

MAYOR & COUNCIL AGENDA COVER SHEET

MEETING DATE:

November 16, 2009

CALL TO PODIUM:

Peter Geiling

RESPONSIBLE STAFF:

Peter Geiling

AGENDA ITEM:

(please check one)

<input type="checkbox"/>	Presentation
<input type="checkbox"/>	Proclamation/Certificate
<input type="checkbox"/>	Appointment
<input type="checkbox"/>	Public Hearing
<input type="checkbox"/>	Historic District
<input type="checkbox"/>	Consent Item
<input type="checkbox"/>	Ordinance
<input checked="" type="checkbox"/>	Resolution
<input type="checkbox"/>	Policy Discussion
<input type="checkbox"/>	Work Session Discussion Item
<input type="checkbox"/>	Other:

PUBLIC HEARING HISTORY:

(Please complete this section if agenda item is a public hearing)

Introduced	
Advertised	
Hearing Date	
Record Held Open	
Policy Discussion	

TITLE:

Resolution of the Mayor and City Council Authorizing the City Manager, on a Nunc Pro Tunc Basis, to Participate With Montgomery County for the Extension of a Joint Procurement Contract for Electricity with PEPCO Energy Services

SUPPORTING BACKGROUND:

The City entered into a contract for electricity supply for Type I accounts (buildings) with PEPCO Energy Services in March 2006. The contract was bid as a joint procurement for electricity with Montgomery County as the lead agency. The goal was to procure electricity at a rate below PEPCO's standard service offer. The contract was extended for two years in January 2008. Because of the recent reduction in energy costs, Montgomery County requested that the City participate in a pricing event to secure a rate lower than the current rate. The pricing event generated savings of approximately eighteen percent (18%) per kilowatt hour for the City's Type I accounts. Type I accounts include street lights, pavilions, parking lots, and other miscellaneous small accounts. Staff believes the joint procurement is the best method for ensuring the City receives the most competitive rate for electricity supply.

The City will be charged \$0.07696 per kilowatt hour compared to the \$0.09420 previously charged. The City's Type I accounts currently consume approximately three million kilowatt hours per year. The City's savings will be approximately \$41,000 annually for the next two year period based on the City's current rate.

DESIRED OUTCOME:

Vote on Resolution

RESOLUTION NO. _____

RESOLUTION OF THE MAYOR AND CITY COUNCIL AUTHORIZING THE CITY
MANAGER, ON A NUNC PRO TUNC BASIS, TO PARTICIPATE WITH
MONTGOMERY COUNTY FOR THE EXTENSION OF A JOINT PROCUREMENT
CONTRACT FOR ELECTRICITY WITH PEPCO ENERGY SERVICES

WHEREAS, the City desires to execute an extension of the Montgomery County
joint procurement for electricity supply contract; and

WHEREAS, the Mayor and Council have determined to execute a contract for
electricity supply to Pepco Energy Services; and

WHEREAS, it is recommended that a contract extension be awarded for the
supply of electricity for Type I accounts;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of Gaithersburg,
that the City Manager be and is hereby authorized to execute a contract for the supply of
electricity with the Pepco Energy Services on a Nunc pro Tunc basis; said funds to be
expended from the Operating Budget.

ADOPTED by the Mayor and City Council this 16th day of November, 2009.

SIDNEY A. KATZ, MAYOR and
President of the Council

THIS IS TO CERTIFY that the foregoing
Resolution was adopted by the City Council
in public meeting assembled on the 16th day
of November, 2009.

Angel L. Jones, City Manager

EXHIBIT G – SIGNATURE PAGE AND AWARD SHEET

(TO BE SUBMITTED WITH STAGE 1 PROPOSAL)

RFEP# 6506100016	MONTGOMERY COUNTY, MARYLAND Supply of Electricity and Related Services SIGNATURE PAGE AND AWARD SHEET
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PART I: SOLICITATION

THE FOLLOWING ARE HEREBY INCORPORATED BY REFERENCE INTO AND MADE PART OF ANY CONTRACT AWARDED:

1. The "Instructions" contained in Section III of this RFEP.
2. The "Electricity Purchase Terms and Conditions" contained in this RFEP (Exhibit E).
3. The "Signature Page and Award Sheet" (Exhibit G).
4. All other provisions, representations, certifications, amendments, addenda, and specifications listed in this RFEP.

