

A G E N D A



Recommendation for Council Action

Austin City Council

Item ID

28684

Agenda Number

3.

Meeting Date:

11/21/2013

Department:

Austin Energy

Subject

Authorize execution of amendments to two existing contracts with ATMOS ENERGY CORPORATION for natural gas pipeline transportation services for Austin Energy, to extend the contracts for 24 months for an estimated aggregate amount of \$2,000,000.

Amount and Source of Funding

Funding will be provided through Power Supply Adjustment and the Fuel Adjustment Charge.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:

Prior Council Action:

December 16, 2010 - Approved 36-month contracts.

For More Information:

Jeff Vice, Director, Local Government Relations (512) 322-6087; Pat Sweeney, Director, Energy and Market Operations (512) 322-6292; Cheryl Mele, Chief Operating Officer (512) 322-6062.

Boards and
Commission Action:

To be reviewed by the Electric Utility Commission on November 18, 2013.

MBE / WBE:

These contracts 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 solicitation.

Related Items:

Additional Backup Information

These contracts amend existing natural gas transportation agreements with Atmos Pipeline – Texas, a division of Atmos Energy Corporation (“Atmos”), under which Atmos provides transportation services for natural gas supply to Austin Energy’s gas-powered generating facilities. Atmos provides one of three pipelines connected to the Sand Hill Energy Center and one of two pipelines connected to the Decker Creek Power Station. The transportation agreements allow Austin Energy to access gas supply basins located along the extensive Atmos Pipeline – Texas natural gas pipeline system. The amendments extend the term of the agreements for 24 months to December 31, 2015, during which time Atmos is expected to provide 10-15% of Austin Energy’s requirements for natural gas transportation services.