



**COMMISSIONERS COURT
COMMUNICATION**

COURT ORDER NUMBER 145128
PAGE 1 OF 18
DATE: 5/6/2025

SUBJECT: CONSIDERATION TO DIRECT PUBLIC POWER POOL (P3) TO SOLICIT COMPETITIVE PRICING FOR ELECTRICITY GENERATED BY RENEWABLE SOURCES FROM RETAIL ELECTRIC PROVIDERS AND AUTHORIZE P3 TO EXECUTE A POWER SUPPLY AGREEMENT ON BEHALF OF TARRANT COUNTY.

***** CONSENT AGENDA *****

COMMISSIONERS COURT ACTION REQUESTED

It is requested that the Commissioners Court consider directing Public Power Pool (P3) to solicit competitive pricing for electricity generated by renewable sources from retail electric providers that agree to P3's contracting terms and conditions and authorizing P3 to execute a power supply agreement on behalf of Tarrant County.

BACKGROUND

Tarrant County is a member of Texas CUC Aggregation Project, d/b/a Public Power Pool, or P3, which is a political subdivision corporation pursuant to Chapter 304 of the Texas Local Government Code. P3 aggregates the electricity demand of all member political subdivisions in order to obtain electricity rates that are lower than any individual political subdivision could obtain by itself, or could obtain by any other means.

To take advantage of favorable market conditions and in accordance with its Bylaws, P3 has provided the attached "Notice of Intent to Begin a Competitive Procurement Process" (the "Notice") for electricity for P3 members for a term beginning January 2026.

P3 has identified an opportunity for interested members to procure electricity generated by renewable sources at or below an additional 10% premium to the Ceiling Rates identified in the Procurement Ceiling and Expected Rate Estimate for the electric accounts identified in the "Account List" attached.

The current electric power supply contract expires on December 31, 2025. If approved, P3 will execute a power supply agreement, on behalf of Tarrant County, for a term beginning January 2026 and not to exceed ten (10) years at a rate or rates that are at or below 110% of the Ceiling Rates identified in the Procurement Ceiling and Expected Rate Estimate provided by P3.

FISCAL IMPACT

The fiscal impact is unknown at this time.

SUBMITTED BY	Budget and Risk Management	PREPARED BY:	Vanessa Perez
		APPROVED BY:	Vanessa Perez



Public Power Pool

500 W. 13th St. Austin, TX 78701 Ph 512-233-5780 Fx 512-233-5781 www.publicpowerpool.org

March 25, 2025

Mr. Chandler Merritt
Tarrant County Administrator
100 East Weatherford Street
Fort Worth, TX 76196
by e-mail

Re: **Procurement Proposal for Electric Power Supply Beginning January 1, 2026; and Notice of Intent to Begin a Competitive Procurement Process**

Your current electric power supply contract expires on December 31, 2025. This contract was procured through Public Power Pool, the largest electric power purchasing cooperative, or aggregation, in Texas. Your commitment to act together with other local governments has resulted in savings for members of over \$205 million since the inception of the program, compared to prices seen by similar buyers acting alone.

On March 20, 2025, the P3 Board approved our procurement strategy to permit a timely market entry upon completion of the required notice period for member consideration. Our Bylaws require us to notify each member representative before the Corporation begins a competitive procurement; this letter serves as that 45-day notice. **P3 intends to begin the competitive procurement process for the group on May 9, 2025.** If Tarrant County decides to procure power supply contracts on its own rather than through P3, please provide us with a copy of your governing body's resolution or minute order withdrawing from P3 on or before May 8, 2025. If notice of such action is not received by us by May 8, 2025, Tarrant County will continue its P3 membership through the 2025 procurement cycle and contract period, in accordance with our Bylaws.

This letter and attachments serve as P3's 2025 Procurement Proposal. The packet behind this cover letter consists of four parts for your review and consideration:

1. Procurement Ceiling and Expected Rate Estimate (page 4):
 - Annual budget increase/decrease versus current contract costs are shown under 'Ceiling Rate vs Current Rate, Annual Change'. To execute a term on your behalf, P3 must obtain prices that are at or below your Ceiling Rate for each year identified.
 - There are ten individual Ceiling Rates for each calendar year beginning in 2026. Each year will be purchased separately and sequentially, meaning 2026 will be executed first, then 2027, etc. In the early years the Ceiling Rates are set higher than market, ensuring the likelihood of executing a rate given the limited

time available prior to delivery. In the later years, the Ceiling Rates rapidly decline, guaranteeing that the market yields an advantageous price prior to extending the contract term. Should the market drop below the Ceiling Rate of the next open calendar year, that year will be purchased at the Ceiling Rate or better, and the contract will be extended one more year.

- The next contract cycle has the potential to last ten years. However, if P3 is unable to lock the price for the next open year at or below the Ceiling Rate 12-months prior to delivery, the contract ends and we would begin a new procurement.
 - The purchase ceiling, shown as a percentage in the final column, shows increases and/or decreases (as negative) relative to the current contract rate for each year of an on-going contract.
2. Your Account List (page 5 onwards). This identifies all your ESI IDs (i.e. electric meters) in our database. **We recommend that you carefully verify your account list.** If there are *any* changes to the list, or if you anticipate any additions or deletions greater than 100kw peak demand in the next few years, please let us know so we may include the expected consumption changes in our procurement. We have flagged **in red** any non-active accounts which show zero usage over the last 12 months so you can consider removing them. If you no longer need these accounts, please let us know so we can delete them from our account list.
 3. Our 2025 Procurement Proposal;
 4. Our Methodology to Control Cross-Subsidization Among Members, as approved by the P3 Board of Directors on March 20, 2025; and
 5. A sample Minute Order for any members interested in opting-in to the purchase of renewable energy.

Please note: As in past procurements, our Ceiling Rate represents the maximum rate that you will realize from this aggregated procurement and is designed to give members budget certainty. The Ceiling Rate calculation reflects a conservative approach; in past procurements P3 has executed substantially below our ceiling rate:

- For the 2014-2016 contract the executed price was 6.3% lower than the ceiling
- For the 2017-2019 contract the executed price was 5.2% lower than the ceiling
- For the 2020-2022 contract the executed price was 21.7% lower than the ceiling
- For the 2023-2025 contract the executed price was 26.1% lower than the ceiling

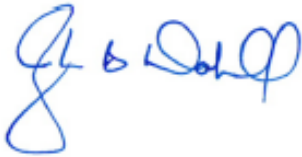
While P3 expects to transact at or close to the current market, reflected in the “Expected Rates” rates, the Ceiling Rate gives us flexibility to capture an attractive market price should the market move away from the current Expected Rate during the procurement.

As an aggregator, P3 works for members directly, acting as your advocate to prioritize your needs in all aspects of the energy transaction. Furthermore, P3 provides members with full contract support. Invoice reconciliation, billing audits and unlimited adds & drops are standard P3 services, and we offer customized and specific projects like renewable energy credit (REC) purchases, and demand-side management requested by individual members.

Your continued participation in P3 has delivered considerable savings for all members since the program started in 2001. Members' procurement costs are the lowest in the industry and the quality of our customer service and electricity contracts are far above the industry norm. Our 2025 procurement follows the same process we have successfully used in previous years. We will continue to perform due diligence and employ effective risk management practices that have protected members from price volatility in the past.

Should you have any questions or comments about the procurement, please contact me or Program Manager David Quin at 512.233.5776. We are available to meet with you or with anyone else from your entity to answer questions and provide a detailed briefing.

Sincerely,



John B. Dahill
Executive Director

Enclosures:

1. Procurement Ceiling and Expected Rate Estimate (page 4);
2. Member Account list (page 5);
3. 2025 Procurement Proposal;
4. Methodology to control cross-subsidization among members; and
5. Sample Minute Order for Opting-in to the Purchase of Renewable Energy

Procurement Ceiling and Expected Rate Estimate

Tarrant County

Current average Supplier Rate for 2025 with Annual Costs:

	Annual kWh	Current Rate	Current Annual Total Cost
Current Contract:	84,680,805	\$0.0567/kWh	\$7,278,979

The Annual Change shows the increase/decrease from the Current Annual Total Cost for each calendar year. Annual Ceiling Rates will remain in effect until execution up to 12-months prior to delivery, granting us the opportunity to capture downward price movement during the term of the contract.

	Expected Rates	Ceiling Rates	Ceiling Rate vs Current Rate, Annual Change	
2026:	\$0.0623/kWh	\$0.0708/kWh	\$1,191,829	16.4%
2027:	\$0.0605/kWh	\$0.0672/kWh	\$892,207	12.3%
2028:	\$0.0586/kWh	\$0.0651/kWh	\$712,433	9.8%
2029:	\$0.0495/kWh	\$0.0495/kWh	(\$605,907)	-8.3%
2030:	\$0.0460/kWh	\$0.0460/kWh	(\$905,530)	-12.4%
2031:	\$0.0425/kWh	\$0.0425/kWh	(\$1,205,152)	-16.6%
2032:	\$0.0389/kWh	\$0.0389/kWh	(\$1,504,775)	-20.7%
2033:	\$0.0354/kWh	\$0.0354/kWh	(\$1,804,398)	-24.8%
2034:	\$0.0340/kWh	\$0.0340/kWh	(\$1,924,247)	-26.4%
2035:	\$0.0326/kWh	\$0.0326/kWh	(\$2,044,096)	-28.1%

The Purchase Ceiling, shown as a percentage, shows increases and/or decreases (as negative) relative to the current contract rate.

Annual Cost amounts are inclusive of supplier costs, TDSP charges and all costs to-the-meter.

The Expected Prices reflects the market condition at the time the report was run. The Ceiling Price reflects the highest price at which the Program will execute a contract. Utility charges and Taxes are included in the Current Annual Cost but additional to prices shown.

