



Agenda Report

18-627

Agenda Date: 6/12/2018

REPORT TO COUNCIL

SUBJECT

Agreement with Vicki Vanderburg, Inc. dba Power Systems Operations (PSO) for VERA Settlements software application and Cloud Hosting

BACKGROUND

The City of Santa Clara's Electric Utility dba Silicon Valley Power (SVP) uses the Validate, Estimate, Reconcile, Allocate (VERA) application software for its Power Trading Division to transmit power schedules to its joint agency partner and then the California Independent System Operator (CAISO). This allows SVP to complete real time logging, finalize comparisons with the actual meter reads at end of the month for transaction validation, purchase power settlement billing, and calculate and validate all CAISO related schedules. Over \$53 million in SVP transactions scheduled through the CAISO were validated and settled in 2017.

DISCUSSION

The VERA software package is currently being utilized by SVP staff which have been trained, and are satisfied with its capabilities to meet SVP's needs. While current VERA data validation software package will require substantial changes in the existing algorithms and charge codes to properly validate CAISO transactions, it is more cost effective and efficient to make these changes on the existing package rather than consider a new software option. The changes are a result of the CAISO's actions in 2018 to create market enhancements, other ongoing changes, and new releases of CAISO models which impact all software tools options.

By entering into this Agreement, SVP will receive the current and future required modification and maintenance of the existing application software, along with application hosting services. The VERA software was designed and written by Power Systems Operations (PSO) for the purpose of validating CAISO settlements.

ENVIRONMENTAL REVIEW

This action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

FISCAL IMPACT

The total cost of the Agreement for the Performance of Services will not exceed \$314,600 over a (2) two-year period. SVP will be charged on an actual time and materials basis to complete the tasks

listed in the scope of services. Sufficient funds are available in the Electric Department Contractual Services Not Classified account and will be requested for appropriation in future years.

COORDINATION

This report has been coordinated with the Finance Department and City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

Approve an Agreement for the Performance of Services with Vicki Vanderburg, Inc. dba Power System Operations for VERA Settlements software application and Cloud Hosting in an amount not-to-exceed \$314,600 over a two (2) year period.

Reviewed by: John C. Roukema, Chief Electric Utility Officer

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Agreement for the Performance of Services with Vicki Vanderburg, Inc. dba Power Systems Operations