PART II- PROPOSAL

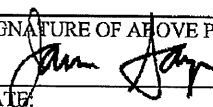
The CONTRACTOR (Qualified Offeror), by signing this solicitation, agrees that the photocopied signature of a person authorized to sign bids and contracts for the CONTRACTOR forms a valid, binding contract.

NAME AND SIGNATURE REQUIREMENTS FOR BIDS AND CONTRACTS

The correct legal business name of the CONTRACTOR must be used. A trade name (i.e., a shortened or different name under which the firm does business) should not be used when the legal name is different. Corporations must have names that comply with State Law. The Contractor's signature must conform to the following:

1. Where the CONTRACTOR is a corporation, a corporate officer must sign;
2. Where the CONTRACTOR is a partnership, at least one general partner must sign;
3. Where the CONTRACTOR is a limited liability company, an authorized representative must sign;
4. Where the CONTRACTOR is a sole proprietor, the proprietor must sign.

CONTRACTOR'S NAME: Pepco Energy Services, Inc.	TELEPHONE NO.: 703-253-1800
ADDRESS: 1300 N. 17 th Street, Suite 1600, Arlington, VA 22209	TOLL FREE NO.: 1-888-277-5809
REMITTANCE ADDRESS: (If Remittance Address is Different from Above Address) Pepco Energy Services, P. O. Box 659408, San Antonio, TX 782659408	FAX NO.: 703-253-1687

<p>ACKNOWLEDGEMENT OF AMENDMENTS The CONTRACTOR acknowledges receipt of amendments to the solicitation for offers and related documents numbered and dated as follows:</p> <table border="1"> <thead> <tr> <th>Amendment No./Date</th> <th>Amendment No./Date</th> </tr> </thead> <tbody> <tr> <td>Amendment #1 / March 3, 2006</td> <td>Amendment #2 / March 3, 2006</td> </tr> <tr> <td>Amendment #3 / August 27, 2008</td> <td>Amendment #4 / October 28, 2009</td> </tr> </tbody> </table>	Amendment No./Date	Amendment No./Date	Amendment #1 / March 3, 2006	Amendment #2 / March 3, 2006	Amendment #3 / August 27, 2008	Amendment #4 / October 28, 2009	<p>NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER (TYPE OR PRINT): James Savage, Vice President, retail Electric Supply</p> <p>SIGNATURE OF ABOVE PERSON: </p> <p>DATE: October 28, 2009</p>
Amendment No./Date	Amendment No./Date						
Amendment #1 / March 3, 2006	Amendment #2 / March 3, 2006						
Amendment #3 / August 27, 2008	Amendment #4 / October 28, 2009						

PART III: AWARD (TO BE MADE BY THE AUTHORIZED SIGNATORY FOR THE PARTICIPANT)

YOUR BID IS ACCEPTED AS TO THE FOLLOWING AND/OR AS ATTACHED TO THIS DOCUMENT:

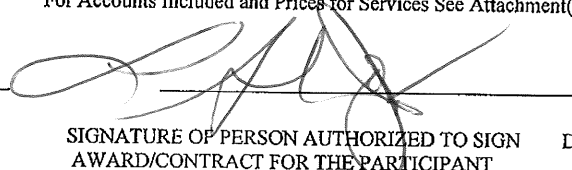
YOUR CONTRACT NUMBER IS

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Participant: _____

For Accounts Included and Prices for Services See Attachment(s)