Active Account List

Tarrant County

List of Accounts In-Program

<i>Facility, City</i>	<i>ESI ID</i>	<i>Date Added</i>	<i>Ann. kWh</i>	<i>Pool</i>
2290 E SEMINARY DR, FORT WORTH	10443720008598726	10/12/2010	23	NORTH BUSNODEM
100 CALHOUN ST B, FORT WORTH	10443720009560625	8/30/2012	4,161,666	NORTH BUSHILF
100 E WEATHERFORD ST, FORT WORTH	10443720002596389	1/1/2002	3,300,000	NORTH BUSHILF
100 N LAMAR ST, FORT WORTH	10443720002592607	1/1/2002	9,579,073	NORTH BUSHILF
101 CALHOUN ST, FORT WORTH	10443720008859630	1/1/2002	141,700	NORTH BUSHILF
101 E WEATHERFORD ST, FORT WORTH	10443720002595180	1/1/2002	1,168,839	NORTH BUSMEDLF
1100 BRIDGEWOOD DR STE 116, FORT WORT	10443720001464082	10/13/2016	36,161	NORTH BUSLOLF
1100 E BROAD ST, MANSFIELD	10443720006634572	1/1/2002	899,011	NORTH BUSHILF
1101 S MAIN ST, FORT WORTH	10443720002662667	1/1/2002	1,523,200	NORTH BUSHILF
1151 S MAIN ST, FORT WORTH	10443720009216812	1/1/2002	1,919,758	NORTH BUSHILF
118 W BELKNAP ST, FORT WORTH	10443720002598218	1/1/2002	1,241,700	NORTH BUSMEDLF
1203 E KENNEDALE PKWY, KENNEDALE	10443720006014231	1/1/2002	230,200	NORTH BUSMEDLF
1400 SAINT LOUIS AVE, FORT WORTH	10443720009854505	6/7/2013	953	NORTH BUSNODEM
1638 S CHERRY LN, WHITE SETTLEMENT	10443720004455429	9/8/2009	22,023	NORTH BUSLOLF
1815 COLD SPRINGS RD, FORT WORTH	10443720007631535	9/14/2005	127,203	NORTH BUSMEDLF
1815 COLD SPRINGS RD UNIT MTR, FORT WO	10443720002834933	1/1/2002	518,976	NORTH BUSHILF
200 E WEATHERFORD ST, FORT WORTH	10443720006714958	1/1/2002	5,102,456	NORTH BUSMEDLF
200 FELIKS GWOZDZ PL STE B, FORT WORTH	10443720008781161	3/30/2011	3,301,565	NORTH BUSLOLF
200 TAYLOR ST, FORT WORTH	10443720006391939	6/15/2006	142	NORTH BUSLOLF
200 TAYLOR ST DEPT SHRIF, FORT WORTH	10443720006385770	1/1/2002	8,749,949	NORTH BUSLOLF
200 W BELKNAP ST, FORT WORTH	10443720002598311	1/1/2002	1,932,000	NORTH BUSHILF
2001 SE GREEN OAKS STE 150, ARLINGTON	10443720009391871	12/13/2007	50,186	NORTH BUSLOLF
201 E PLAZA BLVD, HURST	10443720004680643	1/1/2002	702,240	NORTH BUSMEDLF
201 E PLAZA BLVD GRDL, HURST	10443720005455792	1/1/2002	480	NORTH NMLIGHT
2596 E. ARKANSAS LN, ARLINGTON	10443720004848758	6/2/2017	14,067	NORTH BUSLOLF
2596 E. ARKANSAS LN, ARLINGTON	10443720006687307	6/2/2017	72,240	NORTH BUSLOLF
2650 PREMIER ST, FORT WORTH	10443720002278392	1/1/2002	102,477	NORTH BUSLOLF
2650 PREMIER ST PRKG LGHT, FORT WORTH	10443720000856692		5,402	NORTH BUSNODEM
2650 PREMIER ST STE A, FORT WORTH	10443720002278361	1/1/2002	56,616	NORTH BUSLOLF
2700 PREMIER ST, FORT WORTH	10443720002278330	1/1/2002	487,800	NORTH BUSMEDLF
2700 PREMIER ST, FORT WORTH	10443720005585402	6/18/2021	10,800	NORTH NMLIGHT
2700 PREMIER ST REAR, FORT WORTH	10443720007384032	1/1/2002	54	NORTH BUSNODEM
2701 KIMBO RD, FORT WORTH	10443720007027313	1/1/2002	1,454,400	NORTH BUSMEDLF
2701 KIMBO RD EAST BLDG, FT. WORTH	10443720002916038	5/19/2022	2,204,455	NORTH BUSLOLF
2750 PREMIER ST, FORT WORTH	10443720002278423	1/1/2002	53,841	NORTH BUSLOLF

Active Account List

Tarrant County

2752 PREMIER ST, FORT WORTH	10443720002278206	1/1/2002	10,255	NORTH BUSNODEM
2752 PREMIER ST UNIT A, FORT WORTH	10443720009882715	3/11/2013	2,886	NORTH BUSNODEM
2800 PREMIER ST, FORT WORTH	10443720009875500	1/1/2002	31,748	NORTH BUSNODEM
3125 E LANCASTER AVE GRDL, FORT WORTH	10443720001082937	1/1/2002	2,230	NORTH NMLIGHT
3125 E LANCASTER AVE GRDL 2, FORT	10443720008113159	10/1/2024	393	NORTH BUSLOLF
3208 MILLER AVE, FORT WORTH	10443720002429391	1/1/2002	451,840	NORTH BUSLOLF
3212 MILLER AVE, FORT WORTH	10443720008973614	7/7/2009	220,880	NORTH BUSLOLF
3333 QUORUM DR STE 260, FORT WORTH	10443720008632366	4/28/2008	315,000	NORTH BUSMEDLF
3333 QUORUM DR STE 280, FORT WORTH	10443720008021697	11/20/2019	194,100	NORTH BUSMEDLF
350 W BELKNAP ST, FORT WORTH	10443720005580946	5/17/2017	2,007,000	NORTH BUSHILF
350 W BELKNAP ST STE B, FORT WORTH	10443720009470237	1/1/2002	1,457,200	NORTH BUSHILF
3500 MILLER AVE, FORT WORTH	10443720008415862	11/24/2008	230,720	NORTH BUSLOLF
360 W BELKNAP ST, FORT WORTH	10443720006752810	1/1/2002	253,350	NORTH BUSHILF
3800 ADAM GRUBB, LAKE WORTH	10443720006098646	1/1/2002	319,600	NORTH BUSMEDLF
3829 ALTAMESA BLVD, FORT WORTH	10443720002361626	1/1/2002	238,400	NORTH BUSMEDLF
401 W BELKNAP ST, FORT WORTH	10443720002600729	1/1/2002	7,274,045	NORTH BUSLOLF
4113 DENTON HIGHWAY, HALTOM CITY	10443720006018017	1/1/2002	28,786	NORTH BUSLOLF
417 W EULESS BLVD STE 200, EULESS	10443720008619624	6/30/2010	30,165	NORTH BUSLOLF
4228 NORTH FWY, FORT WORTH TX	10443720000434465	11/1/2018	97,100	NORTH BUSLOLF
497 E. WEATHERFORD , FORT WORTH	10443720004892164	9/15/2018	2,724	NORTH BUSNODEM
500 N COMMERCE ST, FORT WORTH	10443720000601562	10/10/2016	10,900	NORTH BUSNODEM
500 NW LOOP 820 BLDG BARN, FORT WORTH	10443720007049480	1/1/2002	3,416	NORTH BUSNODEM
5000 CAMPUS DR BLDG MAIN, FORT WORTH	10443720004366240	1/1/2002	5,329,117	NORTH BUSLOLF
5136 NORTHEAST PKWY UNIT A, FORT WORT	10443720007971947	1/1/2002	3,375,536	NORTH BUSHILF
600 S SYLVANIA AVE, FORT WORTH	10443720008212630	9/14/2005	440,690	NORTH BUSMEDLF
600 W WEATHERFORD ST JAIL, FORT WORTH	10443720008897504	7/1/2011	4,617,448	NORTH BUSHILF
601 LONGHORN RD, FORT WORTH	10443720002553951	1/1/2002	61,440	NORTH BUSLOLF
601 LONGHORN RD, FORT WORTH	10443720008099789	1/1/2002	80,700	NORTH BUSLOLF
601 LONGHORN RD BLDG SHED, FORT WORT	10443720007416983	1/1/2002	2,625	NORTH BUSNODEM
601 LONGHORN RD REAR, FORT WORTH	10443720007197412	1/1/2002	14,532	NORTH BUSNODEM
601 W WEATHERFORD ST, FORT WORTH	10443720002592545	1/1/2002	279,065	NORTH BUSHILF
645 GRAPEVINE HWY, HURST	10443720004925543	5/14/2014	1,154,800	NORTH BUSHILF
6551 GRANBURY RD, FORT WORTH	10443720006055122	1/1/2002	915,600	NORTH BUSHILF
6651 LAKE WORTH BLVD DEPT POLIC, LAKE W	10443720007583547	6/15/2006	196,640	NORTH BUSMEDLF
6713 TELEPHONE RD, LAKE WORTH	10443720009900514	10/23/2010	1,172,600	NORTH BUSMEDLF
700 E ABRAM ST, ARLINGTON	10443720006639222	6/11/2008	1,084,400	NORTH BUSHILF
724 E BORDER ST, ARLINGTON	10443720002091308	1/1/2002	87,135	NORTH BUSMEDLF
7301 PRECINCT LINE RD, NORTH RICHLAND HI	10443720001133314	1/1/2002	154,560	NORTH BUSLOLF

Active Account List

Tarrant County

800 E RENDON CROWLEY RD UNIT MTR, FORT	10443720004786507	1/1/2002	397,760	NORTH BUSMEDLF
812 W MORPHY ST, FT. WORTH	10443720009694824	10/15/2021	208,320	NORTH BUSMEDLF
837 BROWN TRL, BEDFORD	10443720001152273	1/1/2002	173,640	NORTH BUSMEDLF
837 BROWN TRL GRDL, BEDFORD	10443720005354297	1/1/2002	4,800	NORTH NMLIGHT
900 N COMMERCE ST BLDG OFC, FORT WORT	10443720003020842	1/1/2002	79,569	NORTH BUSLOLF
900 N COMMERCE ST GRDL, FORT WORTH	10443720005539213	1/1/2002	840	NORTH NMLIGHT
900 N COMMERCE ST OFC BLDG, FORT WORT	10443720003020873	1/1/2002	12,856	NORTH BUSNODEM
			<hr/>	
			82,199,044	

Report totals based on accounts in-program.



Public Power Pool

500 W. 13th St. Austin, TX 78701 Ph 512-233-5780 Fx 512-233-5781 www.publicpowerpool.org

From: Public Power Pool staff

To: Public Power Pool Members

Re.: 2025 Procurement Proposal

Introduction

The dual mandate of the P3 procurement program is to obtain electricity at a competitive market rate and maintain budget stability by managing the price volatility inherent in energy markets. P3 is under contract through the end of 2025 at a favorable rate level.

At present, the forward electricity market prices are above the current contract rate, with mixed underlying price signals stemming from general regulatory uncertainty while the ERCOT physical grid undergoes a modernization effort in the face of extreme projected load growth. Elevated prices driven by a variety of risk premiums are challenged by exemplary grid performance over the past full year and the impact of rapidly increasing battery storage capacity in peak periods.

The competitive solicitation process employed by P3 stands to benefit from a recovery of financial balance by energy suppliers following the distress caused by winter storm Uri. This is evidenced by increased supplier interest in competing to deliver the best price, terms and conditions.

This procurement proposal includes a not-to-exceed ceiling price that represents a modest rate increase, while providing an opportunity to exploit any price downturns over the approved procurement period. The Request for Proposals from suppliers is intended to gain price discovery for contract terms up to 10-years and, given the current market condition, P3 will also be exploring alternative product structures designed to actively manage price risk and maintain budget stability. The resulting bids will be presented to the P3 Board of Directors for evaluation and determination of the best outcome that meets program objectives.

