




## **MEMORANDUM**

**DATE:** March 7, 2017

**TO:** Elton Brock, Purchasing Manager

**CC:** Bryan Langley, Assistant City Manager

**FROM:** Melissa Kraft, Chief Technology Officer 

**SUBJECT:** Single-Sole Source Request – Open Systems International, Inc. (OSI)

Denton Municipal Electric (DME) utilizes the Supervisory Control and Data Acquisition (SCADA) system to monitor and control electric substations with distribution and transmission equipment. DME operates the generation short-term load forecast and market operations system to efficiently participate in the ERCOT regional market. DME uses the SCADA system to meet State and Federal regulatory requirements for electric system operation and reliability, as well as making business decisions for buying and selling electricity.

The SCADA system was originally purchased from Open Systems International, Inc. (OSI) in November of 2008 and the last upgrade was completed in 2013. This proposal includes hardware and additional software for the Primary and Backup operations for Energy Management Organization's Qualified Scheduling Entity (QSE) function, a Quality Assurance System (test environment) and a Program Development system. This includes a new SCADA system for the Denton Energy Center to control 12 engines. Additionally, this upgrade will provide added capabilities to Energy Management Organization's QSE function to support them in making Market decisions.

It is essential for the City of Denton to keep current subscription and maintenance with the software vendor in order to ensure availability of upgrades, software fixes, and access to knowledge and support resources. The Technology Services department could not identify any local vendors that could provide software maintenance or upgrade for this application.

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