



**ELECTRIC UTILITY COMMISSION  
REGULAR MEETING MINUTES – APPROVED 4/19/10  
MARCH 22, 2010**

**The Electric Utility Commission (EUC) convened in a regular meeting on March 22, 2010 in the Shudde Fath Conference Room at 721 Barton Springs Road in Austin, Texas.**

**1. CALL TO ORDER**

Chair Phillip Schmandt called the meeting to order at 6:00 p.m.

Commissioners in attendance: Chair Phillip Schmandt, Gary ‘Bernie’ Bernfeld, Shudde Fath, Steve Smaha, Steven Taylor, and Michael Webber. Vice Chair Linda Shaw was absent.

Staff in attendance: Robert Goode, Cheryl Mele, Kerry Overton, Elaine Hart, Andy Perny, Mark Dreyfus, Adrienne Brandt, David Wood, Steve Saenz, Karen Poff, Jeff Vice, Karl Rabago, Pat Sweeney, Ann Little, Drusilla Saenz, Jim Collins, John Wester, Jamie Mitchell, Clyde Canady, Matt Russell, Jawana ‘J.J.’ Gutierrez, David Kutach, Steve Machicek, Christopher Frye, Pat Alba, Sonny Poole, Scott Jarman, Fred Yebra, Brenda Harnsberry, Rosemary Ledesma, Toye Goodson Collins.

**2. APPROVAL OF MINUTES**

The minutes for the regular meeting of February 22, 2010 were approved on Commissioner Taylor’s motion and Commissioner Fath’s second, on a 6-0 vote.

**3. CITIZEN COMMUNICATIONS: GENERAL**

Scott Johnson – Central Texas Electric Lawnmower Program; Austin Climate Protection Program staffing

**4. NEW BUSINESS - Action on City Council agenda items related to Austin Energy**

The following Recommendation for Council Action (RCA) was pulled from the Consent Agenda for discussion. A motion to recommend approval was made by Commissioner Fath and seconded by Chair Schmandt. The vote resulted in a tie of 3-3 with Commissioners Fath, Schmandt and Taylor voting yes, and Commissioners Bernfeld, Smaha and Webber voting no.

RCA 1 – Acquisition of 5.87 acres of permanent electric easements from the Parks and Recreation Department at the Morris Williams Golf Course for construction of an electric substation, transmission and distribution lines, and a drainage area - \$1,500,000.

The following Recommendation for Council Action (RCA) was pulled from the Consent Agenda, discussed and recommended on Commissioner Fath’s motion and Commissioner Smaha’s second, on a 6-0 vote:

RCA 2 – 60-month lease with VISTA PROPERTIES for a new City of Austin-Austin Energy Customer Service Center - \$641,146.

The following RCA was pulled from the Consent Agenda, discussed and recommended on Chair Schmandt’s motion and Commissioner Smaha’s second, on a 6-0 vote:

RCA 3 – 12-month contract with SCHWEITZER ENGINEERING LABORATORIES, INC. for substation relay panels (\$1,411,468, with four 12-month extension options at \$1,411,468 per option, for a total contract amount of \$7,057,340).

The following revised RCA was pulled from the Consent Agenda, discussed and recommended on Commissioner Webber's motion and Commissioner Taylor's second, on a 6-0 vote. Chair Schmandt read aloud the underlined revisions made by the Purchasing Department prior to the meeting.

RCA 4 – Authorize award, negotiation, and execution of nine 24-month contracts with A-Plus Energy Management & A/C; American Conservation & Air; Apple Energy Group; ATC Engineering & Inspectors; City Conservation; McCullough Heating & Air Conditioning; Standard Renewable Energy; The Institute for Building Technology and Safety; and The Nelrod Company, for weatherization test in audit services - \$450,000 each and combined.

The following RCA was pulled from the Consent Agenda for discussion. The bid matrix was not yet available for review by the Commission. Commissioner Fath moved to recommend approval on the condition that the bid matrix be presented to City Council prior to their review of the item. Commissioner Taylor seconded the motion, which was approved on a 5-1 vote, with Commissioner Smaha voting no.