Solicitation Process

The standard P3 electricity procurement process is designed to ensure performance of due diligence and create meaningful competition among suppliers capable of servicing a large-scale transaction. The multi-step approach is initiated by notifying members of the proposed

transaction - including a not-to-exceed rate calculated specifically for their load profile - that must be achieved for the transaction to be executed on their behalf. This is followed by a period that allows time for existing members to affirmatively opt out of the procurement exercise. A no-action decision on the part of the member indicates acceptance of the right of P3 to act as agent on their behalf to execute the transaction.

During the member opt-out phase of the process, a Request for Proposals is issued containing the salient details required to solicit price quotes from every registered supplier as listed by the PUCT. Supplier responses – including contract terms and conditions – are evaluated and ranked using the same methodology as in past procurements. A short-list of the best offers is then compiled for the P3 Board of Directors' consideration. Upon completion of this phase, monitoring of daily market conditions is conducted to establish a favorable time to request executable pricing and consummate the deal.

Authorized Transaction Period

An important aspect of the P3 enrollment policy is a restrictive time limit on the authorization to act on the members' behalf, preventing an open-ended commitment. This time allotment is subject to the Board of Directors' approval and is typically geared to provide adequate time to conduct a solicitation and permit some flexibility in selecting a transaction date that coincides with a downward market price movement.

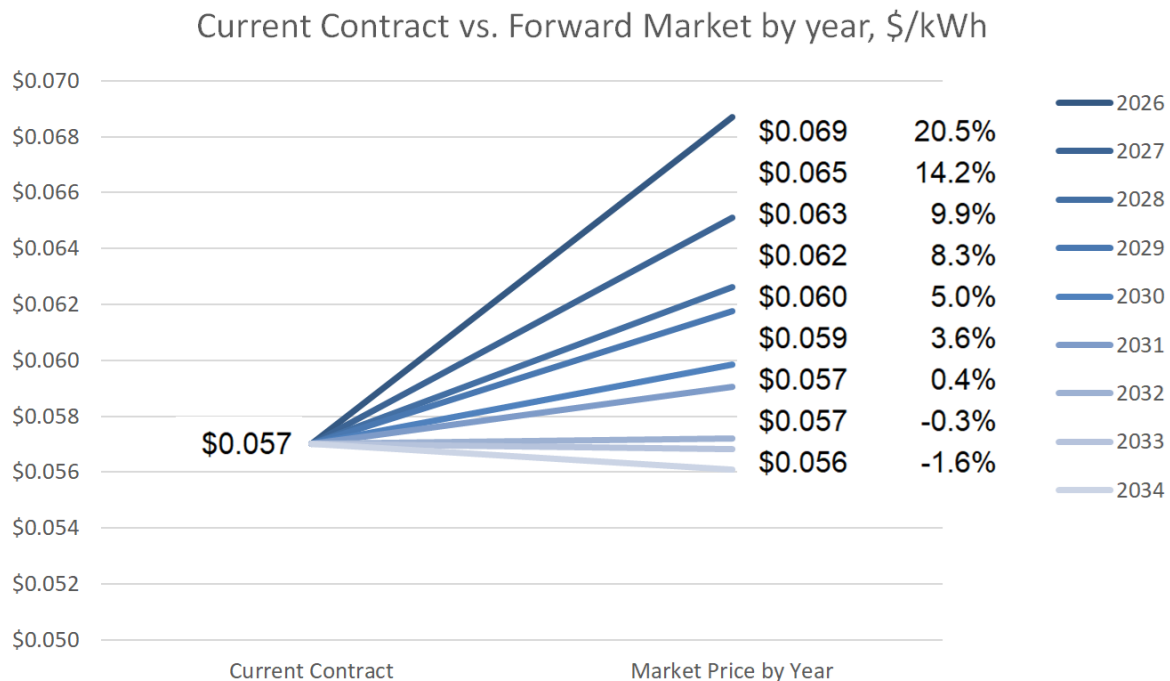
The current power supply agreement terminates at the end of 2025. *We recommend a time period that binds members to the agency agreement through November 8, 2025.* Depending upon the date of initiation, this will permit up to a 6-month period to seek the target rate, permit a mid-course correction should the market condition or trend change materially during the authorization period, and leave almost a two-month buffer prior to the current contract's termination if the initiative fails to consummate a transaction.

Market Report

Despite healthy reserve margins and lack of scarcity pricing events, the forward market remains high both in terms of heat rate (3-year is 14.26 MMBTU/MWh versus an historical average 8.5) and forward premiums over LMP (previous 12-months was 96.7% versus a more typical 20%). While the market has performed well over the last few years with few disruptive events since winter storm Uri, the trend to increased renewable resource generation and storage presents considerable uncertainty, exacerbated by policy decisions emanating from both the political and regulatory bodies within Texas with uncertain consequences. These factors mixed with radical load forecast changes and general geopolitical friction are creating a host of risk premiums that have driven the forward market to its current level.

The chart on the next page shows the price today of each calendar year beyond the end of our current contract. The market is backwardated and the prompt year of 2026 is the highest cost at \$0.069/kWh, a 20.5% increase relative to our current \$0.057/kWh contract rate. From there, the market falls at roughly \$0.002/kWh year-over-year for the next five years, then continues to fall but at a lesser, \$0.001/kWh through 2035. This is at the high end of a forward market that has been range bound between \$0.055 and \$0.065/kWh for the last two years as excellent grid performance is offset against the multiple risk factors and the possibility of future scarcity pricing events.

While relatively high, the market does offer the potential for attractive long-term rates should the drivers of several of these risk factors be resolved. The current \$3.25/MMBTU gas cost * the historical average Heat Rate of 8.5 = \$30/MWh. Long term renewable offtake agreements, now a dominant generation source in Texas, are \$30/MWh. Nearly every month, the hourly LMP's (the ultimate indicator of true generation cost) average out around \$30/MWh. Through January 2023, the forward market reflected this reality, with typical premiums of 10% over the LMP clearing price that is currently on the order of 100% higher. As a practical matter, the current three-year forward price of \$65/MWh is not the cost to produce electricity next year but rather it is a \$30/MWh production cost and a \$35/MWh risk premium.



Risk Assessment

Composed of political subdivisions with an interest in budget stability, the P3 membership is characterized as risk-averse with a bias towards price certainty. The membership has consistently approved this posture from the inception of the program, with price risk contained

and taken only in adverse market conditions to provide the opportunity to improve upon the rate available on the day of transaction.

The primary risk factors in today's energy market include projections of extreme load growth that, if realized, holds the potential for supply/demand imbalances and transmission constraints. The projections are largely based upon speculative growth in bitcoin mining and Artificial Intelligence data centers, amplified by a change in methodology by ERCOT that now counts uncommitted load for planning purposes with the effect of increasing the perception of risk.

The high load growth scenario may be exacerbated by a tightening of natural gas production due to industry consolidation and investor discipline in a time of increased exports of Liquefied Natural Gas (LNG) and drawdown of shale gas reserves. Additionally, development of planned natural gas-fired generation assets is presently hindered by manufacturing shortfalls and supply chain issues, potentially tightening future supply. This is somewhat offset by the market share gains of competing renewable energy resources, leading to a secondary risk factor that lies in the form of regulatory uncertainty as the viability of additional renewable resources that have provided the bulk of new generation in the past three years is questionable.

An unquantified source of price risk is event driven - primarily in the form of destructive weather - that is not forecast and generally of short duration but ever present. Insuring against this risk involves hedging a partial future position to reduce any adverse impacts.

The issue of regulatory uncertainty is broad-based, affecting nearly every aspect of the energy industry and adding price volatility and inflationary pressure throughout. Resolution of regulatory uncertainty and energy industry redesign is not expected in the near term. Overall, the current level of price risk is regarded as higher than average, calling for a defensive posture in the market in support of the P3 budget stability objective.

Deal Structure

Given the fundamental market factors, entering the market at this time with a six-month window of opportunity is considered prudent. For purposes of price discovery, the RFP will solicit prices ten years forward. In the three previous contracting cycles, members were provided a list of not-to-exceed (ceiling) rates with a stipulated term length. In a previous elevated market, the 2009-13 five-year contract structure involved incremental purchases with the result of \$52m in member savings compared with the price available at inception. Between 2009 and 2013, the price declined \$8.13/MWh or 11.2% vs. the inception price.

Given the current elevated market condition, this proposal will provide a not-to-exceed ceiling price for each calendar year for the next ten-year period beyond the end of the current contract in December 2025. Each year has the potential of being transacted and each year will be purchased separately and sequentially, meaning 2026 will be executed first, then 2027, etc.

	Supplier Contract Rate (\$/kWh)	Member Ceiling Rate (\$/kWh)	
2026	LZ + \$0.0075	\$0.072	← Ceiling Rates start high for the prompt years, allowing a reasonable opportunity to strike the market in a short window.
2027	LZ + \$0.0079	\$0.065	
2028	LZ + \$0.0083	\$0.060	← Ceiling Rates become more aggressive in the mid to long-term, assuring an advantageous price prior to extending the term.
2029	LZ + \$0.0087	\$0.052	
2030	LZ + \$0.0091	\$0.043	
2031	LZ + \$0.0095	\$0.040	
2032	LZ + \$0.0099	\$0.036	
2033	LZ + \$0.0103	\$0.034	
2034	LZ + \$0.0107	\$0.032	
2035	LZ + \$0.0111	\$0.030	

By design, the ceiling rates are set high in the early years, ensuring a likelihood of execution given the limited time available prior to delivery. From there, the ceiling rates rapidly decline, ensuring the market yields an advantageous price *prior to extending the term*. Should the market drop below the ceiling rate for the next open calendar year within the transaction window, that year will be purchased at the ceiling price or better and the contract will be extended one more year. While the next contract cycle has the potential to last ten years, if the next open price is not locked 12-months prior to delivery, the contract terminates, and we return to the market.

With this approach, a likely scenario of execution will be:

- Purchase years 2026 and 2027 in the next six-month Authorized Transaction Period. This will be facilitated by employing ceiling rates set for these years that are marginally higher than the current forward market price.
- Any contract extension beyond 2027 will require a fall from the current price levels to strike the aggressive price targets. Should this occur, year 2028 will be purchased at the ceiling rate or better and the contract will extend one additional year.
- At this point, our transaction window will reset to January 2028 and the market will need to fall further to meet our still more aggressive target for year 2029.
- This cycle will continue until all years are purchased through 2035 (at which point the program will have secured an excellent price of \$0.03/kWh). If the market fails to fall below the ceiling price of the next open year, the contract terminates and a new procurement process will be initiated for member review and acceptance.

