



[scroll to second page](#)

March 15, 2018

TO: MCE Board of Directors  
FROM: Troy Nordquist, Contracts Manager & Legal Assistant  
RE: Report on Approved Contracts (Agenda Item #04 – C.2)

Dear Board Members:

---

**SUMMARY:** This report summarizes agreements entered into by the Chief Executive Officer and if applicable, the Chair of the Technical Committee since the last regular Board meeting in February. This summary is provided to your Board for information purposes only.

Review of Procurement Authorities

In February 2017, your Board adopted Resolution 2017-02 which included the following provisions:

*The CEO and Technical Committee Chair, jointly, shall have all necessary and proper authority, after consultation with a Committee of the Board, to approve and execute contracts for Energy Procurement for terms of less than or equal to five years. The CEO shall timely report to the Board all such executed contracts.*

*The CEO shall have all necessary and proper authority to approve and execute contracts for Energy Procurement for terms of less than or equal to 12 months, which the CEO shall timely report to the Board.*

The Chief Executive Officer is required to report all such contracts and agreements to the MCE Board on a regular basis.

Summary of Agreements

Month	Purpose	Contractor	Maximum Annual Contract Amount	Term of Contract
February 2018	Purchase Resource Adequacy, April 2018	PG&E	\$250,000	1 Month
January 2018	Purchase Bundled Renewable Energy, 2018	Portland General Electric	\$900,000	1 Year

<b>Month</b>	<b>Purpose</b>	<b>Contractor</b>	<b>Maximum Annual Contract Amount</b>	<b>Term of Contract</b>
<i>February 2018</i>	<i>Purchase Bundled Renewable Energy, 2018</i>	<i>Silicon Valley Power</i>	<i>\$1,600,000</i>	<i>1 Year</i>
<i>February 2018</i>	<i>Purchase Blocked and Shaped System Power, 2018</i>	<i>Exelon</i>	<i>\$21,900,000</i>	<i>9 Months</i>
<i>February 2018</i>	<i>Purchase Blocked and Shaped System Power, 2019</i>	<i>Direct Energy</i>	<i>\$24,900,000</i>	<i>1 Year</i>
<i>February 2018</i>	<i>Purchase Blocked and Shaped System Power, 2018 - 2020</i>	<i>Shell Energy North America</i>	<i>\$27,300,000</i>	<i>33 Months</i>
<i>February 2018</i>	<i>Purchase Resource Adequacy, July &amp; August 2018</i>	<i>PG&amp;E</i>	<i>\$3,700,000</i>	<i>2 Months</i>

**Fiscal Impact:** Expenses associated with these Agreements that are expected to occur during FY 2017/18 are included in the FY 2017/18 Operating Fund Budget. Expenses that are expected to occur during FY 2018/19 are included in the FY 2018/19 Operating Fund Budget. Expenses associated with future years will be incorporated into budget planning as appropriate.

**Recommendation:** Information only. No action required.