

# **San José Clean Energy**

## **Professional Services Agreement for Wholesale Energy Services with Northern California Power Authority (NCPA)**

**March 27, 2018  
Item 7.1**

# Key Terms

- Scope includes: scheduling coordinator, portfolio management, & optimization services
- **Cost is \$25,000 per month (Phase 1)**  
**\$52,500 per month (All Phases)**
- No obligation for payments prior to launch
- Maximum Contract Cost \$2.7M

Initial Term: April 2018 - September 2020

## Estimated Cost:

- FY17 - 18 \$0, except as-needed consulting services
- FY18 - 19 \$360,000
- FY19 - 20 \$630,000
- Two 1-year extension options for \$655k & \$669k

# New Regulatory Obligations

- **CPUC Adopted Resolution E4907 on 2/8/18**
  - Requires SJCE to obtain scheduling coordinator services to meet Resource Adequacy planning obligations **by 4/20/18**
  - Staff evaluated options and determined collaborating and **negotiating directly with another public agency** was the best way to meet this requirement

# NCPA Selection

- NCPA is a not-for-profit joint powers agency established in 1968
- NCPA has a proven track record of providing these services to its' member utilities such as Santa Clara, Palo Alto, Alameda, BART, & the Port of Oakland.
- NCPA is providing these services for newly formed CCA's such as EBCE in Alameda County, Valley Clean Energy in Davis and Yolo County, and Pioneer Clean Energy in Placer County.

# Contract Terms

- Standard indemnity and insurance language is not included as NCPA is a public agency and could not agree.
- Risks associated with these services will be mitigated through:
  - Operating Procedures
  - Risk Management Policy
  - Risk Management Reserve Fund

# Recommendation

- Requesting the Council delegate authority to City Manager to execute the agreement.

# Questions