City of Round Rock

221 East Main Street
Round Rock, Texas 78664

Legislation Details (With Text)

File #:	2016-3347		
Type:	Resolution	**Status:**	Passed
File created:	3/22/2016	**In control:**	City Council
On agenda:	4/14/2016	**Final action:**	4/14/2016
Title:	Consider a resolution authorizing the Mayor to execute one or more contracts to purchase power between the City and a Retail Electric Provider.		
Sponsors:			
Indexes:			
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Attachments:	1. Resolution		

Date	Ver.	Action By	Action	Result
4/14/2016	1	City Council		

Consider a resolution authorizing the Mayor to execute one or more contracts to purchase power between the City and a Retail Electric Provider.

The City's contract with Constellation Energy for electric power was obtained through Cooperative Procurement with the Houston Galveston Area Council of Governments (HGAC). This contract will expire in June 2018. The City typically locks in pricing two years in advance, depending on the market. The electrical industry is very volatile and prices fluctuate greatly and unpredictably, depending on the season and demand. Rates have been extremely favorable over the last several months, therefore staff recommends looking for opportunities to obtain favorable future pricing by extending our agreement with Constellation Energy or by obtaining a new Retail Electric Provider. This Resolution grants the Mayor the authority to execute the negotiated contract that results from this process but does not bind the City to enter into an agreement that is not favorable for the City.

Due to the changing nature of the market, this resolution does not set a specific price or vendor, but allows staff and our consultant to monitor the market and select the best price and vendor. The City has a long standing agreement with CGP Solutions who serves as the City's consultant on wholesale electric needs and the market for providers.

The City spends approximately $5 million per year on electric power for all of its operations. The costs are budgeted and paid by each using department.

Staff recommends approval.

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