BY _____



PRINTED NAME OF PERSON AUTHORIZED TO SIGN DATE
AWARD/CONTRACT FOR THE PARTICIPANT

SIGNATURE OF PERSON AUTHORIZED TO SIGN DATE
AWARD/CONTRACT FOR THE PARTICIPANT

16/28/09

RFP View: 7554 - Retail Electricity

General Information

Description:	PES II	Total Quantity:	1,033,132 kWh
Customer Name:	Montgomery County	Number of Accounts:	12
Customer Contact:	Victor Sousa	Maximum Demand:	
Deal Number:	2201	Send System Emails:	True
State/Province:	Maryland	Last Updated:	10/28/2009 11:01:57 AM
Country:	USA		
Local Distribution Utility:	Pepco (Potomac Electric Power Company)		
Load Type:			
Rate Class:			

Auction Information

Auction Start Time (EPT):	10/28/2009 10:00:00 AM	RFP Status:	Active
Auction End Time (EPT):	10/28/2009 11:05:00 AM	Reserve Price (\$/kWh):	N/A
Opening Bid (\$/kWh):	0.11000	Time Left:	Auction Ended
Auction Format:	Reverse	Total Bids:	1
Auction Currency:	USD - US Dollar	Low Bid (\$/kWh):	0.10425
Bid Significant Digits:	5	Low Bidder:	Pepco Energy Services
Bid Increment (\$/kWh):	0.00001		

Contract Information

Delivery Start Date:	12/1/2009	Transaction Type:	Physical
Contract Duration:	30 months	Bill Type:	Consolidated from Utility
Payment Terms (days):	30	Evergreen Renewal:	No
Payment Terms Description:	Days from Invoice Date	Termination for Convenience:	Yes
Usage Variance (%):	10		

Pricing Information

Form of Pricing:	Fixed	Pricing Index:	
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Pricing Components

See Bid Conditions

Green Power

Additional Green Power:	No
Green Power (%):	0.00

Additional Information

Comments to Bidders:

RFP Bid History: 7554 - Electricity

Montgomery County
 Fixed - 30 mo. - PES II

Auction Information

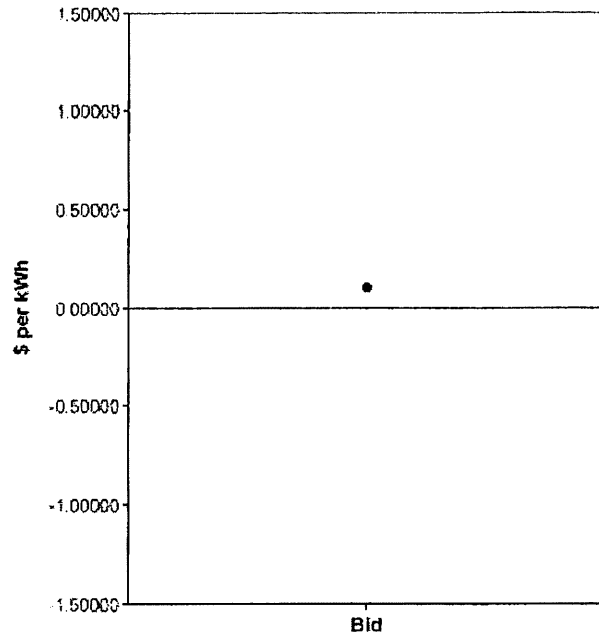
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 Reserve Status: **N/A**

RFP Status: **Active**
 Time Left: **Auction Ended**
 Total Bids: **1**
 Low Bid (\$/kWh): **0.10425**
 Low Bidder: **Pepco Energy Services**

Auction Generated Savings

First Bid (\$/kWh): **0.11000**
 Best Bid (\$/kWh): **0.10425**
 Your Total Usage: **1,033,132 kWh**
 Cost - First Bid: **\$113,644.52**
 Cost - Best Bid: **\$107,704.01**
 Total Auction Generated Savings :
\$5,940.51 or 5.23 %

Price Graph



Market Benchmark Savings

Price-to-Compare (\$/kWh): **0.10949**
 Best Bid (\$/kWh): **0.10425**
 Your Total Usage: **1,033,132 kWh**
 Cost - Price-to-Compare: **\$113,117.62**
 Cost - Best Bid: **\$107,704.01**
 Total Market Benchmark Savings :
\$5,413.61 or 4.79 %

Bid History (View: | Low Bid Only)

Total Bids in View: **1**

Company Name	Contact Name	Bid Amount	Date and Time of Bid
Pepco Energy Services	Jim Savage	\$0.10425	10/28/2009 11:03:48 AM
1			

a. All original terms of RFEP # 6506100016 apply to this bid to extend the current contract. In addition, two new terms are:

1) All capacity charges will be included in the bid price and no additional pass-through costs associated with capacity charges will be accepted under the terms of this contract extension.

