

## EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a new services contract with **Public Power Council** for administrative service related to the current and post-2011 BPA power purchase contracts.

Backgrounder (if "yes," "See backgrounder information") No

Board Meeting Date: May 5, 2009

Project or Job Name: Public Power Council (PPC)

Project Contact: Dick Helgeson Ext. 3960

Purchasing Contact: Gail Murray Ext. 3276

### Action Requested:

Contract Award  
 Contract Renewal  
 Contract Increase  
 Other

### Contract Amount:

Original Contract Amount: \$25,000 annually

Additional \$ Previously Approved: \$ n/a

Invoices over last approval: \$ n/a

Percentage over last approval: n/a %

Amount this Request: \$25,000 annually

**Resulting Cumulative Total:** \$25,000 annually

### Funding Source:

Budget  
 Reserves  
 New Revenue  
 Bonding  
 Other

### Contracting Method:

Method of Solicitation: Negotiated Agreement with Slice Customers

If applicable, basis for exemption: \_\_\_\_\_

Term of Agreement: Through the end of BPA Slice Contract

Option to Renew? No, April 1, 2009 through 2025

Approval for purchases "as needed" for the life of the contract Yes

### Form of Contract:

Single Purchase  
 Services  
 Personal Services  
 Construction  
 IGA  
 Price Agreement  
 Other

### NARRATIVE:

Administration of EWEB's current and post-2011 power purchase contracts with BPA requires a coordinated effort among the 17 public power utilities that are similarly situated subscribers to BPA's Slice/Block wholesale power product. Such coordinated activities include managing the group's operational interface with BPA for planning purposes, common involvement in development of tools for forecasting and scheduling our respective shares of the BPA system, as well as joint participation in related BPA proceedings and monitoring of the agencies expenditures and annual "true-up" billings.

The Slice utilities (including EWEB) have entered into a Cooperation and Cost Sharing Agreement that provides for management of these common efforts, joint procurement of related professional and technical services, with a cost sharing formula that distributes associated costs equally among the participants. The Public Power Council (PPC), in which all of the utilities are members, has agreed to act as the group's administrative agent, and will obtain the required consulting services at the group's direction, pay invoices on our behalf, account for associated common expenditures, reconcile to an established annual budget, and bill each utility for its share of the related costs.

EWEB's share of the group's anticipated annual expenditures is estimated at between \$15,000 and \$25,000 per year. The enabling agreements provide for ongoing oversight by an established executive committee of participating utility CEOs and allow for individual utilities to withdraw from the relationship or specific expenditures on exception as they are considered and approved by the group. We expect that the Slice group's common efforts will continue in this manner through 2025, the full term of our recently-executed post-2011 BPA contracts.

Funds for EWEB's share of these jointly incurred costs are included in our approved annual budgets as a power-related expense, and the status of this work is routinely discussed with the Board through ongoing communication and periodic briefings.

**ACTION REQUESTED:**

Staff requests Board approval authorizing staff to execute the necessary administrative agreement with PPC to facilitate EWEB's participation as a requirement of managing our ongoing contract relationship with BPA and the other Slice/Block utilities.

**SIGNATURES:**

Project Coordinator: \_\_\_\_\_

Supervisor: \_\_\_\_\_

Purchasing Manager: \_\_\_\_\_

Division Director: \_\_\_\_\_

General Manager: \_\_\_\_\_

Board Approval Date: \_\_\_\_\_

Secretary/Assistant Secretary verification: \_\_\_\_\_