



# An Introduction to Public Power Pool (P3) *for* Hidalgo County

*The largest aggregation in Texas  
competitively bidding power for the public sector  
and delivering close-to-wholesale pricing*

P3 members' combined annual load: 1,037,933 MWh

P3 members' combined annual spend: \$73.6 million

Number of members: 100

Number of member accounts: 5,475

Member savings to date: \$125.8m since 2002



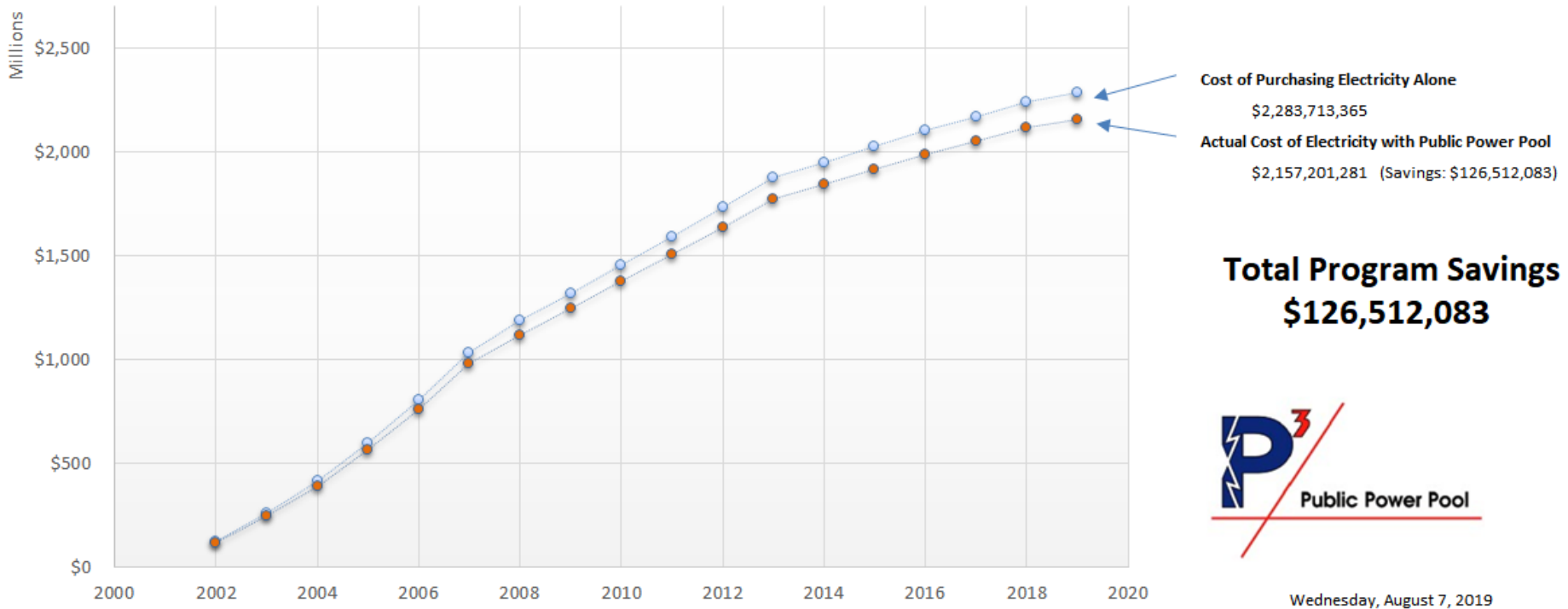
*P3 is a 501 c-4 non-profit political subdivision corporation created to save taxpayer dollars by procuring electricity in bulk, negotiating better contracts, and providing full account management. Membership is open to all counties in the deregulated areas of ERCOT.*