This product approach seeks to balance the realities of purchasing into an elevated market while allowing for correction and possible extension that may postpone the need for another formal RFP process. The suppliers will offer an index plus structure (Load Zone index plus a fixed adder) and these adders will be fixed for the duration of the potential 10-year term. The supplier will be

selected based on the lowest adder offered across all terms and locked for the duration in an open, competitive environment. The LZ (load zone) is a transparent, third-party index that will reflect day-to-day market value and be easily referenced and validated by both parties.

For members interested in pursuing renewable energy products, information and the recommended approach are detailed below in **Appendix 1**.

Term Considerations

The ideal term for any future transactions is dictated by the forward prices available at the time of bidding that meet the program's stated objectives. While the current market condition indicates that obtaining the best price may require a term length that is somewhat longer than seen in previous contract cycles, prices will be solicited for up to ten years, evaluated, and presented to the P3 Board of Directors to determine best value that meets program objectives.

P3 2025 Procurement Proposal

In March 2025 the P3 Board instructed us to present to members a proposal for formal competitive market solicitation as follows:

1. The procured supply agreement will commence January 2026;
2. Pricing will be obtained for various term lengths not to exceed ten years;
3. Supplier contracts will be evaluated based upon a contract value matrix approved by the Board;
4. Ceiling rates that may be transacted will be provided for each member and no procurement will be completed that does not satisfy the maximum price;
5. Any decision specifying the contract term and product structure will be based on analysis of the pricing received that identifies the best value for the members;
6. Members will have a time period of a minimum of 45 days after electronic receipt of the procurement proposal to opt-out of the 2025 Procurement; and
7. Members can opt-in to the purchase of renewable energy for a term not to exceed ten years and at a rate or rates that are at or below 110% of the Ceiling Rates identified in each member's Procurement Ceiling and Expected Rate Estimate.

The following timeline of solicitation events for the 2025 Procurement is proposed:

March 25, 2025:	Procurement Packets distributed. Member 45-day opt-out period begins. Meetings scheduled with members.
May 8, 2025:	Opt-out period ends. This is also the opt-in deadline for any member that wants to purchase 100% renewable energy.
April 2025:	Formal RFP issued and short-listed providers identified. P3 Board meets to review short-listed providers.
June - November 2025:	Monitor market for fixed price target and conduct executable bidding round(s) with short-listed providers.

Appendix 1 - Renewable Energy

P3 members with an interest in purchasing renewable energy have several options available to meet their objectives. The range of possibilities has expanded in step with the evolution of the generation grid stack and the market is offering products capable of delivering 100% of energy purchases with verifiable links to renewable resources.

Current indications are that non-standard renewable products carry a modest premium over the price of conventional energy resources. At this stage, interest expressed by members is sufficient to represent a sizeable block of the total P3 load and ensure that the price and contractual leverage of a bulk purchase is realized.

This proposal is intended to define available options to purchase renewable energy resources and specify selected transaction structures that inform the target price that, if acceptable, permits P3 to complete a transaction on behalf of the members.

P3 staff outreach efforts have revealed two suitable renewable energy resource products available to satisfy member objectives while retaining the virtues of a bulk purchase. The first is Renewable Energy Credits (RECs) that represent a financial overlay designed to provide an incentive to renewable asset developers. The purchase of RECs from the secondary market to meet any desired level of renewable purchases is straightforward, economical and has no impact on the next P3 transaction cycle. That said, we understand from members that a REC-only solution is not perceived to meet more ambitious policy objectives.

The second category of available market products is a bundled approach that is designed to permit the buyer to claim a verifiable path to a specified portfolio of renewable energy assets and is intended to signal a stronger level of commitment to renewable energy development. Such premium products are both novel and more complex, lacking established product definitions and naming conventions.

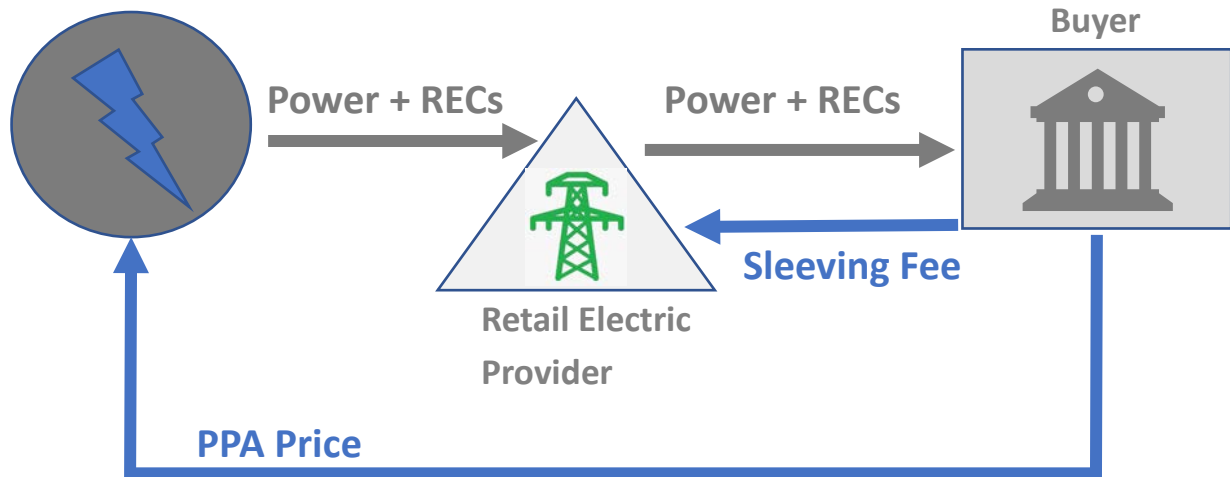
Note that the optimal price point in the market for this approach - typically requiring a longer term length - may not coincide with the ideal term length identified to the proposed purchase of conventional energy for the balance of the P3 group, presenting a future challenge to maintain the integrity of the aggregation.

Following discussions with members indicating interest in purchasing 100% of their requirements from renewable resources and demonstrating a direct investment, P3 proposes a solution that involves a “sleeved” Power Purchase Agreement (PPA) with a standard Retail Electric Provider (REP). As depicted below, the REP purchases a physical wholesale position - including associated RECs - on behalf of P3 members and provides a similar range of services and risk coverage as found in a typical conventional supply arrangement. Any underlying PPA must demonstrate a verifiable path to a specific portfolio of renewable assets - preferably a combination of firm wind

and solar - with the REP fixing the cost of transmission basis, ancillary services and other fees associated with delivery service.

The intent is to replicate the service model and relationships that govern a conventional energy transaction while dictating the characteristics of the underlying wholesale transaction to meet members' policy objectives.

Renewable Asset Developer



The proposed solution recognizes that offers from the various market participants are likely to represent non-standard products and approaches that have a qualitative element that, unlike a commodity price, will require policy judgements and collaboration between P3 and member staff to ensure policy conformance.

This proposal includes target pricing for 100% renewable energy as well as conventional energy and members will ultimately have a choice of products that is informed by structures and prices discovered in the competitive solicitation process. For purposes of this proposal, the Ceiling Rates on page 3 of the packet represent the maximum rates that P3 must obtain to permit an authorized transaction on behalf of participating members. **For renewable energy purchases, a price premium not to exceed 10% over the conventional energy Ceiling Rates is assumed.**

If your governing body wants to purchase 100% renewable energy, you must provide P3 with a copy of your governing body's resolution or minute order stating that decision, subject to the Ceiling Rates shown in this Procurement Proposal plus the 10% premium, on or before May 8, 2025. A template minute order resolution to opt-in to the green power option is included on the last page of this packet. If a member does not opt-in to the renewable energy option, P3 will seek to obtain the lowest available rate for power from qualified providers without regard to generation source.



Public Power Pool

500 W. 13th St. Austin, TX 78701 Ph 512-233-5780 Fx 512-233-5781 www.publicpowerpool.org

Date: March 20, 2025

To: Public Power Pool Board of Directors

From: David Quin, Program Manager

Re: **Consider a strategy for controlling cross-subsidization in the 2025 Procurement**

Background:

In the interest of avoiding cross-subsidization among members, it is recommended that the Board consider the following methodology and adopt the recommended resolution for controlling cross-subsidization between members' accounts to be used during the next procurement.

Resolution:

RESOLVED by the Public Power Pool Board of Directors that the following methodology for control of cross-subsidization is hereby approved for the 2025 Procurement:

1. Continue to pool member accounts by zone and load factor, capturing the time-of-use and geographic disparity of the various account classes;
2. Continue to pass-through utility specific costs such as TDSP charges and loss factors to avoid cross-subsidization; and
3. Eliminate the fixed per-account fee.



RESOLUTION

DIRECTING PUBLIC POWER POOL (P3) TO SOLICIT COMPETITIVE PRICING FOR ELECTRICITY GENERATED BY RENEWABLE SOURCES FROM RETAIL ELECTRIC PROVIDERS AND AUTHORIZING P3 TO EXECUTE A POWER SUPPLY AGREEMENT ON BEHALF OF TARRANT COUNTY

WHEREAS, Tarrant County is a member of Texas CUC Aggregation Project, d/b/a Public Power Pool, or P3, which is a political subdivision corporation pursuant to Chapter 304 of the Texas Local Government Code; and

WHEREAS, P3 aggregates the electricity demand of all member political subdivisions in order to obtain electricity rates that are lower than any individual political subdivision could obtain by itself, or could obtain by any other means; and

WHEREAS, in order to take advantage of favorable market conditions and in accordance with its Bylaws, P3 has provided a “Notice of Intent to Begin a Competitive Procurement Process” (the “Notice”) for electricity for P3 members for a term beginning January 2026, and said Notice was dated March 21, 2025; and

WHEREAS, P3 has identified an opportunity for interested members to procure electricity generated by renewable sources at or below an additional 10% premium to the Ceiling Rates identified in the Procurement Ceiling and Expected Rate Estimate for the electric accounts identified in the “Account List,” both of which documents accompanied the Notice; and

WHEREAS, Tarrant County desires to obtain electricity generated by renewable sources for all of its electric accounts in the “Account List.”

NOW THEREFORE, BE IT RESOLVED that the Tarrant County Commissioners Court directs P3 to solicit competitive pricing for electricity generated by renewable sources from retail electric providers that agree to P3’s contracting terms and conditions and authorizes P3 to execute a power supply agreement for a term beginning January 2026 and not to exceed 10 years at a rate or rates that are at or below 110% of the Ceiling Rates identified in the Procurement Ceiling and Expected Rate Estimate provided by P3.

IN WITNESS WHEREOF, we have hereunto set our hands and caused the seal of Tarrant County to be affixed this the 6th day of May 2025.

Tim O’Hare
County Judge

Roderick Miles, Jr.
Commissioner, Precinct 1

Matt Krause
Commissioner, Precinct 3

Alisa Simmons
Commissioner, Precinct 2

Manny Ramirez
Commissioner, Precinct 4



**COMMISSIONERS COURT
COMMUNICATION**

COURT ORDER NUMBER 145128
PAGE 1 OF 18
DATE: 5/6/2025

SUBJECT: CONSIDERATION TO DIRECT PUBLIC POWER POOL (P3) TO SOLICIT COMPETITIVE PRICING FOR ELECTRICITY GENERATED BY RENEWABLE SOURCES FROM RETAIL ELECTRIC PROVIDERS AND AUTHORIZE P3 TO EXECUTE A POWER SUPPLY AGREEMENT ON BEHALF OF TARRANT COUNTY.

