



Legislation Text

File #: 16-0965, **Version:** 1

Consider and take action on a resolution to ratify a contract executed with TXU Energy Retail Co. LLC for the purchase of electricity (Deputy City Manager)

Approval of this resolution will ratify a contract with TXU Energy Retail Co. LLC for the purchase of electricity. On March 8, 2016, the City Council authorized the City Manager to execute a contract for the purchase of electricity. This request is to ratify the details of the contract executed by the City Manager on April 1, 2016 based upon the following circumstances.

Although not required under Texas Government Code 252.0215, Item 15, the city requested that Tradition Energy, the City contracted consultant, solicit prices for service to commence November 2017. The current contract with the General Land Office is valid until November 2017. Tradition Energy evaluated multiple terms and pricing options, ranging from 12 months to 60 months in length, including the best pricing options from the following electric providers:

- General Land Office(current provider)
- Reliant
- Direct Energy
- TXU

In comparison to the City's current electricity rate of 5.1 cents/kWh, all prices and terms received provided a significant savings. The contract accepted and executed is a 60 month term with TXU Energy Retail Co. LLC., starting with meter reads in November 2017 and expiring November 2022. The final contract price is 3.8 cents, resulting in an estimated \$1.3 million in savings over the life of the contract

Attachments:

1. Data Sheet
2. Proposed Resolution
3. Approved Data Sheet
4. TXU Executed Agreement

FUNDING

{X} NOT APPLICABLE

{ } Funds are available from Account # _____

{ } Requires Budget Amendment to transfer from Account # _____ to Account # _____