



City of Needles, California Request for Commission Action

☐ CITY COUNCIL ☒ BOARD OF PUBLIC UTILITIES ☒ Regular ☐ Special

Meeting Date: September 2, 2025

Title: Western Area Power Administration FY26 Q2 Term Purchase

Background: Staff transacted for FY26 Q2 term (October – December 2025) purchase on July 31, 2025. Pricing was forecasted at \$724,000.

| TO BE WITHIN ~10% OF LOAD | | | | PLUS 10% FOR MARKET FLUCTUATION | | |
|---------------------------|---------------------|---------------------|---------------------|---------------------------------|---------------------|---------------------|
| MONTH | OFF PEAK | ON PEAK | TOTAL | OFF PEAK | ON PEAK | TOTAL |
| Oct-25 | \$76,767.60 | \$155,714.40 | \$232,482.00 | \$84,444.36 | \$171,285.84 | \$255,730.20 |
| Nov-25 | \$75,370.05 | \$105,504.00 | \$180,874.05 | \$82,907.06 | \$116,054.40 | \$198,961.46 |
| Dec-25 | \$92,069.60 | \$152,705.28 | \$244,774.88 | \$101,276.56 | \$167,975.81 | \$269,252.37 |
| Total | | | | | | |
| >> | \$244,207.25 | \$413,923.68 | \$658,130.93 | \$268,627.98 | \$455,316.05 | \$723,944.02 |

The request for proposal received came in lower than forecasted at \$659,606.25. The savings of \$64,393.75 from this transaction will be utilized for spot purchasing for October – December 2025.

In comparison to the same term for the prior year. For FY2024 Q2 came in at \$543,521.60; however, spot purchases through the term were \$424,787.66. To reduce the spot purchases, the forecasted load for this term was increased to 7/9 MW hours compared to 5/4. While this term is slightly higher compared to the prior year, the price per MW is lower, and the city increased the load.

Fiscal Impact: The FY26 power purchase expenditure account has an annual budget of \$724,000. The current balance prior to this transaction is \$6,494,731.58. The total budget for the purchase power account for FY 26 is \$6,600,000.

Recommended Action: Report only

Submitted By: Rainie Torrance, Utility Manager

City Manager Approval: Patrick J. Martinez

Date: 8/26/2025

Other Department Approval (when required): _____

Date: _____