***** CONSENT AGENDA *****

COMMISSIONERS COURT ACTION REQUESTED

It is requested that the Commissioners Court consider directing Public Power Pool (P3) to solicit competitive pricing for electricity generated by renewable sources from retail electric providers that agree to P3's contracting terms and conditions and authorizing P3 to execute a power supply agreement on behalf of Tarrant County.

BACKGROUND

Tarrant County is a member of Texas CUC Aggregation Project, d/b/a Public Power Pool, or P3, which is a political subdivision corporation pursuant to Chapter 304 of the Texas Local Government Code. P3 aggregates the electricity demand of all member political subdivisions in order to obtain electricity rates that are lower than any individual political subdivision could obtain by itself, or could obtain by any other means.

To take advantage of favorable market conditions and in accordance with its Bylaws, P3 has provided the attached "Notice of Intent to Begin a Competitive Procurement Process" (the "Notice") for electricity for P3 members for a term beginning January 2026.

P3 has identified an opportunity for interested members to procure electricity generated by renewable sources at or below an additional 10% premium to the Ceiling Rates identified in the Procurement Ceiling and Expected Rate Estimate for the electric accounts identified in the "Account List" attached.

The current electric power supply contract expires on December 31, 2025. If approved, P3 will execute a power supply agreement, on behalf of Tarrant County, for a term beginning January 2026 and not to exceed ten (10) years at a rate or rates that are at or below 110% of the Ceiling Rates identified in the Procurement Ceiling and Expected Rate Estimate provided by P3.

FISCAL IMPACT

The fiscal impact is unknown at this time.

SUBMITTED BY	Budget and Risk Management	PREPARED BY:	Vanessa Perez
		APPROVED BY:	Vanessa Perez



Public Power Pool

500 W. 13th St. Austin, TX 78701 Ph 512-233-5780 Fx 512-233-5781 www.publicpowerpool.org

March 25, 2025

Mr. Chandler Merritt
Tarrant County Administrator
100 East Weatherford Street
Fort Worth, TX 76196
by e-mail

Re: **Procurement Proposal for Electric Power Supply Beginning January 1, 2026; and Notice of Intent to Begin a Competitive Procurement Process**

Your current electric power supply contract expires on December 31, 2025. This contract was procured through Public Power Pool, the largest electric power purchasing cooperative, or aggregation, in Texas. Your commitment to act together with other local governments has resulted in savings for members of over \$205 million since the inception of the program, compared to prices seen by similar buyers acting alone.

On March 20, 2025, the P3 Board approved our procurement strategy to permit a timely market entry upon completion of the required notice period for member consideration. Our Bylaws require us to notify each member representative before the Corporation begins a competitive procurement; this letter serves as that 45-day notice. **P3 intends to begin the competitive procurement process for the group on May 9, 2025.** If Tarrant County decides to procure power supply contracts on its own rather than through P3, please provide us with a copy of your governing body's resolution or minute order withdrawing from P3 on or before May 8, 2025. If notice of such action is not received by us by May 8, 2025, Tarrant County will continue its P3 membership through the 2025 procurement cycle and contract period, in accordance with our Bylaws.

This letter and attachments serve as P3's 2025 Procurement Proposal. The packet behind this cover letter consists of four parts for your review and consideration:

1. Procurement Ceiling and Expected Rate Estimate (page 4):
 - Annual budget increase/decrease versus current contract costs are shown under 'Ceiling Rate vs Current Rate, Annual Change'. To execute a term on your behalf, P3 must obtain prices that are at or below your Ceiling Rate for each year identified.
 - There are ten individual Ceiling Rates for each calendar year beginning in 2026. Each year will be purchased separately and sequentially, meaning 2026 will be executed first, then 2027, etc. In the early years the Ceiling Rates are set higher than market, ensuring the likelihood of executing a rate given the limited

time available prior to delivery. In the later years, the Ceiling Rates rapidly decline, guaranteeing that the market yields an advantageous price prior to extending the contract term. Should the market drop below the Ceiling Rate of the next open calendar year, that year will be purchased at the Ceiling Rate or better, and the contract will be extended one more year.

- The next contract cycle has the potential to last ten years. However, if P3 is unable to lock the price for the next open year at or below the Ceiling Rate 12-months prior to delivery, the contract ends and we would begin a new procurement.
 - The purchase ceiling, shown as a percentage in the final column, shows increases and/or decreases (as negative) relative to the current contract rate for each year of an on-going contract.
2. Your Account List (page 5 onwards). This identifies all your ESI IDs (i.e. electric meters) in our database. **We recommend that you carefully verify your account list.** If there are *any* changes to the list, or if you anticipate any additions or deletions greater than 100kw peak demand in the next few years, please let us know so we may include the expected consumption changes in our procurement. We have flagged **in red** any non-active accounts which show zero usage over the last 12 months so you can consider removing them. If you no longer need these accounts, please let us know so we can delete them from our account list.
 3. Our 2025 Procurement Proposal;
 4. Our Methodology to Control Cross-Subsidization Among Members, as approved by the P3 Board of Directors on March 20, 2025; and
 5. A sample Minute Order for any members interested in opting-in to the purchase of renewable energy.

Please note: As in past procurements, our Ceiling Rate represents the maximum rate that you will realize from this aggregated procurement and is designed to give members budget certainty. The Ceiling Rate calculation reflects a conservative approach; in past procurements P3 has executed substantially below our ceiling rate:

- For the 2014-2016 contract the executed price was 6.3% lower than the ceiling
- For the 2017-2019 contract the executed price was 5.2% lower than the ceiling
- For the 2020-2022 contract the executed price was 21.7% lower than the ceiling
- For the 2023-2025 contract the executed price was 26.1% lower than the ceiling

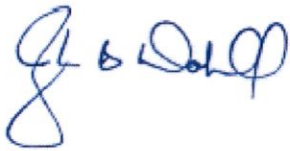
While P3 expects to transact at or close to the current market, reflected in the “Expected Rates” rates, the Ceiling Rate gives us flexibility to capture an attractive market price should the market move away from the current Expected Rate during the procurement.

As an aggregator, P3 works for members directly, acting as your advocate to prioritize your needs in all aspects of the energy transaction. Furthermore, P3 provides members with full contract support. Invoice reconciliation, billing audits and unlimited adds & drops are standard P3 services, and we offer customized and specific projects like renewable energy credit (REC) purchases, and demand-side management requested by individual members.

Your continued participation in P3 has delivered considerable savings for all members since the program started in 2001. Members' procurement costs are the lowest in the industry and the quality of our customer service and electricity contracts are far above the industry norm. Our 2025 procurement follows the same process we have successfully used in previous years. We will continue to perform due diligence and employ effective risk management practices that have protected members from price volatility in the past.

Should you have any questions or comments about the procurement, please contact me or Program Manager David Quin at 512.233.5776. We are available to meet with you or with anyone else from your entity to answer questions and provide a detailed briefing.

Sincerely,

A handwritten signature in blue ink, appearing to read "John B. Dahill". The signature is fluid and cursive, with the first letter of the first name being a large, stylized 'J'.

John B. Dahill
Executive Director

Enclosures:

1. Procurement Ceiling and Expected Rate Estimate (page 4);
2. Member Account list (page 5);
3. 2025 Procurement Proposal;
4. Methodology to control cross-subsidization among members; and
5. Sample Minute Order for Opting-in to the Purchase of Renewable Energy

Procurement Ceiling and Expected Rate Estimate

Tarrant County

Current average Supplier Rate for 2025 with Annual Costs:

	Annual kWh	Current Rate	Current Annual Total Cost
Current Contract:	84,680,805	\$0.0567/kWh	\$7,278,979

The Annual Change shows the increase/decrease from the Current Annual Total Cost for each calendar year. Annual Ceiling Rates will remain in effect until execution up to 12-months prior to delivery, granting us the opportunity to capture downward price movement during the term of the contract.

	Expected Rates	Ceiling Rates	Ceiling Rate vs Current Rate, Annual Change	
2026:	\$0.0623/kWh	\$0.0708/kWh	\$1,191,829	16.4%
2027:	\$0.0605/kWh	\$0.0672/kWh	\$892,207	12.3%
2028:	\$0.0586/kWh	\$0.0651/kWh	\$712,433	9.8%
2029:	\$0.0495/kWh	\$0.0495/kWh	(\$605,907)	-8.3%
2030:	\$0.0460/kWh	\$0.0460/kWh	(\$905,530)	-12.4%
2031:	\$0.0425/kWh	\$0.0425/kWh	(\$1,205,152)	-16.6%
2032:	\$0.0389/kWh	\$0.0389/kWh	(\$1,504,775)	-20.7%
2033:	\$0.0354/kWh	\$0.0354/kWh	(\$1,804,398)	-24.8%
2034:	\$0.0340/kWh	\$0.0340/kWh	(\$1,924,247)	-26.4%
2035:	\$0.0326/kWh	\$0.0326/kWh	(\$2,044,096)	-28.1%

The Purchase Ceiling, shown as a percentage, shows increases and/or decreases (as negative) relative to the current contract rate.

Annual Cost amounts are inclusive of supplier costs, TDSP charges and all costs to-the-meter.

The Expected Prices reflects the market condition at the time the report was run. The Ceiling Price reflects the highest price at which the Program will execute a contract. Utility charges and Taxes are included in the Current Annual Cost but additional to prices shown.

