

Resolution of Council

16 April 2018

Item 6.5

Exemption from Tender - Large Market Electricity Procurement

It is resolved that:

- (A) Council approve an exemption from tender, in accordance with section 55(3) (i) of the Local Government Act 1993, to contract with the City's existing supplier of electricity for 18 months, noting the electricity pricing considerations set out in confidential Attachment A to the subject report;
- (B) Council note that the reason for seeking an exemption from tender is that due to extenuating circumstances a satisfactory result would not be achieved by inviting suppliers, due to:
 - (i) market analysis shown within confidential Attachment A to the subject report, highlighting that Supplier A provides better value than current market expectations;
 - (ii) the risk of the market price for electricity increasing before the expiry of the current contract on 30 June 2018; and
 - (iii) providing time for Council to better understand options for future long-term electricity purchases with its commitment to achieving at least 50 percent renewables in its supply of electricity by 2021;
- (C) authority be delegated to the Chief Executive Officer to execute and administer the extension of Supplier A for 18 months, and to negotiate, execute and administer future variations, including a further extension of up to 18 months, should this be commercially expedient; and

(D) Council note that an Expression of Interest will be issued shortly for the long-term supply of electricity that will address City's 2021 renewable target.

Carried unanimously.

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