



City Commission Special Meeting Agenda
2 Park Drive South, Great Falls, MT
Gibson Room, Civic Center
April 16, 2024
4:00 PM

The agenda packet material is available on the City's website: <https://greatfallsmt.net/meetings>. The Public may view and listen to the meeting on government access channel City-190, cable channel 190; or online at <https://greatfallsmt.net/livestream>.

Public participation is welcome in the following ways:

- Attend in person.
- Provide public comments in writing by 12:00 PM the day of the meeting: Mail to City Clerk, PO Box 5021, Great Falls, MT 59403, or via email to: commission@greatfallsmt.net. Include the agenda item or agenda item number in the subject line, and include the name of the commenter and either an address or whether the commenter is a city resident. Written communication received by that time will be shared with the City Commission and appropriate City staff for consideration during the agenda item and before final vote on the matter; and, will be so noted in the official record of the meeting.

CALL TO ORDER

ROLL CALL / STAFF INTRODUCTIONS

CONFLICT DISCLOSURE / EX PARTE COMMUNICATIONS

PETITIONS AND COMMUNICATIONS

1. Miscellaneous reports and announcements.
(Public comment on any matter that is not on the agenda of the meeting and that is within the jurisdiction of the City Commission. Please keep your remarks to a maximum of 3 minutes. When at the podium, state your name and either your address or whether you are a city resident for the record.)

NEW BUSINESS

2. City of Great Falls Requests for Proposals for Electric Supply. *(Presented by Greg Doyon and Jim Morin with PowerGas Corporation)*

The City's Energy Consultant has requested that the City Commission consider closing a portion of the session in order to review competitive electric rate bids provided by several firms. Rates will be publicly disclosed within two weeks.

Following the executive session, if any, the meeting will be re-opened and a report provided on the executive session.

Action: Accept or reject a proposal for electricity supply to the City of Great Falls and authorize or not authorize the city manager to execute the necessary supply agreements.

ADJOURNMENT

Commission meetings are televised on cable channel 190 and streamed live at <https://greatfallsmt.net>.



Special Commission Meeting Date: April 16, 2024

**CITY OF GREAT FALLS
COMMISSION AGENDA REPORT**

Item: City of Great Falls Requests for Proposals for Electric Supply

From: Greg Doyon, City Manager

Initiated By: Greg Doyon, City Manager

Presented By: Greg Doyon, City Manager, Melissa Kinzler, Finance Director, Jim Morin, PowerGas Corporation

Action Requested: Consider awarding electricity supply contract for the City of Great Falls

Suggested Motion:

1. Commissioner moves:

“I move that the City Commission (accept/reject) a proposal from _____ for a period of _____ years for electricity supply to the City of Great Falls and authorize the city manager to execute the necessary supply agreements. “

2. Mayor requests a second to the motion, public comment, Commission discussion, and calls for the vote.

Summary: The City of Great Falls has retained the services of Jim Morin (PowerGas Corporation) since October of 2022 to provide consulting services related to the City’s natural gas and electric power supplies respectively. The City’s current electric contract with Energy Keepers Incorporated (EKI) is up for renewal October 31, 2024. As the City enters the final year of the agreement, the consultant has been in touch with the City Manager’s office to evaluate options prior to contract expiration. The City, through Jim Morin, issued a Request for Proposals (RFP) for Electricity Supply on March 28, 2024. The current request is asking for fixed price proposals for the following periods:

One (1) year – November 1, 2024 thru October 31, 2025

Two (2) year – November 1, 2024 thru October 31, 2026

The proposals will be evaluated based on the ability to best meet the electricity supply needs of the City considering price, contract term, credit requirements, reliability of supply, and other factors. The City reserves the right to consider any factor deemed relevant to its electric supply needs.

Fiscal Impact: Currently, the City receives its electrical supply through Energy Keepers, Inc. The contract amount paid to Energy Keepers, Inc. is \$89.95/MWh.

The City expects to receive 2-4 supply proposals and are hopeful that the pricing will be competitive.

Supply Award Process:

Final Proposals are due April 16, 2024 at the City Clerk's Office by 12:00 pm. As with the prior electric supply contract, the City will publicly release the winning proposal prices and a summary of all Final Proposal prices received in response to the RFP two weeks after the contract is awarded. Some measure of confidentiality is necessary in order to secure the best pricing options for the City.