2) The service start date for these accounts will be the first meter read in December 2009.

b. All bids must be held until 1:00 PM EST.

Bidder Engagement Rules

Sealed Bid: **False**
 Enforce Bidder Credit: **False**
 Show Reserve Price: **False**
 Show Reserve Status: **False**

World Energy Fees

World Energy Fee Type: **Fixed**
 World Energy Fee (\$/kWh): **0.00075**

Payment Type: **Bidder**

Trading Desk Information

Trading Desk Manager: Vitana Melesiute	Pricing Quantity UOM: kWh
Price-to-Compare (\$/kWh): 0.10949	Contracted Price (\$/kWh):
Customer Fee Provision: False	Contracted Bidder:
Blind Auction For Customer: False	Contract Settlement Date:
Management Access Only: False	Enable Bid Comments: False
Bidder Credit Limit Type: Company	

Documents

Total Documents: **1**

Title	File	Size	Modified Date	Modified By
PES - Monthly Data	Exhibit Gs 102809 PES.xls	66048	10/28/2009	James McCullough

Bidders

Total Bidders: **2**

Company Name	Contracted	Contact Name	Primary	Phone	Fax	Email Address	Email Type
Pepco Energy Services	Yes	Jim Savage	False	703 253 1642	703-253-1687	jsavage@pepcoenergy.com	
Pepco Energy Services	Yes	Mike Roche	False	301-607-9042	301-607-9038	mroche@pepcoenergy.com	

Group Access List

Total Groups: **0**

No Groups assigned for this RFP.

Draft Emails

Total Draft Emails: **0**

No manual emails assigned to this RFP.

Email History

Total Emails: **0**

No history emails assigned to this RFP.

Sum of Annual kWh		New Price	New Contr	Utility	Account#	Address	City	Total
Pricing Grd	AGENCY	\$0.10425	Dec-09	PEPCO	2034121307	801 Rabbit Rd	Gaithersburg	202,252
PES-2	City of Gaithersburg				2035394507	301 Teachers Way	Gaithersburg	33,280
Grand Total								235,532

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World Energy Solutions
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Worcester, MA 800-578-0718 | Dublin, OH 614-553-6700

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Montgomery County

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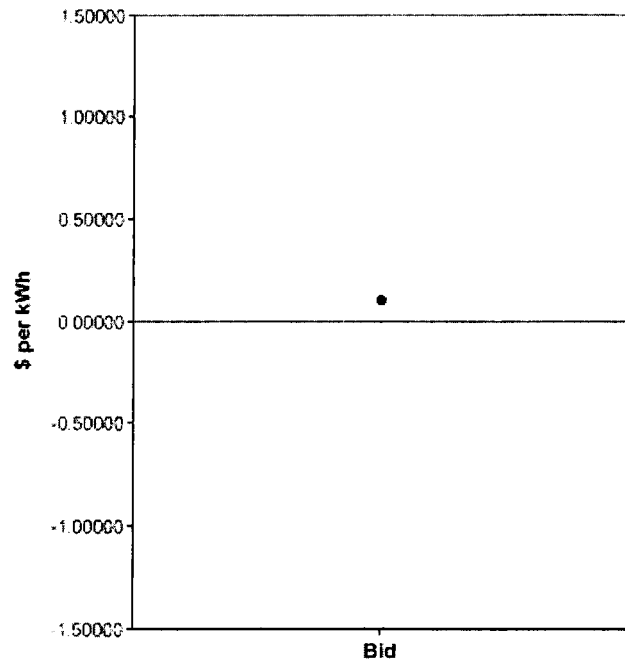
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