# Public Power Pool: 100 Members

- |                                   |   |                                   |
|-----------------------------------|---|-----------------------------------|
| Atascosa County                   | Ector County                            | Midland County                    |
| Bee County                        | Ector County Appraisal District         | Midland CSCD                      |
| Bell County                       | Falls County                            | Mills Road MUD                    |
| Bell County Appraisal District    | Foard County                            | North Central TX Council of Govts |
| Brazoria County                   | Foard County Hospital District          | North Mission Glen MUD            |
| Calhoun County                    | Fountainhead MUD                        | NTTA North TX Tollway Authority   |
| Central Texas Council of Govts    | Freestone County                        | Nottingham Country MUD            |
| Chambers County                   | Galveston County                        | Nueces County                     |
| Chelford City MUD                 | Grayson County                          | Nueces County MHMR                |
| Cherokee County                   | Greater Harris Co 911 Emergency Network | Presidio County                   |
| Cinco MUD #7                      | Green Trails MUD                        | Rains County                      |
| City of Arcola                    | Harris County                           | Reeves County                     |
| City of Bedford                   | Harris Health System                    | Rockwall County                   |
| City of Bryson                    | Harris County Appraisal District        | Rolling Creek MUD                 |
| City of Cockrell Hill             | Harris County MUDs #                    | Runnels County                    |
| City of Crowley                   | 11, 18, 23, 46, 102, 191, 278 & 383     | San Patricio County               |
| City of Friendswood               | Harris County Sports & Convention Corp. | Scurry County                     |
| City of Haslet                    | Heatherloch MUD                         | Smith County                      |
| City of Hutchins                  | Heart of Texas Region MHMR              | Somervell County                  |
| City of Jamaica Beach             | Howard County                           | Tarrant Appraisal District        |
| City of Santa Fe                  | Irion County                            | Tarrant County                    |
| City of Uvalde                    | Jack County                             | Tarrant County 911 District       |
| Collin County                     | Jackson County                          | Tarrant County Hospital District  |
| Cooke County                      | Jeff Davis County                       | Town of Lakeside                  |
| Coryell County                    | Jim Hogg County                         | Uvalde County CSCD                |
| Crockett County                   | Johnson County                          | Van Zandt County                  |
| Cypresswood Utility District      | Johnson Co. Central Appraisal District  | Wharton County                    |
| Dallas Central Appraisal District | Kaufman County                          | Wichita Appraisal District        |
| Dallas County                     | Kleinwood MUD                           | Williamson County                 |
| Denton County                     | Mason Creek MUD                         | Wise County                       |
| Dickens County                    | McLennan County                         | Zapata County                     |
|                                   | MHMR Tarrant County                     |                                   |