Alternatives: The City is in a unique position to receive electric supply proposals. In the event the City opted out of the competitive pricing process, the electric supply would default to NorthWestern Energy. Additionally, the City would lose its ability to solicit proposals on the open market in the future once it defaults to NorthWestern Energy.

Attachments/Exhibits: Request for Proposals- Electricity Supply

Legal Notice

Request for Proposals - Electricity Supply

The City of Great Falls (City) is soliciting firm, fixed price proposals for Electricity Supply for one and two year periods beginning November 1, 2024. Estimated annual electricity requirements for the City are approximately 24,000 MWh.

The detailed RFP is available on the City of Great Falls website www.greatfallsmt.net, or from Jim Morin, PowerGas Corporation, 1921 Cherry Drive, Great Falls, Montana 59404. Questions and inquiries should be directed to Jim Morin at jmorin@powergascorporation.com or by phone at 406.781.6529.

Notices of Intent to Propose must be submitted by **5:00 P.M (MDT), April 5, 2024** to jmorin@powergascorporation.com. Final proposals must be received by **12:00 PM (MDT), April 16, 2024** at City of Great Falls, Civic Center, City Clerk's Office, Room 202, or PO Box 5021 Great Falls, MT 59403, or emailed directly to Melissa Kinzler, City Finance Director at mkinzler@greatfallsmt.net.

Posted Date: March 28, 2024

Publication Date: March 31, 2024

Request for Proposals – Electricity Supply

Introduction

The City of Great Falls, Montana (City) is issuing this Request for Proposals (RFP) to secure firm electricity supplies for the City beginning November 1, 2024. The City is seeking a multi-year fixed-price contract.

The services requested include electricity supply and related services. The City will execute a contract for electricity supply with the successful proposer.

Supply and Transmission Requirements

The City is requesting proposals to meet the monthly on-peak (7x16) and off-peak (7x8) energy schedules shown in attached Exhibit A.

Deliveries must be made into the NorthWestern Energy (NWE) transmission system.

The City will procure firm Network Integration Transmission Service (NITS) on the NWE transmission system. The supplier will use the City's OATI certificate to make and tag energy and/or transmission schedules, as necessary.

The City will be responsible for NWE transmission service and for Scheduling (Schedule 1 under NWE's Open Access Transmission Tariff (OATT)), Reactive Supply (OATT Schedule 2), Regulation (OATT Schedule 3) and Energy Imbalance (OATT Schedule 4). The Supplier will be responsible for Spinning Reserves (OATT Schedule 5) and Supplemental Reserves (OATT Schedule 6).

Pricing and Contract Term

The City is requesting fixed price proposals for the following periods:

One (1) year – November 1, 2024 thru October 31, 2025

Two (2) year – November 1, 2024 thru October 31, 2026

Proposals must include a single price for each period offered (for example, for a 2-year contract the offered price is \$30/MWh). Proposals with prices that vary from year-to-year will not be considered (for example, for a 2-year contract the price offered is \$28/MWh for the first year, \$30/MWh for the second year). Proposals with prices indexed to market prices or other variables will not be considered. The City prefers a two-year contract although one-year contracts will be considered.

Preferred Form of Contract

The City will consider contracts or contract terms proposed by suppliers to be provided with proposer's Notice of Intent to Propose.

Billing

Billing will be sent to the City at the address listed below:

CITY OF GREAT FALLS
ATTN: Fiscal Services
PO Box 5021
Great Falls, MT 59403-5021

Proposal Evaluation Criteria

All proposals will be evaluated based on ability to best meet the electricity supply needs of the City considering price, contract term, credit requirements, reliability of supply and other factors. The City reserves the right to consider any factor deemed relevant to its electricity supply needs.

Schedule

RFP Released	5 PM MDT, March 28, 2024
Notice of Intent to Propose	5 PM MDT, April 5, 2024
Final Proposal Due	12:00 PM MDT, April 16, 2024
Proposal Award On or Before	12:00 PM MDT, April 17, 2024

Proposals

Notice of intent to Propose

Proposers must provide a Notice of Intent to Propose by 5 pm on April 5, 2024 to jmorin@powergascorporation.com. Submittal of a timely Notice of Intent to Propose is a prerequisite to submitting Final Proposals.