RCA 5 – Authorize award, negotiation, and execution of seven 24-month contracts with Airtech Energy Systems, Inc.; Climate Mechanical, Inc.; Efficient Green Collar Operations; Go Green Squads; McCullough Heating & Air Conditioning; Valdez Remodeling & Weatherization; and Weatherization Management Group for weatherization measures and improvement services - \$4,825,490 each and combined.

The following revised RCA was pulled from the Consent Agenda, discussed and recommended on Commissioner Taylor's motion and Commissioner Bernfeld's second, on a 6-0 vote. Chair Schmandt read aloud the underlined revisions made by the Purchasing Department prior to the meeting.

RCA 6 – Authorize award, negotiation, and execution of nine 24-month contracts with A-Plus Energy Management & A/C; American Conservation & Air; Apple Energy Group; ATS Engineering & Inspectors; City Conservation; McCullough Heating & Air Conditioning; Standard Renewable Energy; The Institute for Building Technology and Safety; and The Nelrod Company for weatherization final inspection audit services - \$250,000 each and combined.

## **5. PUBLIC HEARINGS**

- a. A public hearing was conducted to receive citizen input regarding the annual report on Austin Energy system information, as required by Council Resolution No. 20051201-002. Cheryl Mele, Chief Operating Officer, presented the report.

Speaker: Mike Sloan, with donated time from Chris Searles and Anthony Capraro.

Commissioners requested that the report be revised to include data such as CO2 emissions by fuel type, capacity factors for all units and energy efficiency measurements. Commissioners requested that the revised report will be presented in April or May.

- b. A public hearing was conducted to receive citizen input regarding possible amendments to the Competitive Matters Resolution No. 20051201-002.

Speakers: Mike Sloan (seven-minute presentation); Carol Biedrzycki, Texas ROSE; Tony Capraro; Roger Wood, Freescale, CCARE and Austin Generation Resource Planning Task Force; Andy Wilson, Public Citizen; Paul Robbins, environmental activist (with donated time from Chris Searles and Scott Johnson).

Commissioners requested that Austin Energy staff provide responses to questions and suggestions posed by Mike Sloan, Roger Wood and Paul Robbins. The speakers' presentations and comments, and staff responses, are to be posted to the Austin Energy website before the next public hearing to be held at the Commission's meeting in April.

Chair Schmandt asked that staff address two additional issues: 1) might releases of information reflecting prices paid by Austin Energy for fuel or other raw materials increase utility costs by allowing potential bidders to use the disclosed prices as a "floor" for their own bids, as they would know Austin Energy had already accepted such prices; and 2) what information currently considered confidential will be made public once the utility is in the nodal market, and what is the downside of releasing such information prior to the commencement of the nodal market?

#### **6. STAFF REPORTS AND BRIEFINGS**

- a. Upcoming Procurements Report by Rosemary Ledesma, Purchasing Manager.
- b. Financial Report by Steve Machicek, Corporate Accounting Director.
- c. Deferred Payment Arrangement and Disconnection Report by J. J. Gutierrez, Customer Care Vice President. Commissioners requested monthly written reports with oral presentations in "critical" summer months.
- d. Briefing on the Property Assessed Clean Energy "PACE" Program Under HB 1937 – Council Resolution No. 20091022-039 by Karen Poff, Market Research, Planning and Development staff member.

#### **7. FUTURE AGENDA ITEMS**

Commissioners requested the following agenda items:

- Staff responses regarding the Competitive Matters Resolution
- Public Hearings on the Competitive Matters Resolution in April, May and possibly June
- Six-month M/WBE Participation Update
- Quarterly Austin Climate Protection Program Update

#### **8. ADJOURNMENT**

Chair Schmandt adjourned the regular meeting of the Electric Utility Commission without objection at 9:17 p.m.