# P3's Record: \$126,512,083 saved to date against market prices since 2002

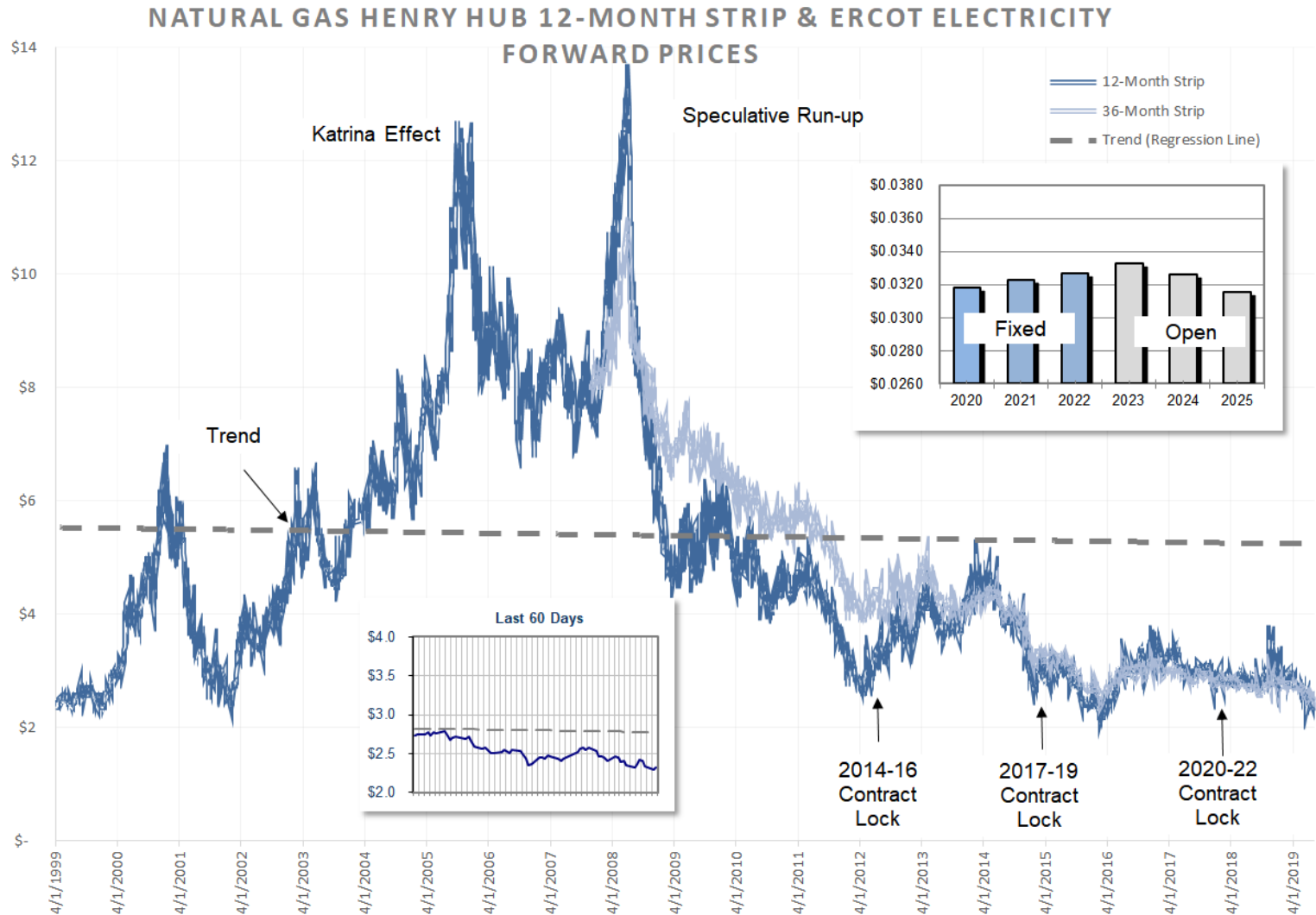
P3 Program Performance



P3's last procurement delivered the lowest rate in the program's 17-year history; members saw average rate reductions of 16.4%

# P3's Track Record to Date:

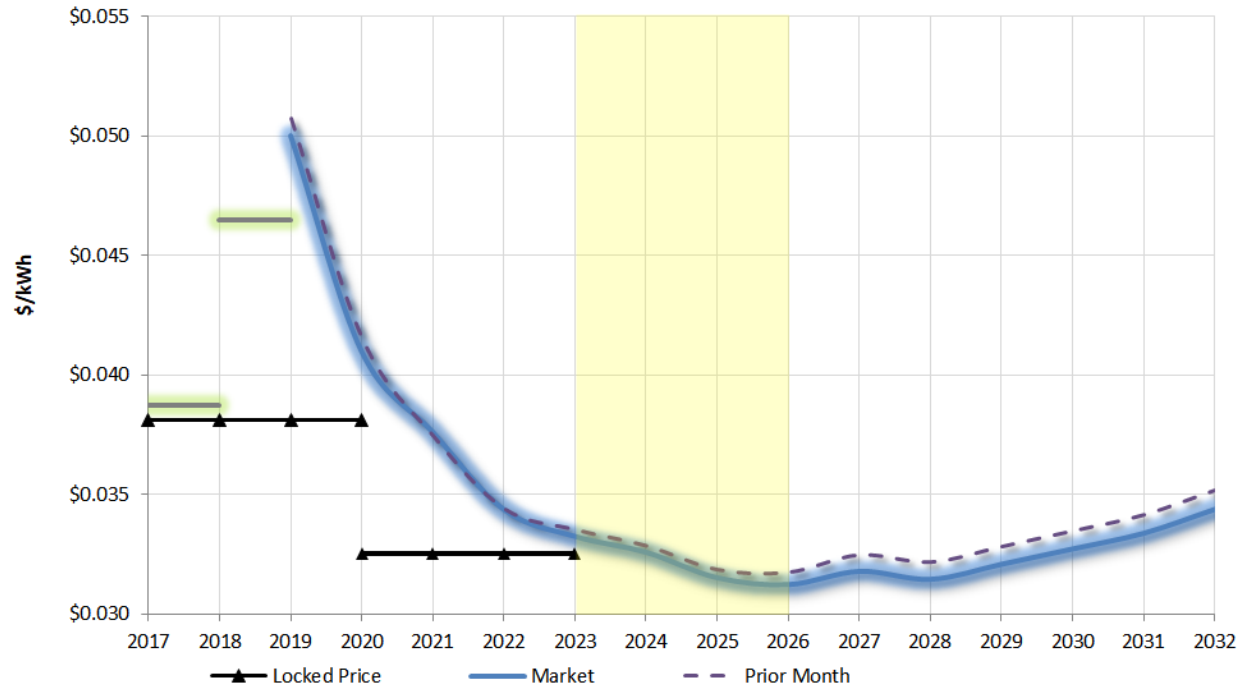
## Contracts have protected members from exposure to risk



# Looking Forward: Building on our Savings Record

- Now is a great time for counties to join P3 as the group prepares to enter the market to secure future electricity needs at historically low fixed rates...

