



CITY OF HOUSTON
FINANCE DEPARTMENT
Strategic Procurement Division

Annise D. Parker

Mayor

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December 10, 2014

SUBJECT: Letter of Clarification No. 7
Long Term Power Purchase Agreement for 30 Megawatts (MW) of Renewable Energy

REFERENCE: RFP No.: S33-T25140

TO: All Prospective Respondents

This Letter of Clarification is issued for the following reasons:

1. To provide a response to the following questions:

ID#

1. Question Who is the credit support provider, the city of Houston or the REP for the term of the contract?

Response The credit support for the purchase of energy from the renewable facility will be provided by the City's REP. Article III, Sections 52 and 53 of the Texas Constitution prohibits the City from lending its credit. Furthermore, Article XI, Section 5 of the Texas Constitution prohibits an unfunded liability. The effect of these provisions is that the City cannot provide a 20 year credit support without a corresponding allocation of funds.

When issued, Letter(s) of Clarification shall automatically become a part of the solicitation documents and shall supersede any previous specification(s) and/or provision(s) in conflict with the Letter(s) of Clarification. All revisions, responses, and answers incorporated into the Letter(s) of Clarification are collaboratively from both the Strategic Procurement Division and the applicable City Department(s). It is the responsibility of the respondent to ensure that it has obtained all such letter(s). By submitting a proposal on this project, respondents shall be deemed to have received all Letter(s) of Clarification and to have incorporated them into their proposals.

If you have any questions or if further clarification is needed regarding this solicitation, please contact me.

Sincerely,

A handwritten signature in cursive script that reads "Conley Jackson".

Conley Jackson
Senior Procurement Specialist
Strategic Purchasing Division
832-393-8733

END OF LETTER OF CLARIFICATION NO. 7