

AGENDA



Thursday, June 21, 2007

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 78**

Subject: Authorize award and execution of Amendment No. 2 to the contract with ECCO INTERNATIONAL, INC., San Francisco, CA, for a market system evaluation relating to the Electric Reliability Council of Texas (ERCOT) nodal market in an amount not to exceed \$387,001, for a revised total contract amount not to exceed \$581,000.

Amount and Source of Funding: Funding in the amount of \$132,001 is available in the Fiscal Year 2006-2007 Operating Budget of Austin Energy. Funding in the amount of \$255,000 is available in the Fiscal Year 2006-2007 Capital Budget of Austin Energy.

Fiscal Note: A fiscal note is attached.

For More Information: Carole Cameron, Purchasing Mgr. 322-6155

Purchasing Language: Contract Amendment.

MBE/WBE: This contract was awarded in compliance with Chapter 2-9C of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

Prior Council Action: 7/27/06 - Approved original contract.

On July 27, 2006, Council approved award of a contract to Ecco International to perform a gap analysis between Austin Energy's capabilities with its existing Market System and best practices in the new nodal wholesale market that is mandated by the Public Utility Commission and will be implemented throughout Texas by the Electric Reliability Council of Texas (ERCOT). The contract was awarded in an amount not to exceed \$145,000.

Procurement of a new system has been recommended, and, in accordance with the original solicitation, Austin Energy is requesting approval to use this consultant to assist in the development of a Request for Proposals (RFP). The solicitation stated that the vendor might be retained for Phase II (development of the RFP) and Phase III (implementation of the new system) upon successful completion of the previous phase. On May 5, 2007, Amendment No.1 to the contract was administratively awarded in an amount not to exceed \$48,999 for preliminary work relating to Phase II of the project.

Phase II work will include assisting in requirements gathering for the solicitation of a new system, assistance in development of the solicitation, and assistance in the evaluation of software proposed.