

AUG 08 2022

Approved

REQUEST FOR AGENDA PLACEMENT FORM

Submission Deadline - Tuesday, 12:00 PM before Court Dates

SUBMITTED BY: Jim Simpson

TODAY'S DATE: August 2, 2022

DEPARTMENT:

X County Attorney's Office

SIGNATURE OF DEPARTMENT HEAD:

X _____

REQUESTED AGENDA DATE:

X August 8, 2022

SPECIFIC AGENDA WORDING:

Consideration of contract with MP2 / Shell Energy for electric utility service for Hal Avenue building and Authorization for County Judge to sign document.

PERSON(S) TO PRESENT ITEM: Bill Moore

SUPPORT MATERIAL: to be provided

TIME: 5 min.

ACTION ITEM: Yes

WORKSHOP: _____

(Anticipated number of minutes needed to discuss item)

CONSENT: _____

EXECUTIVE: _____

STAFF NOTICE:

COUNTY ATTORNEY: _____ X _____

ISS DEPARTMENT: _____

AUDITOR: _____

PURCHASING DEPARTMENT: _____

PERSONNEL: _____

PUBLIC WORKS: _____ X _____

BUDGET COORDINATOR: _____

OTHER: _____

*****This Section to be Completed by County Judge's Office*****

ASSIGNED AGENDA DATE: _____

REQUEST RECEIVED BY COUNTY JUDGE'S OFFICE _____

COURT MEMBER APPROVAL _____

Date _____



TRANSACTION CONFIRMATION

This Transaction Confirmation (“TC”) confirms the terms of the transaction below between Public Power Pool on behalf of its subscribing members of which Johnson County is one (“Customer”) and MP2 Energy Texas LLC d/b/a Shell Energy Solutions, the applicable licensed subsidiary (“Seller”) as of the date accepted by Seller. The TC is made in pursuant to and in accordance with the Electricity Purchase and Sales Agreement entered into between Seller and Customer dated on or about 07/27/2017 (the “Master Agreement” or “MSA”) and constitutes part of and is subject to all of the terms and provisions of such Master Agreement. Terms used but not defined herein shall have the meanings ascribed to them in the Master Agreement. Customer and Seller hereby amends the terms of the Master Agreement, in order to add Customer’s Delivery Point(s) and the details of such are specified in the Exhibits below.

EXHIBIT A Terms			
Estimated Start Date*:	On or after 8/1/2022	Product Type:	Fixed Price
Delivery Period:	5 months	Contract Price (\$/MWh):	149.74
Governing Law:	State of Texas		
ISO:	ERCOT		

*The Estimated Start Date is an approximation based upon Seller’s best estimation as to the date on which the applicable Utility/EDC will have completed the process necessary to permit Seller to begin or discontinue providing the services hereunder. Seller shall not be liable to Customer in any way relating to this estimation including for any lost savings or lost opportunity.

Total Contract Quantity: 40 MWh

Annual Contract Quantity: 97 MWh

Monthly Contract Quantity**

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
2022								10	9	7	6	5
2023	3											

**usage values in the above table are represented in MWh

Special Provisions:

CUSTOMER AFFIRMS IT IS NOT A RESIDENTIAL CUSTOMER OR SMALL COMMERCIAL RETAIL CUSTOMER AS DEFINED BY THE PUCT, AND THEREFORE IS NOT ENTITLED TO ANY SPECIAL PROTECTIONS, RIGHTS OR PRIVILEGES PROVIDED SPECIFICALLY FOR RESIDENTIAL CUSTOMERS OR SMALL COMMERCIAL RETAIL CUSTOMERS UNDER TEXAS LAW, AND AFTER CONSULTING AN ATTORNEY OF CUSTOMER’S OWN SELECTION CUSTOMER HEREBY VOLUNTARILY WAIVES TO THE GREATEST EXTENT PERMISSIBLE UNDER TEXAS LAW, THE APPLICATION OF, AND ALL PROTECTIONS OF, THE TEXAS CUSTOMER PROTECTION RULES, WITH RESPECT TO (i) THE MSA AND THIS TC AND (ii) THE RELATIONSHIP BETWEEN THE PARTIES.

Material Consumption Variance ("MCV"). The Parties agree that the Contract Quantities (Total, Annual, and Monthly) identified in this Transaction Confirmation ("TC") are accurate representations of Customer’s forecasted energy consumption for the meters listed in this TC. Seller *may* invoice Customer for the costs of purchasing additional energy or liquidating energy purchases made on behalf of Customer, as well as any related costs *only* upon the deviation (increase or decrease) in the Customer’s monthly MWh energy consumption by an amount greater than 100% compared to the monthly Contract Quantities for the applicable months reflected on this TC and such deviation occurs 2 times during any 6 consecutive months.



Definitions: Terms not otherwise defined in this TC or the MSA shall have the respective meaning given such terms in the ISO/Utility/EDC rules, tariffs or other governmental regulations, or if such term is not defined therein then it shall have the well-known and generally accepted technical or trade meaning customarily attributed to it in the Texas electricity industry as applicable.

“**Hold-Over Rate**” means the applicable real-time LMP plus all applicable pass-through charges, plus \$5/MWh. Pass-through charges are all costs incurred by Seller to supply Energy to Customer hereunder regardless of whether such costs were included in Contract Price or treated as a Pass-through charge prior to the Renewal Period.