Forward Retail Electric Rates, ERCOT Blend



- P3's members and Board approve all our procurements before we act
- Members have 60 days to review our price targets before deciding
- Every registered retailer is invited to bid: last time, 38 REPs responded
- New members are aligned with existing members to deliver close-to-wholesale pricing for all

# Five Reasons why P3 is Hidalgo County's Best Option for Purchasing Power

## 1 P3 negotiates bulk discounts unavailable if you act alone

- The combined flattened group load we take to market reduces risk for the retailer, producing discounted rates and competitive bids from eager suppliers
- An entity procuring power alone would pay over 1/3 – 1/2 cent/kWh more

## 2 P3 contracts are the most county-friendly in the business

- No penalties for consumption changes due to aggregated swing provisions
- No minimum use requirements
- Enhanced supplier performance standards and enforcement penalties
- Competitive pricing for large load adds; small loads added at the contract price
- Unfettered member access to demand-side programs

## 3 P3 provides customized support to all members

- From expertly-managed RFPs & procurements to unlimited account adds & deletes, monthly bill checks, semi-annual audits, forward budgeting, HB3693 reports, account and load analyses, P3 helps you plan

## 4 P3's transparent aggregation fee @ **59.3 c/MWh**: the lowest in the business

- By sharing energy expertise, legal counsel, operating expenses and account management, you receive a suite of services without paying a premium

## 5 P3 is a non-profit owned & operated by our members – including 49 counties

- Unlike brokers, we take no commission from REPs to steer business their way
- Our unbiased, ethical RFP awards contracts to only the best and lowest offer

# Public Power Pool Board of Directors

## Hon. Glen Whitley

County Judge  
Tarrant County

## Hon. Clay Jenkins

County Judge  
Dallas County

## Hon. Dennis Bailey

Commissioner, Pct. 3  
Rockwall County

## Hon. Adrian Garcia

Commissioner, Pct. 2  
Harris County

## Ms. Anita Campbell

Chief Appraiser-Executive Director, Ector County Appraisal District

## Public Power Pool Staff

John Dahill – Executive Director

David Quin – Program Manager

Lori Scarmardo – Program Administrator

Brandon Fowler and Stephen Parr – Energy Experts

Tel: 512.233.5780 Web: [www.publicpowerpool.org](http://www.publicpowerpool.org)



# How to Join Public Power Pool

The County must adopt a Minute Order / Resolution (draft included) which:

- ✓ Approves our Articles of Incorporation;
- ✓ Approves our Bylaws;
- ✓ Designates a Representative to serve as P3's primary point of contact
- ✓ Identifies all ESI ID numbers and addresses for which P3 is authorized to purchase electricity;

## What Does Membership Cost?

- ❖ The County's one-time membership fee would be \$5,290 (\$250 plus \$30 per account for the first 100 accounts, \$15 per account thereafter).
- ❖ Our aggregation fee of 59.3 cents/MWh is the lowest fee in the business. *Brokers charge up to six times more and provide much less.* To be transparent, our aggregation fee shows up as a line item on your bills; there are absolutely no hidden charges.

# Three Considerations for Hidalgo County

1. Consider joining P3's contract for an initial 37-month term:
  - Our comprehensive RFP was already completed. By joining P3, we will seek bids on your load and deliver the lowest available rate for an initial 37-month term.
  - Your accounts will now be aligned with 100+ other political subdivision members for P3's next groupwide procurement, meaning bulk discounts and close-to-wholesale pricing that is 1/3 to 1/2 cent less per kWh in the future.
2. Include consultant costs as part of your total energy costs:
  - The County currently pays its consultant \$40,000 a year.
  - P3's transparent aggregation fee @ 59.3 cents/MWh = \$11,267 a year.
3. Consider that with P3 you get "more for less":
  - Turnkey procurement services – our RFP is sent to all REPs in Texas
  - A better contract, designed to protect county interests – no swing provisions or penalties for material change or minimum use, load additions at contract price
  - Full account management - adds, deletes, switches at no charge
  - Semi-annual account audits and monthly bill reviews, with reimbursements sought for late or incorrect bills
  - Energy consumption analyses, annual usage and spend reports for constituents, semi-annual Forward Budget Reports
  - Customized services: REC purchasing, load shaping, legal back-up if needed, on-going access to energy experts, networking with other large counties