

Mayor and Council Communication

DATE: 01/23/24

M&C FILE NUMBER: M&C 24-0026

LOG NAME: 19NS RELIANT ENERGY 2023

SUBJECT

(ALL) Ratify Extension of the 2017-2022 Grant Agreement with Reliant Energy Retail Services, LLC for its CARE Program to Extend the Term to December 31, 2023, Authorize Execution of a New Agreement in a Total Amount Up to \$100,000.00 for the Reliant CARE Program from January 1, 2024 through December 31, 2029, and Adopt Appropriation Ordinance

RECOMMENDATION:

It is recommended that the City Council:

1. Ratify the extension of the 2017-2022 Grant Agreement with Reliant Energy Retail Services, LLC for its CARE Program to extend the term of the agreement to December 31, 2023;
2. Authorize the acceptance of interest earned for the advanced funds in the amount of \$724.25;
3. Authorize the execution of a new agreement with Reliant Energy Retail Services, LLC in an amount up to \$100,000.00 for the CARE Program from January 1, 2024 through December 31, 2029; 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 \$100,724.25, for the purpose of funding the CARE Program.

DISCUSSION:

Reliant Energy Retail Services, LLC, (Reliant Energy) developed the CARE Program (Program) as a supplement to government and community aid programs designed to assist Reliant Energy customers in financial distress to meet their electric utility related costs. The Program is funded by voluntary contributions from Reliant Energy, its customers, its employees and third parties.

The Neighborhood Services Department's (NSD) Community Action Partners will administer the Program. Eligible recipients of the Program must be a Reliant Energy customer with an active account; the name must match the Reliant Energy customer account name; and recipients may receive payments not to exceed \$300.00 annually.

On June 06, 2017, the City Council authorized an agreement with Reliant Energy in an amount up to \$100,000.00, which ended on December 31, 2022 (Mayor and Council Communication C-28269). The CARE Program has since been extended through December 31, 2023. Therefore, staff requests approval to extend the term of the City's arrangement with Reliant Energy to December 31, 2023 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 Reliant Energy in the total amount up to \$100,000.00 for the CARE Program from January 1, 2024 through December 31, 2029.

During the period of June 2017 to September 30, 2023, the City received a total amount of \$73,732.98 from Reliant Energy in the form of advanced funds. These funds earned interest earnings of \$724.25 which need to be appropriated by the City for the program. A total of 254 Tarrant County households have been assisted under this program with grant funds totaling \$59,079.93. It is projected that under the new agreement, up to 350 qualified households will receive assistance.

The term of the Agreement will begin on the date of execution of the Agreement. The Agreement will automatically renew on a year-to-year basis until terminated. No indirect costs are allowed by Reliant Energy and no matching funds are required.

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: Reliant Energy Retail Services

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 Department has the responsibility to validate the availability of funds. This is an advance grant.

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