



**Purchasing Contract
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 29
AGENDA DATE: Thu 04/07/2005
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SUBJECT: Authorize negotiation and execution of a contract with CLEAN POWER RESEARCH, Napa, CA, for consulting work to perform a cost benefit analysis to determine the comprehensive value of solar power in an amount not to exceed \$122,000.

AMOUNT & SOURCE OF FUNDING: Funding is available in the Fiscal Year 2004-2005 Approved Operating Budget of Austin Energy Conservation Rebates and Incentives Fund.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING Purchasing
DEPARTMENT: for Austin Energy;

**DIRECTOR'S
AUTHORIZATION:** Vickie Schubert

FOR MORE INFORMATION CONTACT: Sandy Calles, Buyer II/322-6487

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

PURCHASING: Best proposal of five proposals received.

MBE / WBE: This contract will be awarded in compliance with Chapter 2-9 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.

This contract will secure the services of a consultant to determine the comprehensive value of solar electric generation units placed within the Austin Energy electric system. The contractor will also provide the methodologies for Austin Energy to calculate the value of solar energy in future years. The study will identify and quantify benefits associated with the use of solar energy, such as energy production, generating capacity, value of deferring distribution system upgrades, reduction in transformer and line losses, reactive power control, improved reliability of electric service, reduction in emissions and others.

Austin Energy's Strategic Plan, approved by Council in December 2003, recommended this cost benefit study to determine the comprehensive value of solar power. Austin Energy is striving to increase the use of solar power in the community, as reflected by the success of the existing solar rebate program. This study is necessary for Austin Energy to be able to set a reasonable price threshold for future purchases of solar power, in an effort to reach the ambitious goal set in the Strategic Plan of installing 100 MW of solar facilities by 2020.

MBE/WBE Solicited: 10/4

MBE/WBE Responded: 0/0



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PRICE ANALYSIS

- a. Twenty-five notices were mailed including ten MBEs and four WBEs. Twelve solicitation packages were issued. No MBE/WBEs responded. Five proposals were received.
- b. There was no prior solicitation for this type of service.

APPROVED JUSTIFICATION

- a. Best evaluated proposal
- b. Austin Energy concurs with the recommended award
- c. Advertised on the Internet