

# **Denton Municipal Electric**

## **ABB/Ventyx ETRM Contract Amendment Approval**

**Individual Consideration  
(PUB 17-082)**

**April 24, 2017**



# ETRM Software

- **ABB/Ventyx Energy Trading Risk Management (ETRM) software contract amendment**
  - **June 2014:** Software procured utilizing competitive bidding process
  - **January 6, 2015:** Council provides direction for RDP at 70%
  - **Existing system is neither flexible nor robust enough to address the City's RDP focus**
    - **High variability of renewable PPA agreements require hourly updates to ERCOT**



# ETRM Software (continued)

- A much larger volume of transactions
  - ABB/Ventyx does not plan to enhance their software to accommodate RDP
- 
- Software is the System of Record for EMO transactions, similar to JD Edwards for City accounting functions
  - Contract price of system = \$1,619,155
  - Paid to date = \$ 971,616.01
  - Cost to amend contract (terminate) = \$ 204,282.79
  - Savings due to contract amendment = \$443,256.20



# **Staff Recommendation**

**Staff recommends that the Public Utilities Board consider a recommendation authorizing the City Manager to execute a contract amendment between the City of Denton and ABB/Ventyx, Inc.**