Intent to Propose must include the following:

Section 1 – Proposer Information

This section must contain a description of the proposer and include the name of the contact person, complete with pertinent information including address, phone number, fax number and email address.

This section must be signed by a person with authority to offer the proposal to the City on behalf of the proposer and indicating that the proposer understands and consents to the terms of the RFP.

Section 2 – Enabling Agreement:

With this notice, proposers must provide a proposed contract (enabling agreement) or contract for services with terms for review.

Section 3 – Transaction Confirmation

A Sample Transaction confirmation must be provided with terms.

This section must also indicate that the proposer acknowledges that its offer(s) include the energy amounts indicated in attached Exhibit A and whether or not spinning and supplemental reserves are included.

With this notice, proposers must also indicate any requirements for credit and explain the process and timing for completing the credit review process, if necessary.

The City intends to publicly release the winning proposal price and a summary of all Final Proposal prices received in response to this RFP two weeks after the contract is awarded. Proposers with concerns about confidentiality must state those concerns when they submit the Notice of Intent to Propose.

Section 4 – Firm Supply and Delivery Points

This RFP is seeking firm electricity supply. This section must describe the source(s) of the electricity to be supplied and the point(s) of delivery into the NWE transmission system. The City intends to designate these sources as Network Resources under NWE's OATT.

Section 5 – Operations

This section must indicate that the proposer is willing and able to make and tag energy and/or transmission schedules, as necessary, using the City's OATI certificate.

Final Proposals

Final Proposals must be submitted by 12:00 PM MDT on April 16, 2024 to City of Great Falls, Civic Center, City Clerk's Office, Room 202, or PO Box 5021 Great Falls, MT 59403, or emailed directly to Melissa Kinzler, Finance Director, at mkinzler@greatfallsmt.net.

Section 1 – Proposer Information

This section must contain a description of the proposer and include the name of the contact person, complete with pertinent information including address, phone number, fax number and email address.

This section must be signed by a person with authority to offer the proposal to the City on behalf of the proposer and must indicate that the Final Proposal incorporates all relevant transactional information as noted in the above sections including the final binding price(s).

Section 2 – Pricing

This section must present final pricing for any proposals offered. Final prices must remain open until 12 PM on April 17th, 2024.

Proposals must include a single price for each period offered (for example, for a 2-year contract the offered price is \$30/MWh). Proposals with prices that vary from year-to-year will not be considered (for example, for a 2-year contract the price offered is \$28/MWh for the first year, \$30/MWh for the second year). Proposals with prices indexed to market prices or other variables will not be considered.

This section must also indicate that the proposer acknowledges that its offers include the energy amounts indicated in attached Exhibit A and whether or not spinning and supplemental reserves are included.

Transaction confirmations must be provided for each offer.

Proposal Award

The winning proposer will be selected on or before 12:00 PM April 17th. Contracts and transaction confirmations will be executed by the City at that time. If the City is unable to meet this timeline, the winning proposer will be provided with an opportunity to refresh its pricing.

RFP Terms and Conditions

The RFP shall not constitute a commitment to purchase supply from any entity submitting a response to this RFP. The City retains the right to reject any and all proposals. The City reserves the unilateral right to waive any technical or formal requirements contained in the RFP.

Confidentiality

The City intends to publicly release the winning proposal prices and a summary of all Final Proposal prices received in response to this RFP two weeks after the contract is awarded. Proposers with concerns about confidentiality must state those concerns when they submit the Notice of Intent to Propose.

Additional Information or Clarifications

Requests for clarifications or additional information concerning this RFP can be directed to Jim Morin, PowerGas Corporation at 406.781.6529 or jmorin@powergascorporation.com

Attachment A

City of Great Falls Electricity Schedules (MW)

Month	On-Peak	Off-Peak
January	3	3
February	3	3
March	2	2
April	2	2
May	2	2
June	3	3
July	4	4
August	4	3
September	3	3
October	2	2
November	3	2
December	3	3

Notes:

1. On-Peak Hours are HE8-23 MPT on all days (7x16)
2. Off-Peak Hours are HE1-7 & 24 MPT on all days (7x8)