

**CITY OF AUSTIN – PURCHASING DEPT.
RECOMMENDATION FOR COUNCIL ACTION
VENDOR NAME: SQUARE D**

AGENDA DATE: 09/23/2010

SUBJECT: Authorize award and execution of a 12-month requirements service contract with SQUARE D, Alameda, CA, for the purchase of Energy Profiler Online (EPO) application hosting services in an amount not to exceed \$120,600, with four 12-month extension options in estimated amounts not to exceed \$125,424 for the first extension option, \$132,950 for the second extension option, \$140,927 for the third extension option, and \$149,383 for the fourth extension option, for a total estimated contract amount not to exceed \$669,284.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$120,600 is contingent upon the approval of the Fiscal Year 2010-2011 Proposed Operating Budget of Austin Energy. Funding for the extension options is contingent upon available funding in future budgets.

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

FOR MORE INFORMATION CONTACT: Art Acuña, Senior Buyer / 322-6307

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: To be reviewed by Electric Utility Commission on September 20, 2010.

PURCHASING: Sole Source

MBE/WBE: This purchase will be 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 contract.

This contract is for purchase of annual license, maintenance services, and operation fees to continue an Internet-based Load Profiling energy management application hosting service for Austin Energy (AE). The initial contract for purchase of the Energy Profiler Online (EPO) software and application hosting service was executed on August 30, 2002 with ABB, Inc., and the contract will expire on October 12, 2010. In March 2004 Power Measurement, Inc acquired ABB's Retail Energy Software and System group, and on April 13, 2005, Schneider Electric, a business group of Square D, completed the acquisition of Power Measurement.

Load profiling allows business customers of AE to monitor their daily energy usage over the Internet through a secure website hosted by Square D. The load profiling service is a convenient and user friendly means by which customers can identify wasteful energy practices and verify improved conservation measures. This access to energy information is the service most often requested by AE's major business customers. In addition to providing load profiling services to external customers, it also serves as a means by which AE and City of Austin staff verify customer load levels for conservation validation, for solar generation, for curtailment activities by customers participating in its Load Coop program, or for validation of data in the new

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Automated Meter Expansion program. The quantity of meters whose information is posted on the site has grown from 306 in 2006 to over 1100 in 2010.

Square D holds copyright and trade secret rights to its proprietary software and hosting service. The data provided to customers through Square D is licensed and non-transferable, making replacement with another service vendor infeasible. Replacement would result in unreasonable expense, breaching contracts with customers serviced via Square D, and an egregious service interruption to commercial and industrial customers. Further, AE and City of Austin staff would lose a valuable efficient tool to easily access the electric profile data of its largest customers, City buildings, solar generators, and other metered locations.