

# Memorandum



CITY OF DALLAS

DATE: May 20, 2010

TO: Members of the Budget, Finance & Audit Committee:  
Jerry R. Allen (Chair), Ann Margolin (Vice-Chair), Vonciel Jones Hill,  
Delia D. Jasso, Ron Natinsky, David A. Neumann

SUBJECT: Electricity Supply 2011 – May 26<sup>th</sup> Agenda Item #13

On December 9, 2009, Council authorized a professional services contract with Priority Power Management for consulting services related to electricity procurement. This contract provided for deliverables including: development of specifications, issuing a request for proposals and review and evaluation of those proposals. City staff worked in conjunction with the consultant to complete this work.

We advertised for Request for Proposals and sent notifications to all Retail Electric Providers (REP) registered in the state of Texas. Nine proposals were received. The consultant along with city staff reviewed the proposals and revised the list to seven proposers who met the qualifications criteria. Below is the list:

- Constellation New Energy, Inc.
- GDF SUEZ Energy Resources NA, Inc.
- Gexa Energy, L.P.
- Reliant Energy Retail Services, LLC.
- Sempra Energy Solutions, LLC
- Texas General Land Office
- TXU Energy Retail Company, LLC.

The agenda item for consideration on May 26<sup>th</sup>, seeks Council approval to proceed with negotiations with the above firms to select a Retail Electric Provider(s). Since the price of electricity can vary daily, the item grants authority to the City Manager to execute a contract and lock prices at the most advantageous time. As you are aware, this is similar to the process used to negotiate bond sales.

Please let me know if I can provide additional information.



Forest E. Turner  
Assistant City Manager

c: Honorable Mayor & Members of the City Council  
Mary K. Suhm, City Manager  
Deborah A. Watkins, City Secretary  
Tom Perkins, City Attorney  
Craig Kinton, City Auditor  
Ryan S. Evans, First Assistant City Manager  
Jill A. Jordan, P.E., Assistant City Manager  
A.C. Gonzalez, Assistant City Manager  
Jeanne Chipperfield, Chief Financial Officer