

## Council Meeting Staff Report

August 30, 2016

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<b>Agenda No.:</b>	C.
<b>Indexes (Council Goals):</b>	2016 Council Goal - N/A
<b>Presenters:</b>	Steve Cummins
<b>Legislative File:</b>	AGR0432-16

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### Title

Approval of Services Agreement No. AGR16-042 with Open Access Technology International, Inc. (OATI) in the amount of \$679,320.00, plus Applicable Gross Receipts Tax, for the Purpose of Energy Trade Capture and Scheduling Software

### Recommended Action

**I move that Council approve Services Agreement No. AGR16-042 with Open Access Technology International, Inc. (OATI) in the amount of \$679,320.00 plus applicable gross receipts tax, for the purpose of Energy Trade Capture and Scheduling Software.**

### Utilities Manager Recommendation

The Utilities Manager recommends that Council approve the motion as presented.

### Board, Commission or Committee Recommendation

The Board of Public Utilities recommends that Council approve the motion as presented.

### Body

The Department of Public Utilities: Electric Production (EP) Division has been using OATI power scheduling software, (Web-Trader), since 2009. OATI Web-Trader is an internet based product that helps monitor and track, the County and LANL combined load, generation assets and market purchases and sales on an hourly basis throughout the year. The County's Power Systems Operators also manage the loads and resources for Sandia Kirtland using the Web-Trader, power scheduling software.

Power trading software, as a service, is essential to Electric Production operations. This new contract will also help Los Alamos County and Los Alamos National Laboratory in compliance with the Federal Energy Regulatory Commission (FERC), North American Electric Reliability Corporation (NERC) and the Western Electricity Coordinating Council (WECC) standards as they apply to our operation. The cost of this service was included in the current fiscal year budget and approved by the Utilities Board and County Council.

### Alternatives

Prior to 2009, the Los Alamos Power Pool managed the loads and generation assets using a very sophisticated spread sheet to track and archive the daily power trading transactions. When the County started performing the merchant desk services for Sandia Kirtland it became very cumbersome and time consuming for the real time operators and for the back office accounting and month end billing. This service became essential to Power Operations. As these services are essential the only other option would be to re-issue a new "Request for Proposal" (RFP) and possibly award to a different vendor for similar services. This would require building a new business model and training our operators with a new software.

### Fiscal and Staff Impact/Planned Item

The cost of this service was included in Electric Productions fiscal year budget. There is no impact to staff since they are fully trained in using the OATI, Web-Trader software.

### Attachments

A - AGR16-042