“**LMP**” (Locational Marginal Price) means the offer and/or bid based marginal cost of serving the next increment of load at an electrical bus, which marginal cost is produced by the real-time process.

“**Market Index Rate**” means the applicable real-time LMP plus all costs listed in Exhibits B and C below whether designated as included in contract price or passed through at cost.

“**ERCOT**” means the Electric Reliability Council of Texas.

“**PUCT**” means the Public Utility Commission of Texas.

EXHIBIT B Costs included in Contract Price		
-Wholesale price of energy	-Regulation Service (Reg Up, Reg Down)	-Reliability Must Run (RMR) Reserve Service
-Capacity/Demand Charges	-Responsive Reserve Service	-Black Start Service
-PUCT Credit Requirements	-Non-Spinning Reserve Service	-Voltage Support Service
-REP Administration and Margin Fees	-Reliability Unit Commitment (RUC) for non-LMP contracts	-Charge for Emergency Power Increase
	-Real Time Revenue Neutrality Adjustment (RTRNA)	-Emergency Response Services (ERS)
	-Renewable Portfolio Standard Obligations	-ERCOT System Administration Fee
	-Trade Hub to Load Zone Basis (Interzonal Congestion)	-ERCOT ISO Fee
		-ERCOT Reliability Charge
		-4492 Subchapter M
		-Other ERCOT Charges
		-Monthly CRR Settlement

EXHIBIT C Pass-through Charges (passed to Customer at cost)		
TDSP Charges - regulated by Public Utility Commission of Texas and imposed by the TDSP(s)		
-Customer Charges	-Utility-imposed Reactive Power Charges	
-Metering Charges	-Charges for services, repairs, and equipment	
-Transmission & Distribution Charges	-Other TDSP charges	
-System Benefit Fund Charges	-Municipal Franchise Fees	
-Nuclear Decommissioning Charges	-Advanced Metering Charge	
-Competitive Transition Charges	-Gross Receipts Tax (if applicable)	
-Transition Charges	-Sales Tax	
-Excess Mitigation Credits	-Public Utility Assessment (PUCA)	-TDSP line losses
		-Unaccounted for Energy (UFE)



Shell ENERGY

EXHIBIT D Delivery Points

Delv. Pt#	ESI ID	Service Address	City, State, Zip	Utility	Load Zone	Method of Billing	Meter Read Date/Special Date
1	10443720007894192	01716 Hal Ave	Cleburne, TX 76031	Oncor	North	Supplier Consolidated - Bill Ready	08/01/2022

As applicable to products with wholesale energy pricing and/or wholesale costs components that are passed-through to Customer at cost:

- I understand that the volatility and fluctuation of wholesale energy pricing (including LMP or Index pricing) may cause my energy bill to be multiple times higher in a month in which wholesale energy prices are high. I understand that I will be responsible for charges caused by fluctuations in wholesale energy prices.
- For Customers on the Hold-Over Rate: I understand that these potential price fluctuations may include wholesale prices (including LMP or Index pricing); if I am on a holdover, month to month plan, I will be responsible for all such charges.
- I also understand that my energy bill may include a separate assessment of ancillary service charges, which may cause my energy bill to be multiple times higher in a month in which ancillary services charges are high. I understand that I will be responsible for charges caused by fluctuations in ancillary service charges.

PUBLIC POWER POOL on behalf of its subscribing member, Johnson County

MP2 ENERGY TEXAS LLC d/b/a SHELL ENERGY SOLUTIONS

By:

By:
Jeffrey W. Colvin (Aug 13, 2022 09:25 CDT)

[Signature]

[Signature]

Name: Roger Harmon

Name: Jeffrey W. Colvin

Title: County Judge

Title: Authorized Signatory

Date: August 8, 2022

Date Accepted by Seller: August 10, 2022

In the event Customer is executing through an Agent, the Agent must sign below:

_____ (“Agent”) represents and warrants that it has the authority to enter into this transaction on behalf of the Customer and that the Agent’s signature on this document and any associated TC serves to bind the Customer to the terms and conditions of this transaction. Agent understands that Seller is relying on such representations and Agent hereby agrees to indemnify and hold harmless Seller and its affiliates from and against all claims, losses, expenses, damages, causes of actions or suits of any kind arising out of or relating to a claim by Customer that the Agent lacked authority to enter into this Agreement on behalf of such Customer.

NAME OF AGENT

By: _____



In the event of an emergency, power outage or wires and equipment service needs, contact your applicable Utility at:

<u>ISO</u>	<u>STATE</u>	<u>UTILITY</u>	<u>OUTAGE/ EMERGENCY CONTACT</u>
<u>ERCOT</u>	<u>TX</u>	<u>AEP</u>	<u>877-373-4858</u>
<u>ERCOT</u>	<u>TX</u>	<u>CenterPoint</u>	<u>800-332-7143</u>
<u>ERCOT</u>	<u>TX</u>	<u>Oncor</u>	<u>888-313-4747</u>
<u>ERCOT</u>	<u>TX</u>	<u>TNMP</u>	<u>888-866-7456</u>
<u>ERCOT</u>	<u>TX</u>	<u>Nueces</u>	<u>800-632-9288</u>