



City of San Antonio

Agenda Memorandum

File Number:15-2870

Agenda Item Number: 51.

Agenda Date: 6/18/2015

In Control: City Council A Session

DEPARTMENT: Finance

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICT(S) IMPACTED: City Wide

SUBJECT:

CPS Energy Competitive Matter Memorandum of Understanding Amendment

SUMMARY:

CPS Energy requests Council approval of an amendment to the Competitive Matter Memorandum of Understanding (MOU) between the City and CPS Energy as authorized by Ordinance No. 100709 on April 14, 2005.

BACKGROUND INFORMATION:

On April 14, 2005, the City Council approved the Competitive Matter Memorandum of Understanding between the City and CPS Energy via Ordinance No. 100709. The MOU allowed CPS greater flexibility in pursuing certain gas sales which allowed CPS to effectively compete for and/or attract new customers as well as retain existing customers. The subject matter of the MOU was deemed to be a competitive matter and as such, the MOU was discussed with the City Council in Executive Session.

CPS recently concluded negotiations of an agreement with a large volume gas customer and those terms require an amendment to the MOU.

ISSUE:

CPS Energy requests Council approval of an amendment to the Competitive Matter MOU between the City and CPS Energy as authorized by Ordinance No. 100709 to reflect changes in the city payment calculation relative to the sale of natural gas to the customer.

ALTERNATIVES:

The City Council could elect not to approve the change to the City Payment calculation as outlined in the amended Competitive Matter Memorandum of Understanding.

FISCAL IMPACT:

The City Payment would be paid in accordance with the terms of the amended MOU as discussed with the Council in Executive Session

RECOMMENDATION:

City staff recommends approval of the change to the MOU as discussed with the City Council in Executive Session.