Active Account List

Tarrant County

List of Accounts In-Program

Facility, City	ESI ID	Date Added	Ann. kWh	Pool
2290 E SEMINARY DR, FORT WORTH	10443720008598726	10/12/2010	23	NORTH BUSNODEM
100 CALHOUN ST B, FORT WORTH	10443720009560625	8/30/2012	4,161,666	NORTH BUSHILF
100 E WEATHERFORD ST, FORT WORTH	10443720002596389	1/1/2002	3,300,000	NORTH BUSHILF
100 N LAMAR ST, FORT WORTH	10443720002592607	1/1/2002	9,579,073	NORTH BUSHILF
101 CALHOUN ST, FORT WORTH	10443720008859630	1/1/2002	141,700	NORTH BUSHILF
101 E WEATHERFORD ST, FORT WORTH	10443720002595180	1/1/2002	1,168,839	NORTH BUSMEDLF
1100 BRIDGEWOOD DR STE 116, FORT WORT	10443720001464082	10/13/2016	36,161	NORTH BUSLOLF
1100 E BROAD ST, MANSFIELD	10443720006634572	1/1/2002	899,011	NORTH BUSHILF
1101 S MAIN ST, FORT WORTH	10443720002662667	1/1/2002	1,523,200	NORTH BUSHILF
1151 S MAIN ST, FORT WORTH	10443720009216812	1/1/2002	1,919,758	NORTH BUSHILF
118 W BELKNAP ST, FORT WORTH	10443720002598218	1/1/2002	1,241,700	NORTH BUSMEDLF
1203 E KENNEDALE PKWY, KENNEDALE	10443720006014231	1/1/2002	230,200	NORTH BUSMEDLF
1400 SAINT LOUIS AVE, FORT WORTH	10443720009854505	6/7/2013	953	NORTH BUSNODEM
1638 S CHERRY LN, WHITE SETTLEMENT	10443720004455429	9/8/2009	22,023	NORTH BUSLOLF
1815 COLD SPRINGS RD, FORT WORTH	10443720007631535	9/14/2005	127,203	NORTH BUSMEDLF
1815 COLD SPRINGS RD UNIT MTR, FORT WO	10443720002834933	1/1/2002	518,976	NORTH BUSHILF
200 E WEATHERFORD ST, FORT WORTH	10443720006714958	1/1/2002	5,102,456	NORTH BUSMEDLF
200 FELIKS GWOZDZ PL STE B, FORT WORTH	10443720008781161	3/30/2011	3,301,565	NORTH BUSLOLF
200 TAYLOR ST, FORT WORTH	10443720006391939	6/15/2006	142	NORTH BUSLOLF
200 TAYLOR ST DEPT SHRIF, FORT WORTH	10443720006385770	1/1/2002	8,749,949	NORTH BUSLOLF
200 W BELKNAP ST, FORT WORTH	10443720002598311	1/1/2002	1,932,000	NORTH BUSHILF
2001 SE GREEN OAKS STE 150, ARLINGTON	10443720009391871	12/13/2007	50,186	NORTH BUSLOLF
201 E PLAZA BLVD, HURST	10443720004680643	1/1/2002	702,240	NORTH BUSMEDLF
201 E PLAZA BLVD GRDL, HURST	10443720005455792	1/1/2002	480	NORTH NMLIGHT
2596 E. ARKANSAS LN, ARLINGTON	10443720004848758	6/2/2017	14,067	NORTH BUSLOLF
2596 E. ARKANSAS LN, ARLINGTON	10443720006687307	6/2/2017	72,240	NORTH BUSLOLF
2650 PREMIER ST, FORT WORTH	10443720002278392	1/1/2002	102,477	NORTH BUSLOLF
2650 PREMIER ST PRKG LGHT, FORT WORTH	10443720000856692		5,402	NORTH BUSNODEM
2650 PREMIER ST STE A, FORT WORTH	10443720002278361	1/1/2002	56,616	NORTH BUSLOLF
2700 PREMIER ST, FORT WORTH	10443720002278330	1/1/2002	487,800	NORTH BUSMEDLF
2700 PREMIER ST, FORT WORTH	10443720005585402	6/18/2021	10,800	NORTH NMLIGHT
2700 PREMIER ST REAR, FORT WORTH	10443720007384032	1/1/2002	54	NORTH BUSNODEM
2701 KIMBO RD, FORT WORTH	10443720007027313	1/1/2002	1,454,400	NORTH BUSMEDLF
2701 KIMBO RD EAST BLDG, FT. WORTH	10443720002916038	5/19/2022	2,204,455	NORTH BUSLOLF
2750 PREMIER ST, FORT WORTH	10443720002278423	1/1/2002	53,841	NORTH BUSLOLF

Active Account List

Tarrant County

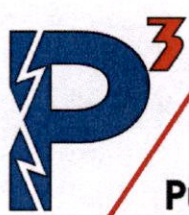
2752 PREMIER ST, FORT WORTH	10443720002278206	1/1/2002	10,255	NORTH BUSNODEM
2752 PREMIER ST UNIT A, FORT WORTH	10443720009882715	3/11/2013	2,886	NORTH BUSNODEM
2800 PREMIER ST, FORT WORTH	10443720009875500	1/1/2002	31,748	NORTH BUSNODEM
3125 E LANCASTER AVE GRDL, FORT WORTH	10443720001082937	1/1/2002	2,230	NORTH NMLIGHT
3125 E LANCASTER AVE GRDL 2, FORT	10443720008113159	10/1/2024	393	NORTH BUSLOLF
3208 MILLER AVE, FORT WORTH	10443720002429391	1/1/2002	451,840	NORTH BUSLOLF
3212 MILLER AVE, FORT WORTH	10443720008973614	7/7/2009	220,880	NORTH BUSLOLF
3333 QUORUM DR STE 260, FORT WORTH	10443720008632366	4/28/2008	315,000	NORTH BUSMEDLF
3333 QUORUM DR STE 280, FORT WORTH	10443720008021697	11/20/2019	194,100	NORTH BUSMEDLF
350 W BELKNAP ST, FORT WORTH	10443720005580946	5/17/2017	2,007,000	NORTH BUSHILF
350 W BELKNAP ST STE B, FORT WORTH	10443720009470237	1/1/2002	1,457,200	NORTH BUSHILF
3500 MILLER AVE, FORT WORTH	10443720008415862	11/24/2008	230,720	NORTH BUSLOLF
360 W BELKNAP ST, FORT WORTH	10443720006752810	1/1/2002	253,350	NORTH BUSHILF
3800 ADAM GRUBB, LAKE WORTH	10443720006098646	1/1/2002	319,600	NORTH BUSMEDLF
3829 ALTAMESA BLVD, FORT WORTH	10443720002361626	1/1/2002	238,400	NORTH BUSMEDLF
401 W BELKNAP ST, FORT WORTH	10443720002600729	1/1/2002	7,274,045	NORTH BUSLOLF
4113 DENTON HIGHWAY, HALTOM CITY	10443720006018017	1/1/2002	28,786	NORTH BUSLOLF
417 W EULESS BLVD STE 200, EULESS	10443720008619624	6/30/2010	30,165	NORTH BUSLOLF
4228 NORTH FWY, FORT WORTH TX	10443720000434465	11/1/2018	97,100	NORTH BUSLOLF
497 E. WEATHERFORD , FORT WORTH	10443720004892164	9/15/2018	2,724	NORTH BUSNODEM
500 N COMMERCE ST, FORT WORTH	10443720000601562	10/10/2016	10,900	NORTH BUSNODEM
500 NW LOOP 820 BLDG BARN, FORT WORTH	10443720007049480	1/1/2002	3,416	NORTH BUSNODEM
5000 CAMPUS DR BLDG MAIN, FORT WORTH	10443720004366240	1/1/2002	5,329,117	NORTH BUSLOLF
5136 NORTHEAST PKWY UNIT A, FORT WORT	10443720007971947	1/1/2002	3,375,536	NORTH BUSHILF
600 S SYLVANIA AVE, FORT WORTH	10443720008212630	9/14/2005	440,690	NORTH BUSMEDLF
600 W WEATHERFORD ST JAIL, FORT WORTH	10443720008897504	7/1/2011	4,617,448	NORTH BUSHILF
601 LONGHORN RD, FORT WORTH	10443720002553951	1/1/2002	61,440	NORTH BUSLOLF
601 LONGHORN RD, FORT WORTH	10443720008099789	1/1/2002	80,700	NORTH BUSLOLF
601 LONGHORN RD BLDG SHED, FORT WORT	10443720007416983	1/1/2002	2,625	NORTH BUSNODEM
601 LONGHORN RD REAR, FORT WORTH	10443720007197412	1/1/2002	14,532	NORTH BUSNODEM
601 W WEATHERFORD ST, FORT WORTH	10443720002592545	1/1/2002	279,065	NORTH BUSHILF
645 GRAPEVINE HWY, HURST	10443720004925543	5/14/2014	1,154,800	NORTH BUSHILF
6551 GRANBURY RD, FORT WORTH	10443720006055122	1/1/2002	915,600	NORTH BUSHILF
6651 LAKE WORTH BLVD DEPT POLIC, LAKE W	10443720007583547	6/15/2006	196,640	NORTH BUSMEDLF
6713 TELEPHONE RD, LAKE WORTH	10443720009900514	10/23/2010	1,172,600	NORTH BUSMEDLF
700 E ABRAM ST, ARLINGTON	10443720006639222	6/11/2008	1,084,400	NORTH BUSHILF
724 E BORDER ST, ARLINGTON	10443720002091308	1/1/2002	87,135	NORTH BUSMEDLF
7301 PRECINCT LINE RD, NORTH RICHLAND HI	10443720001133314	1/1/2002	154,560	NORTH BUSLOLF

Active Account List

Tarrant County

800 E RENDON CROWLEY RD UNIT MTR, FORT	10443720004786507	1/1/2002	397,760	NORTH BUSMEDLF
812 W MORPHY ST, FT. WORTH	10443720009694824	10/15/2021	208,320	NORTH BUSMEDLF
837 BROWN TRL, BEDFORD	10443720001152273	1/1/2002	173,640	NORTH BUSMEDLF
837 BROWN TRL GRDL, BEDFORD	10443720005354297	1/1/2002	4,800	NORTH NMLIGHT
900 N COMMERCE ST BLDG OFC, FORT WORT	10443720003020842	1/1/2002	79,569	NORTH BUSLOLF
900 N COMMERCE ST GRDL, FORT WORTH	10443720005539213	1/1/2002	840	NORTH NMLIGHT
900 N COMMERCE ST OFC BLDG, FORT WORT	10443720003020873	1/1/2002	12,856	NORTH BUSNODEM
			<hr/>	
			82,199,044	

Report totals based on accounts in-program.



Public Power Pool

500 W. 13th St. Austin, TX 78701 Ph 512-233-5780 Fx 512-233-5781 www.publicpowerpool.org

From: Public Power Pool staff
To: Public Power Pool Members
Re.: 2025 Procurement Proposal

Introduction

The dual mandate of the P3 procurement program is to obtain electricity at a competitive market rate and maintain budget stability by managing the price volatility inherent in energy markets. P3 is under contract through the end of 2025 at a favorable rate level.

At present, the forward electricity market prices are above the current contract rate, with mixed underlying price signals stemming from general regulatory uncertainty while the ERCOT physical grid undergoes a modernization effort in the face of extreme projected load growth. Elevated prices driven by a variety of risk premiums are challenged by exemplary grid performance over the past full year and the impact of rapidly increasing battery storage capacity in peak periods.

The competitive solicitation process employed by P3 stands to benefit from a recovery of financial balance by energy suppliers following the distress caused by winter storm Uri. This is evidenced by increased supplier interest in competing to deliver the best price, terms and conditions.

This procurement proposal includes a not-to-exceed ceiling price that represents a modest rate increase, while providing an opportunity to exploit any price downturns over the approved procurement period. The Request for Proposals from suppliers is intended to gain price discovery for contract terms up to 10-years and, given the current market condition, P3 will also be exploring alternative product structures designed to actively manage price risk and maintain budget stability. The resulting bids will be presented to the P3 Board of Directors for evaluation and determination of the best outcome that meets program objectives.

