



MEMORANDUM

OCPPA Agenda
Item No. PPA. B
5/20/2025

The City of OKLAHOMA CITY

TO: Chairman and Trustees of the Oklahoma City Public Property Authority

FROM: Craig Freeman, City Manager/General Manager, OCPPA

Renewal No. 1 of Base Contract for Sale and Purchase of Natural Gas with BlueMark Energy, LLC for natural gas purchase and supply management services, estimated annual cost \$1,600,000, July 1, 2026 through June 30, 2027.

Purpose:

The Oklahoma City Public Property Authority (OCPPA) is requesting approval to renew the agreement with BlueMark Energy, LLC to continue providing natural gas purchase and supply management services.

Background:

On July 18, 2023, the OCPPA (Item No. PPA.B) approved a contract with BlueMark Energy, LLC for the purchase and supply management of natural gas through June 30, 2026, with an option to renew annually. Staff requests that the OCPPA approve the first of two available one-year renewal options for this agreement.

The City of Oklahoma City and its related trusts currently have 34 facilities that consume natural gas in volumes that qualify for use of a third-party supplier. These services allow the City to secure favorable market rates and optimize procurement through supply management, resulting in significant cost savings compared to purchasing gas directly from the local utility, Oklahoma Natural Gas (ONG).

The renewal period beginning July 1, 2026, through June 30, 2027, will allow OCPPA to continue leveraging BlueMark Energy's services to maintain stable pricing and improve budget predictability. Initiating the renewal at this time is necessary to align with current procurement procedures, which require natural gas to be secured up to one year in advance of the service period.

Source of Funds:

Natural Gas > OCPPA > OCPPA-Natural Gas > Professional Services – Other (OCPPA-4201-9802004-52040046)

Estimated Costs:

Approximately \$1,600,000 per year for the purchase of natural gas

Review:

Finance Department

Recommendation: Contract be renewed.