

# Mayor and Council Communication

DATE: 06/14/22

M&C FILE NUMBER: M&C 22-0451

LOG NAME: 19TXU ENERGY AID 2022

## **SUBJECT**

(ALL) Ratify Extension of the 2015-2020 Agreement with TXU Energy Retail Company, LLC for its Energy Aid Program to Extend the term to December 31, 2021, Authorize Execution of a New Agreement in an Amount Up to \$700,000.00 for the TXU Energy Aid Program from January 1, 2022 through December 31, 2027, and Adopt Attached Appropriation Ordinance

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## **RECOMMENDATION:**

It is recommended that the City Council:

1. Ratify the extension of the 2015-2020 Agreement with TXU Energy Retail Company, LLC for its Energy Aid Program to extend the term of the Agreement to December 31, 2021;
  2. Authorize the acceptance of interest earned for the advanced funds in the amount of \$1,243.96;
  3. Authorize the execution of a new Agreement with TXU Energy Retail Company, LLC in an amount up to \$700,000.00 for the Energy Aid Program from January 1, 2022 through December 31, 2027; and
  4. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Grants Operating Other Fund, subject to receipt of the grant, in the amount of \$701,243.96, for the purpose of funding the TXU Energy Aid Program.
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## **DISCUSSION:**

TXU Energy Retail Company, LLC. (TXU Energy), has developed the Energy Aid Program as a supplement to government and community aid programs designed to assist persons in financial distress to meet their energy-related costs. Since 2004, the City of Fort Worth Neighborhood Services Department's Community Action Partners Program, an Energy Aid Program recipient, has received funds from TXU Energy to assist low-income TXU Energy customers with their electric bills.

On April 07, 2015, (M&C C-27257) the City Council authorized an agreement with TXU Energy in an amount up to \$700,000.00, which ended on December 31, 2020. The Energy Aid Program has been extended through December 31, 2021. Therefore, staff requests approval to extend the term of the City's arrangement with TXU Energy to December 31, 2021 to coincide with the extended term of the program. To avoid untimely agreement renewals, NSD staff will monitor the terms in PeopleSoft's reporting module. Additionally, Staff requests authorization for the execution of a new contract with TXU Energy in the amount up to \$700,000.00 for the Energy Aid Program from January 1, 2022 through December 31, 2027.

During the period of April 2015 to March 31, 2022, the City received a total amount of \$425,000.00 from TXU Energy in the form of advanced funds. These funds earned interest earnings of \$1,243.96 which need to be appropriated by the City for the program. A total of 1,319 Tarrant County households have been assisted under this program with grant funds totaling \$380,002.11. It is projected that under the new agreement, up to 3,000 qualified households will receive assistance.

This program serves ALL COUNCIL DISTRICTS and remaining parts of Tarrant County.

A Form 1295 is not required because: This contract will be with an electric utility: TXU Energy Retail Company, LLC

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## **FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that upon approval of the above recommendations, and adoption of the attached appropriation ordinance, funds will be available in the current operating budget, as appropriated, in the Grants Operating Other Fund. The Neighborhood Services Department (and Financial Management Services) will be responsible for the collection and deposit of funds due to the City. Prior to expenditures being incurred, Neighborhood Services has the responsibility to validate the availability of funds. This is an advance grant.

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