Solicitation Process

The standard P3 electricity procurement process is designed to ensure performance of due diligence and create meaningful competition among suppliers capable of servicing a large-scale transaction. The multi-step approach is initiated by notifying members of the proposed

transaction - including a not-to-exceed rate calculated specifically for their load profile - that must be achieved for the transaction to be executed on their behalf. This is followed by a period that allows time for existing members to affirmatively opt out of the procurement exercise. A no-action decision on the part of the member indicates acceptance of the right of P3 to act as agent on their behalf to execute the transaction.

During the member opt-out phase of the process, a Request for Proposals is issued containing the salient details required to solicit price quotes from every registered supplier as listed by the PUCT. Supplier responses – including contract terms and conditions – are evaluated and ranked using the same methodology as in past procurements. A short-list of the best offers is then compiled for the P3 Board of Directors' consideration. Upon completion of this phase, monitoring of daily market conditions is conducted to establish a favorable time to request executable pricing and consummate the deal.

Authorized Transaction Period

An important aspect of the P3 enrollment policy is a restrictive time limit on the authorization to act on the members' behalf, preventing an open-ended commitment. This time allotment is subject to the Board of Directors' approval and is typically geared to provide adequate time to conduct a solicitation and permit some flexibility in selecting a transaction date that coincides with a downward market price movement.

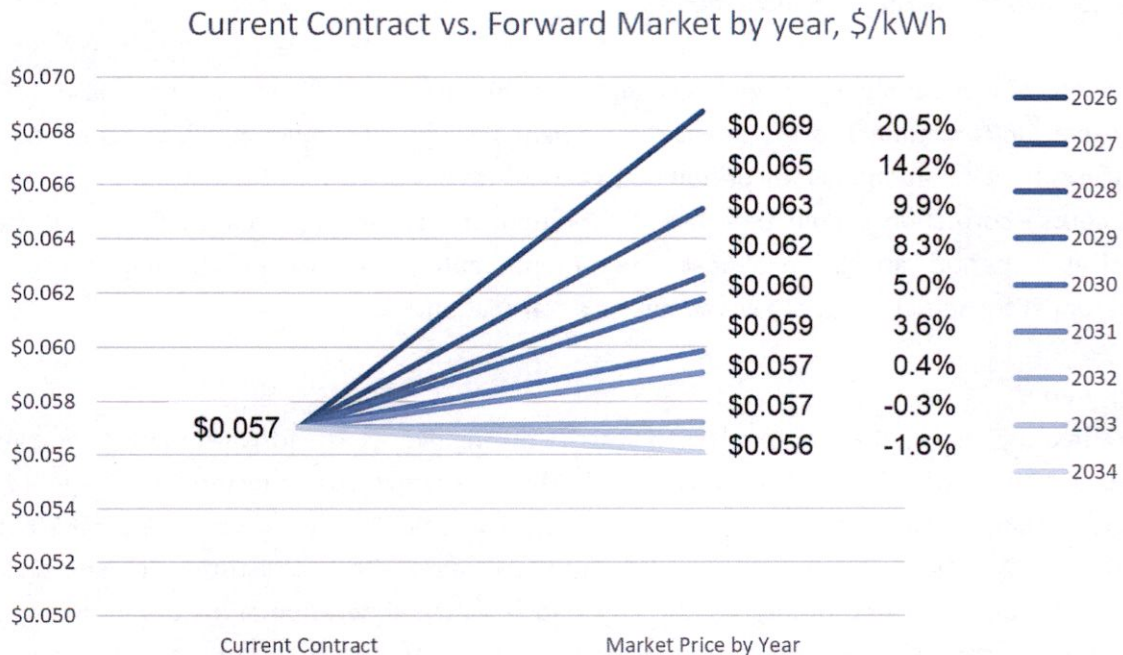
The current power supply agreement terminates at the end of 2025. *We recommend a time period that binds members to the agency agreement through November 8, 2025.* Depending upon the date of initiation, this will permit up to a 6-month period to seek the target rate, permit a mid-course correction should the market condition or trend change materially during the authorization period, and leave almost a two-month buffer prior to the current contract's termination if the initiative fails to consummate a transaction.

Market Report

Despite healthy reserve margins and lack of scarcity pricing events, the forward market remains high both in terms of heat rate (3-year is 14.26 MMBTU/MWh versus an historical average 8.5) and forward premiums over LMP (previous 12-months was 96.7% versus a more typical 20%). While the market has performed well over the last few years with few disruptive events since winter storm Uri, the trend to increased renewable resource generation and storage presents considerable uncertainty, exacerbated by policy decisions emanating from both the political and regulatory bodies within Texas with uncertain consequences. These factors mixed with radical load forecast changes and general geopolitical friction are creating a host of risk premiums that have driven the forward market to its current level.

The chart on the next page shows the price today of each calendar year beyond the end of our current contract. The market is backwardated and the prompt year of 2026 is the highest cost at \$0.069/kWh, a 20.5% increase relative to our current \$0.057/kWh contract rate. From there, the market falls at roughly \$0.002/kWh year-over-year for the next five years, then continues to fall but at a lesser, \$0.001/kWh through 2035. This is at the high end of a forward market that has been range bound between \$0.055 and \$0.065/kWh for the last two years as excellent grid performance is offset against the multiple risk factors and the possibility of future scarcity pricing events.

While relatively high, the market does offer the potential for attractive long-term rates should the drivers of several of these risk factors be resolved. The current \$3.25/MMBTU gas cost * the historical average Heat Rate of 8.5 = \$30/MWh. Long term renewable offtake agreements, now a dominant generation source in Texas, are \$30/MWh. Nearly every month, the hourly LMP's (the ultimate indicator of true generation cost) average out around \$30/MWh. Through January 2023, the forward market reflected this reality, with typical premiums of 10% over the LMP clearing price that is currently on the order of 100% higher. As a practical matter, the current three-year forward price of \$65/MWh is not the cost to produce electricity next year but rather it is a \$30/MWh production cost and a \$35/MWh risk premium.



Risk Assessment

Composed of political subdivisions with an interest in budget stability, the P3 membership is characterized as risk-averse with a bias towards price certainty. The membership has consistently approved this posture from the inception of the program, with price risk contained

and taken only in adverse market conditions to provide the opportunity to improve upon the rate available on the day of transaction.

The primary risk factors in today's energy market include projections of extreme load growth that, if realized, holds the potential for supply/demand imbalances and transmission constraints. The projections are largely based upon speculative growth in bitcoin mining and Artificial Intelligence data centers, amplified by a change in methodology by ERCOT that now counts uncommitted load for planning purposes with the effect of increasing the perception of risk.

The high load growth scenario may be exacerbated by a tightening of natural gas production due to industry consolidation and investor discipline in a time of increased exports of Liquefied Natural Gas (LNG) and drawdown of shale gas reserves. Additionally, development of planned natural gas-fired generation assets is presently hindered by manufacturing shortfalls and supply chain issues, potentially tightening future supply. This is somewhat offset by the market share gains of competing renewable energy resources, leading to a secondary risk factor that lies in the form of regulatory uncertainty as the viability of additional renewable resources that have provided the bulk of new generation in the past three years is questionable.

An unquantified source of price risk is event driven - primarily in the form of destructive weather - that is not forecast and generally of short duration but ever present. Insuring against this risk involves hedging a partial future position to reduce any adverse impacts.

The issue of regulatory uncertainty is broad-based, affecting nearly every aspect of the energy industry and adding price volatility and inflationary pressure throughout. Resolution of regulatory uncertainty and energy industry redesign is not expected in the near term. Overall, the current level of price risk is regarded as higher than average, calling for a defensive posture in the market in support of the P3 budget stability objective.

Deal Structure

Given the fundamental market factors, entering the market at this time with a six-month window of opportunity is considered prudent. For purposes of price discovery, the RFP will solicit prices ten years forward. In the three previous contracting cycles, members were provided a list of not-to-exceed (ceiling) rates with a stipulated term length. In a previous elevated market, the 2009-13 five-year contract structure involved incremental purchases with the result of \$52m in member savings compared with the price available at inception. Between 2009 and 2013, the price declined \$8.13/MWh or 11.2% vs. the inception price.

Given the current elevated market condition, this proposal will provide a not-to-exceed ceiling price for each calendar year for the next ten-year period beyond the end of the current contract in December 2025. Each year has the potential of being transacted and each year will be purchased separately and sequentially, meaning 2026 will be executed first, then 2027, etc.

	Supplier Contract Rate (\$/kWh)	Member Ceiling Rate (\$/kWh)	
2026	LZ + \$0.0075	\$0.072	← Ceiling Rates start high for the prompt years, allowing a reasonable opportunity to strike the market in a short window.
2027	LZ + \$0.0079	\$0.065	
2028	LZ + \$0.0083	\$0.060	← Ceiling Rates become more aggressive in the mid to long-term, assuring an advantageous price prior to extending the term.
2029	LZ + \$0.0087	\$0.052	
2030	LZ + \$0.0091	\$0.043	
2031	LZ + \$0.0095	\$0.040	
2032	LZ + \$0.0099	\$0.036	
2033	LZ + \$0.0103	\$0.034	
2034	LZ + \$0.0107	\$0.032	
2035	LZ + \$0.0111	\$0.030	

By design, the ceiling rates are set high in the early years, ensuring a likelihood of execution given the limited time available prior to delivery. From there, the ceiling rates rapidly decline, ensuring the market yields an advantageous price *prior to extending the term*. Should the market drop below the ceiling rate for the next open calendar year within the transaction window, that year will be purchased at the ceiling price or better and the contract will be extended one more year. While the next contract cycle has the potential to last ten years, if the next open price is not locked 12-months prior to delivery, the contract terminates, and we return to the market.

With this approach, a likely scenario of execution will be:

- Purchase years 2026 and 2027 in the next six-month Authorized Transaction Period. This will be facilitated by employing ceiling rates set for these years that are marginally higher than the current forward market price.
- Any contract extension beyond 2027 will require a fall from the current price levels to strike the aggressive price targets. Should this occur, year 2028 will be purchased at the ceiling rate or better and the contract will extend one additional year.
- At this point, our transaction window will reset to January 2028 and the market will need to fall further to meet our still more aggressive target for year 2029.
- This cycle will continue until all years are purchased through 2035 (at which point the program will have secured an excellent price of \$0.03/kWh). If the market fails to fall below the ceiling price of the next open year, the contract terminates and a new procurement process will be initiated for member review and acceptance.

This product approach seeks to balance the realities of purchasing into an elevated market while allowing for correction and possible extension that may postpone the need for another formal RFP process. The suppliers will offer an index plus structure (Load Zone index plus a fixed adder) and these adders will be fixed for the duration of the potential 10-year term. The supplier will be

selected based on the lowest adder offered across all terms and locked for the duration in an open, competitive environment. The LZ (load zone) is a transparent, third-party index that will reflect day-to-day market value and be easily referenced and validated by both parties.

