



## **CITY COUNCIL COMMUNICATION**

February 9, 2016

**SUBJECT:** Texas Coalition for Affordable Power Electrical Supply Agreement

**SUBMITTED BY:** Chris Barker, Assistant City Manager

**REFERENCE NO:** Resolution No. 16-1486

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### **ACTION REQUESTED:**

Consider approval of Resolution No. 16-1486 authorizing the Texas Coalition for Affordable Power, Inc. (TCAP), to negotiate an electric supply agreement for five years for deliveries of electricity effective January 1, 2018; authorizing TCAP to act as an agent on behalf of the City to enter into a contract for electricity; authorizing three signators to execute an electric supply agreement for deliveries of electricity effective January 1, 2018 and committing to budget for energy purchases in 2018 through 2022 and to honor the City's commitments to purchase power for its electrical needs in 2018 through 2022 through TCAP.

### **ALTERNATIVES:**

- Approve the request with modifications
- Table the request
- Deny the request

### **SUMMARY OF SUBJECT:**

City of Euless is a member of Texas Coalition For Affordable Power, Inc. (TCAP), a non-profit, political subdivision corporation dedicated to securing electric power for its more than 170 members in the competitive retail market. TCAP has unique rights under Texas law to negotiate directly in the wholesale market and arrange separate contracts for power supply and retail services which provide TCAP leverage to achieve contract provisions that single city negotiations with a Retail Electric Provider (REP) would be unlikely to produce. Resolution No. 16-1486 will allow TCAP to negotiate, on behalf of the City, an Electric Supply Agreement for a period of five (5) years, effective January 1, 2018. If the results of the TCAP negotiation result in a price not to exceed 4.1 cents per kWh, the Resolution authorizes three signators to sign an Electric Supply Agreement for the City within 24 hours of receipt of a contract that has been approved and recommended by the TCAP Board of Directors.

**SUPPORTING DOCUMENTS:**

- Resolution No. 16-1486
- TCAP Report

**APPROVED BY:**

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City Manager's Office

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City Secretary's Office