.

Section 11. The City Manager is hereby authorized to enter into any agreements or to sign any documents necessary to effectuate this Ordinance and the franchise granted under it.

Section 12. It is hereby found and determined that all formal actions of this City Commission concerning and relating to the passage of this Ordinance were adopted in an open meeting of this City Commission and that all deliberations of this City Commission and of any other committees that result in such formal action were in meetings open to the public in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

Section 13. This Ordinance shall take effect and be in force from and after the earliest date allowed by law.

____
JAMES D. VETTER, MAYOR

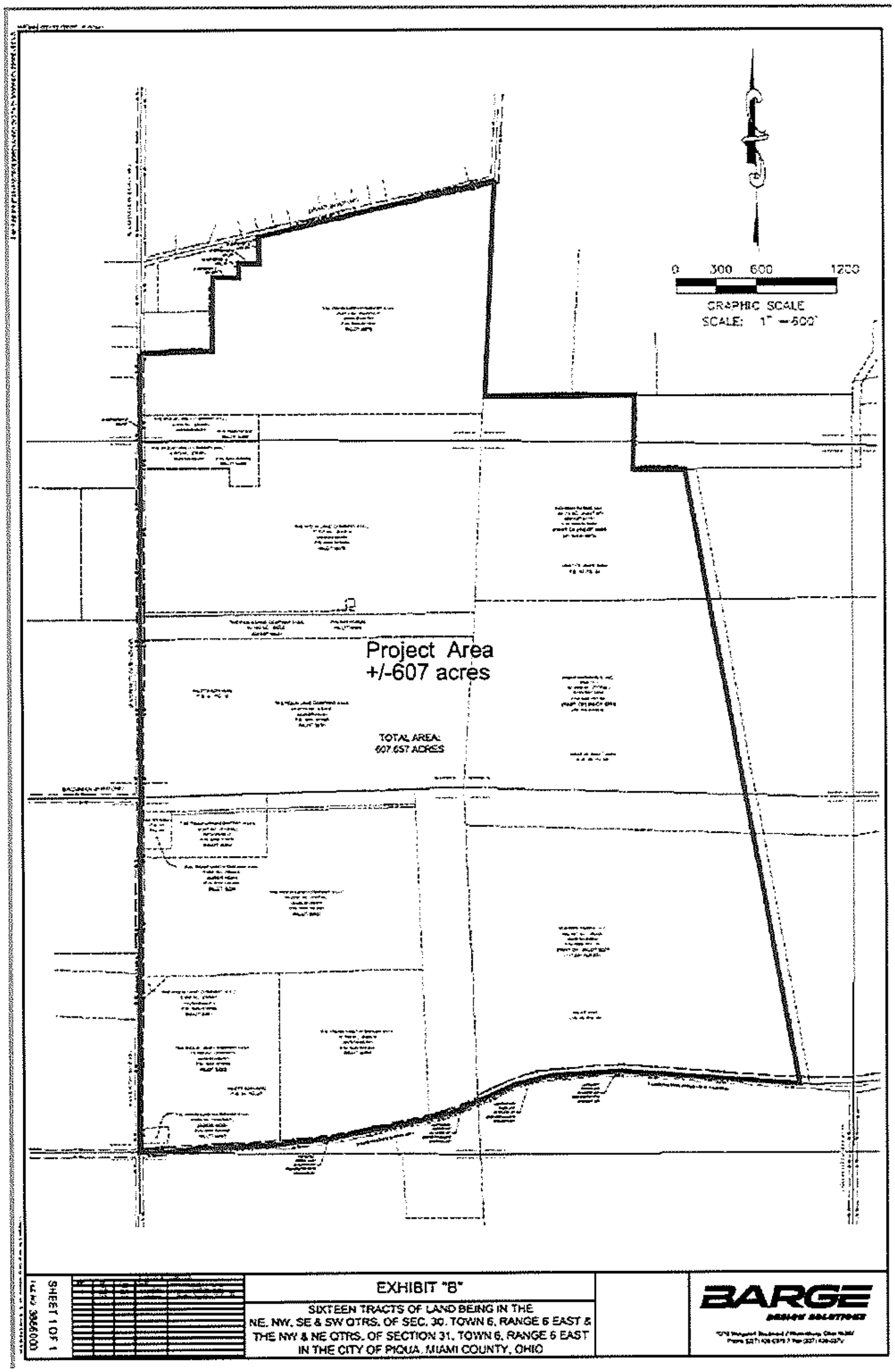
PASSED: ________________________

ATTEST: ________________________
CLERK OF COMMISSION

The Motion to adopt the foregoing Ordinance was offered by None, seconded by None, and on roll call the following vote ensued:

Mayor James D. Vetter __________
Commissioner Frank DeBrosse __________
Commissioner Paul Simmons __________
Commissioner Rick Walker __________
Commissioner Phillip Wead __________

Exhibit A


0 300 600 1200
GRAPHIC SCALE
SCALE: 1" = 600'
Project Area
+/-607 acres
TOTAL AREA:
607.657 ACRES
EXHIBIT "B"
SIXTEEN TRACTS OF LAND BEING IN THE
NE, NW, SE & SW QTRS. OF SEC. 30, TOWN 6, RANGE 6 EAST &
THE NW & NE QTRS. OF SECTION 31, TOWN 6, RANGE 6 EAST
IN THE CITY OF PIQUA, MIAMI COUNTY, OHIO
BARGE
SHEET 1 OF 1

MEMO

To: City Commission
From: Rick Byron
Cc: Chris Schmiesing, RJ Monnier
Date: August 10, 2026

Re: Amendment to Franchise Agreement Ordinance

Commissioners:

City staff communicated to AES/J5 the City Commission's concerns pertaining to the duration of the franchise term and the absence of a franchise fee. AES/J5 acknowledged the concerns and noted their intent to be good community partners. The response from AES/J5 was to request the franchise agreement ordinance be amended to address the Commission's concerns, including the following modifications:

- An annual franchise fee payment to the City by the Customer in an amount of $1 million dollars each year.
- A 60-day cure period for failing to make an annual payment on time with a provision allowing City to terminate for failure to make payment.
- A reduction in the initial term of the franchise period to 30 years.

The amendment request letter and the amended version of the franchise agreement ordinance are included with this memo for your reference.

aes Ohio

August 7, 2026

Chris Schmiesing
City of Piqua
201 W Water St
Piqua, OH 45356

RE: Ordinance No. O-7-26

Dear Mr. Schmeising,

AES would like to request amendments to the ordinance [Ordinance No. O-7-26] for the City Commission's consideration at the public hearing on Aug 11.

If you require additional information, please contact me directly at robert.beeler@aes.com .

Sincerely,

Robert Beeler
AES Ohio