

City Of Houston Saves \$30 Million Per Year In Energy Costs

SERVICES PROVIDED

- Strategic Procurement
- Risk Management
- Sustainability

CLIENT NEEDS

There are many committees and agencies dedicated to the success of Houston. All of the decision-makers have diverse and expansive responsibilities, but often are spread too thin trying to manage our city. Choice is committed to empowering its clients with the information and tools needed to make the most informed decisions. Other challenges included:

- Credit
- Communication
- Bidding Process
- City budget
- Legal perspective
- Variety of tax implications
- Analysis of load (per zip code) and its full capacity
- Committees and boards for every sector involved in decision making process

APPROACH

After being awarded with the job, Choice Energy services approached the City of Houston with the implementation of new strategies for energy management. City of Houston objectives involved:

- Analysis of current load and expected growth pattern
- Implementation of a competitive and sustainable energy program
- Education of committee and board
- Risk analysis
- Product creativity to mitigate risk and increase savings
- Procurement in accordance of thier communicated needs, budget and risk tolerance

SOLUTION AND RESULTS

- Incorporate General Land Office (which is by structure, GRT tax exempt) into the bidding process to ensure an apples-to-apples comparison in determining per unit price
- Combination of heat rate and real time product

An analysis of the previous year provided insight into the electrical consumption and costs for Houston. Choice combined this historical information with its energy expertise and created a process to reduce energy costs.

In addition, Choice also considered street lights as a separate entity. The lights represents 10% of the City's load. Because lights are activated during non-peak hours, a combination of heat rate and real time pricing resulted in significant savings.



FAST FACTS

Industry: Government

Annual Usage: 1.3 billion megawatt hours

Measure of Success: \$30M annually

TESTIMONIAL

"It's a great deal for us. We are getting a competitive price and we are able to slect a local corporation to do the work. We have a responsibility to the city and the people of Houston to do everything we can to keep jobs in our city. This selection reinforces that commitment."

Mayor Annise Parker
City of Houston