For members interested in pursuing renewable energy products, information and the recommended approach are detailed below in **Appendix 1**.

Term Considerations

The ideal term for any future transactions is dictated by the forward prices available at the time of bidding that meet the program's stated objectives. While the current market condition indicates that obtaining the best price may require a term length that is somewhat longer than seen in previous contract cycles, prices will be solicited for up to ten years, evaluated, and presented to the P3 Board of Directors to determine best value that meets program objectives.

P3 2025 Procurement Proposal

In March 2025 the P3 Board instructed us to present to members a proposal for formal competitive market solicitation as follows:

1. The procured supply agreement will commence January 2026;
2. Pricing will be obtained for various term lengths not to exceed ten years;
3. Supplier contracts will be evaluated based upon a contract value matrix approved by the Board;
4. Ceiling rates that may be transacted will be provided for each member and no procurement will be completed that does not satisfy the maximum price;
5. Any decision specifying the contract term and product structure will be based on analysis of the pricing received that identifies the best value for the members;
6. Members will have a time period of a minimum of 45 days after electronic receipt of the procurement proposal to opt-out of the 2025 Procurement; and
7. Members can opt-in to the purchase of renewable energy for a term not to exceed ten years and at a rate or rates that are at or below 110% of the Ceiling Rates identified in each member's Procurement Ceiling and Expected Rate Estimate.

The following timeline of solicitation events for the 2025 Procurement is proposed:

March 25, 2025:	Procurement Packets distributed. Member 45-day opt-out period begins. Meetings scheduled with members.
May 8, 2025:	Opt-out period ends. This is also the opt-in deadline for any member that wants to purchase 100% renewable energy.
April 2025:	Formal RFP issued and short-listed providers identified. P3 Board meets to review short-listed providers.
June - November 2025:	Monitor market for fixed price target and conduct executable bidding round(s) with short-listed providers.

Appendix 1 - Renewable Energy

P3 members with an interest in purchasing renewable energy have several options available to meet their objectives. The range of possibilities has expanded in step with the evolution of the generation grid stack and the market is offering products capable of delivering 100% of energy purchases with verifiable links to renewable resources.

Current indications are that non-standard renewable products carry a modest premium over the price of conventional energy resources. At this stage, interest expressed by members is sufficient to represent a sizeable block of the total P3 load and ensure that the price and contractual leverage of a bulk purchase is realized.

This proposal is intended to define available options to purchase renewable energy resources and specify selected transaction structures that inform the target price that, if acceptable, permits P3 to complete a transaction on behalf of the members.

P3 staff outreach efforts have revealed two suitable renewable energy resource products available to satisfy member objectives while retaining the virtues of a bulk purchase. The first is Renewable Energy Credits (RECs) that represent a financial overlay designed to provide an incentive to renewable asset developers. The purchase of RECs from the secondary market to meet any desired level of renewable purchases is straightforward, economical and has no impact on the next P3 transaction cycle. That said, we understand from members that a REC-only solution is not perceived to meet more ambitious policy objectives.

The second category of available market products is a bundled approach that is designed to permit the buyer to claim a verifiable path to a specified portfolio of renewable energy assets and is intended to signal a stronger level of commitment to renewable energy development. Such premium products are both novel and more complex, lacking established product definitions and naming conventions.

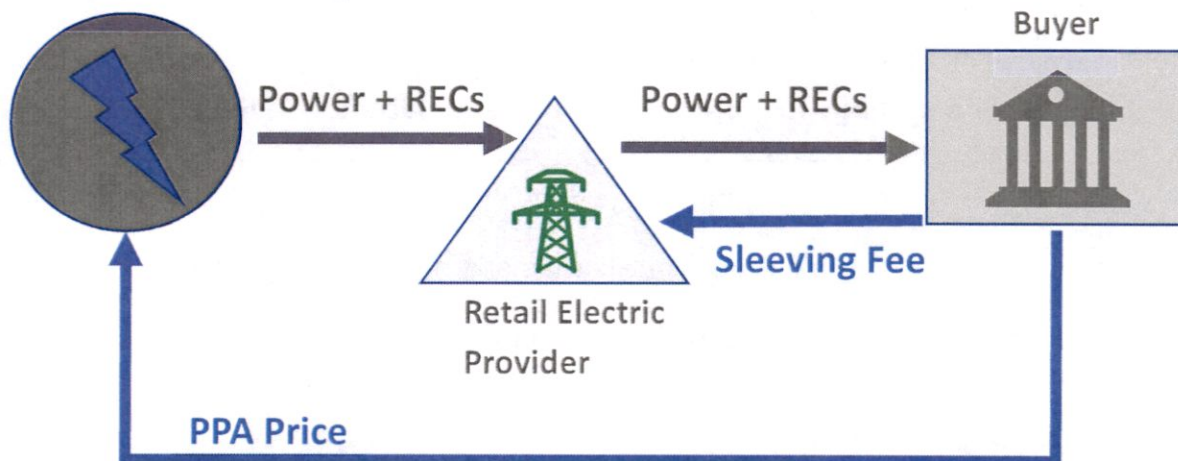
Note that the optimal price point in the market for this approach - typically requiring a longer term length - may not coincide with the ideal term length identified to the proposed purchase of conventional energy for the balance of the P3 group, presenting a future challenge to maintain the integrity of the aggregation.

Following discussions with members indicating interest in purchasing 100% of their requirements from renewable resources and demonstrating a direct investment, P3 proposes a solution that involves a “sleeved” Power Purchase Agreement (PPA) with a standard Retail Electric Provider (REP). As depicted below, the REP purchases a physical wholesale position - including associated RECs - on behalf of P3 members and provides a similar range of services and risk coverage as found in a typical conventional supply arrangement. Any underlying PPA must demonstrate a verifiable path to a specific portfolio of renewable assets - preferably a combination of firm wind

and solar - with the REP fixing the cost of transmission basis, ancillary services and other fees associated with delivery service.

The intent is to replicate the service model and relationships that govern a conventional energy transaction while dictating the characteristics of the underlying wholesale transaction to meet members' policy objectives.

Renewable Asset Developer



The proposed solution recognizes that offers from the various market participants are likely to represent non-standard products and approaches that have a qualitative element that, unlike a commodity price, will require policy judgements and collaboration between P3 and member staff to ensure policy conformance.

This proposal includes target pricing for 100% renewable energy as well as conventional energy and members will ultimately have a choice of products that is informed by structures and prices discovered in the competitive solicitation process. For purposes of this proposal, the Ceiling Rates on page 3 of the packet represent the maximum rates that P3 must obtain to permit an authorized transaction on behalf of participating members. For renewable energy purchases, a price premium not to exceed 10% over the conventional energy Ceiling Rates is assumed.

If your governing body wants to purchase 100% renewable energy, you must provide P3 with a copy of your governing body's resolution or minute order stating that decision, subject to the Ceiling Rates shown in this Procurement Proposal plus the 10% premium, on or before May 8, 2025. A template minute order resolution to opt-in to the green power option is included on the last page of this packet. If a member does not opt-in to the renewable energy option, P3 will seek to obtain the lowest available rate for power from qualified providers without regard to generation source.



Public Power Pool

500 W. 13th St. Austin, TX 78701 Ph 512-233-5780 Fx 512-233-5781 www.publicpowerpool.org

Date: March 20, 2025

To: Public Power Pool Board of Directors

From: David Quin, Program Manager

Re: **Consider a strategy for controlling cross-subsidization in the 2025 Procurement**

Background:

In the interest of avoiding cross-subsidization among members, it is recommended that the Board consider the following methodology and adopt the recommended resolution for controlling cross-subsidization between members' accounts to be used during the next procurement.

Resolution:

RESOLVED by the Public Power Pool Board of Directors that the following methodology for control of cross-subsidization is hereby approved for the 2025 Procurement:

1. Continue to pool member accounts by zone and load factor, capturing the time-of-use and geographic disparity of the various account classes;
2. Continue to pass-through utility specific costs such as TDSP charges and loss factors to avoid cross-subsidization; and
3. Eliminate the fixed per-account fee.



RESOLUTION

DIRECTING PUBLIC POWER POOL (P3) TO SOLICIT COMPETITIVE PRICING FOR ELECTRICITY GENERATED BY RENEWABLE SOURCES FROM RETAIL ELECTRIC PROVIDERS AND AUTHORIZING P3 TO EXECUTE A POWER SUPPLY AGREEMENT ON BEHALF OF TARRANT COUNTY

WHEREAS, Tarrant County is a member of Texas CUC Aggregation Project, d/b/a Public Power Pool, or P3, which is a political subdivision corporation pursuant to Chapter 304 of the Texas Local Government Code; and

WHEREAS, P3 aggregates the electricity demand of all member political subdivisions in order to obtain electricity rates that are lower than any individual political subdivision could obtain by itself, or could obtain by any other means; and

WHEREAS, in order to take advantage of favorable market conditions and in accordance with its Bylaws, P3 has provided a "Notice of Intent to Begin a Competitive Procurement Process" (the "Notice") for electricity for P3 members for a term beginning January 2026, and said Notice was dated March 21, 2025; and

WHEREAS, P3 has identified an opportunity for interested members to procure electricity generated by renewable sources at or below an additional 10% premium to the Ceiling Rates identified in the Procurement Ceiling and Expected Rate Estimate for the electric accounts identified in the "Account List," both of which documents accompanied the Notice; and

WHEREAS, Tarrant County desires to obtain electricity generated by renewable sources for all of its electric accounts in the "Account List."

NOW THEREFORE, BE IT RESOLVED that the Tarrant County Commissioners Court directs P3 to solicit competitive pricing for electricity generated by renewable sources from retail electric providers that agree to P3's contracting terms and conditions and authorizes P3 to execute a power supply agreement for a term beginning January 2026 and not to exceed 10 years at a rate or rates that are at or below 110% of the Ceiling Rates identified in the Procurement Ceiling and Expected Rate Estimate provided by P3.

IN WITNESS WHEREOF, we have hereunto set our hands and caused the seal of Tarrant County to be affixed this the 6th day of May 2025.

Tim O'Hare
County Judge

Roderick Miles, Jr.
Commissioner, Precinct 1

Absent

Matt Krause
Commissioner, Precinct 3

Alisa Simmons
Commissioner, Precinct 2

Manny Ramirez
Commissioner, Precinct 4



RESOLUTION

DIRECTING PUBLIC POWER POOL (P3) TO SOLICIT COMPETITIVE PRICING FOR ELECTRICITY GENERATED BY RENEWABLE SOURCES FROM RETAIL ELECTRIC PROVIDERS AND AUTHORIZING P3 TO EXECUTE A POWER SUPPLY AGREEMENT ON BEHALF OF TARRANT COUNTY

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Commissioner, Precinct 4