



Electric Utility Commission

May 17, 2010

6:00 PM

**Town Lake Center, The Shudde Fath Conference Room
721 Barton Springs Road, Austin, Texas**

AGENDA

The Electric Utility Commission may go into a closed session, if necessary, under Chapter 551 of the Texas Government Code to discuss or take action on a "competitive matter" of Austin Energy as provided for under Section 551.086. Reading and Action on Consent Agenda: Item 5a may be acted upon by one motion. No separate discussion or action on any of the items is necessary unless desired by a Commission Member.

1. CALL TO ORDER – 6:00 PM, MAY 17, 2010

2. APPROVAL OF MINUTES

3. CITIZEN COMMUNICATIONS: GENERAL

4. OLD BUSINESS

Presentation and discussion of Austin Energy's initial responses to questions regarding the review of the Competitive Matters Resolution No. 20051201-002

5. NEW BUSINESS

- a. Discussion and possible action on City Council agenda items related to Austin Energy
- b. Discussion and possible action regarding a service contract for consulting services for performing an independent financial analysis and affordability benchmarking of the bundled cost of delivered energy and customer billing analysis.
- c. Discussion regarding the Fiscal Year 2011-2015 Austin Energy Financial Forecast
- d. Discussion regarding the Fiscal Year 2010-2011 Budget including potential reduction strategies

6. STAFF REPORTS AND BRIEFINGS

- a. Upcoming Procurements Report
- b. Financial Report
- c. Solar Rebate and Incentives Program Update

7. FUTURE AGENDA ITEMS

8. ADJOURNMENT

The City of Austin is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request. If requiring Sign Language Interpreters or alternative formats, please give notice at least three days before the meeting date. Please call Toye Goodson Collins at Austin Energy at (512) 322-6450 for additional information. TTY users route through Relay Texas at 711.



**ELECTRIC UTILITY COMMISSION
REGULAR MEETING MINUTES
APRIL 19, 2010**

The Electric Utility Commission (EUC) convened in a regular meeting on April 19, 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, Vice Chair Linda Shaw, Gary 'Bernie' Bernfeld, Shudde Fath, Steve Smaha, Steven Taylor, and Michael Webber.

Staff in attendance: Robert Goode, Cheryl Mele, Kerry Overton, Elaine Hart, Andy Perny, Mark Dreyfus, David Wood, Chris Smith, Jeff Vice, Karl Rabago, Ester Matthews, Pat Sweeney, Ann Little, Drusilla Saenz, Jim Collins, John Wester, Shawn Harris, Clyde Canady, Jawana J.J. Gutierrez, David Kutach, Kathleen Garrett, Rose San Miguel, Steve Machicek, Pat Alba, Sonny Poole, Fred Yebra, Leslie Libby, Rosemary Ledesma, Laura Lee Franks, Toye Goodson Collins.

2. APPROVAL OF MINUTES

The minutes for the regular meeting of March 22, 2010 were approved on Commissioner Fath's motion and Vice Chair Shaw's second, on a 7-0 vote.

3. CITIZEN COMMUNICATIONS: GENERAL

Chris Searles – Competitive Matters review process

Paul Robbins – Green Choice

4. NEW BUSINESS

- a. Discussion and possible action on City Council agenda items related to Austin Energy – The following Recommendations for Council Action (RCAs) were recommended for approval on consent, on Commissioner Webber's motion and Commissioner Taylor's second, on a 7-0 vote:

RCA 1 – Resolution authorizing the filing of eminent domain proceedings for the construction of the 138 kV Gilleland to Techridge Transmission Line Project to acquire a 1.449 acre electric easement in the amount of \$38,359 from owner Willie Mae Burns.

RCA 2 – Resolution authorizing the filing of eminent domain proceedings for the construction of the 138 kV Gilleland to Techridge Transmission Line Project to acquire a 1.44 acre electric easement in the amount of \$43,760 from owners Edna Killian and Earl Brackett.

RCA 3 – Resolution authorizing the filing of eminent domain proceedings for the construction of the 138 kV Gilleland to Techridge Transmission Line Project to acquire a 7.53 acre electric easement in the amount of \$186,017 from owner HM Pfluger Ltd.

RCA 4 – Resolution authorizing the filing of eminent domain proceedings for the construction of the 138 kV Gilleland to Techridge Transmission Line Project to acquire a 2.69 acre electric easement in the amount of \$69,220 from owner Mark A. Szygenda.

RCA 5 – Resolution authorizing the filing of eminent domain proceedings for the construction of the 138 kV Gilleland to Techridge Transmission Line Project to acquire a 3.36 acre electric easement in the amount of \$109,266 from owners known collectively as the Whitehead By-Pass Trust.

RCA 6 - Approve acceptance of \$450,000 in grant funds from the U.S. DOE and amending the Fiscal Year 2009-2010 Austin Energy Budget to appropriate \$450,000 to promote the use of solar energy as part of a special project in partnership with the Department of Energy's Solar America Cities program.

RCA 7 – Authorize a 24-month Interlocal Agreement with AISD for work associated with the DOE's Solar America Cities Special Project, "Solar Curriculum Development and Demonstration Projects," including the installation of solar photovoltaic systems at 21 schools.

RCA 8 – Authorize a supplemental amendment to the professional services agreement with WESTON SOLUTIONS, INC., Austin, TX for construction phase services for the Holly Street Power Plant Decommissioning Project in an amount not to exceed \$4,255,497.99 for a total contract amount of \$7,007,347.39.

RCA 10 – Authorize a 12-month contract with POWER SUPPLY INC., Austin, TX, for 115kV and 138kV transformer bushings in an estimated amount not to exceed \$258,150, with four 12-month extension options at \$258,150 per option, for an estimated total contract amount of \$1,290,750.

RCA 11 – Authorize a 36-month contract with PRIESTER-MELL & NICHOLSON, Austin, TX, for the purchase of Sulfur Hexafluoride gas (SF6) padmount switchgear in an estimated amount not to exceed \$7,177,179 with three 12-month extension options at \$2,392,393 per option, for a total estimated contract amount not to exceed \$14,354,358.

RCA 12 – Authorize a contract with KBS ELECTRICAL DISTRIBUTORS INC., Austin, TX, for the purchase of 20,000 feet each of four-sizes of wire in an amount not to exceed \$136,200.

RCA 13 – Approve the ratification of a contract with SOLAR TURBINE INC., Houston, TX, for inspection and repair services on a gas turbine at Austin Energy's Mueller Energy Center in an amount not to exceed \$278,994.

RCA 14 – Authorize a contract with OLYMPUS NDT, INC., Waltham, MA, for the purchase of a video borescope for use on gas turbines in an amount not to exceed \$68,715.

RCA 15 – Authorize a 24-month requirements service contract with SIMGENICS, CORP., Grand Junction, CO, for operator simulator training services in an estimated amount not to exceed \$236,800, with two 12-month extension options at \$118,400 per option, for a total estimated contract amount not to exceed \$473,600.

The following RCAs were pulled from the Consent Agenda, discussed and recommended for approval on Chair Schmandt's motion and Commissioner Fath's second, on a 7-0 vote:

RCA 9 – Authorize amendments as required for construction phase services with DPR Construction, Inc., Austin, TX (Construction Manager at Risk) for Austin Energy's System Control Center for an estimated construction budget not to exceed \$67,000,000.

RCA 16 - Authorize two contracts through the Houston-Galveston Area Council of Governments Cooperative Purchasing Program (HGAC) with CALDWELL

COUNTRY CHEVROLET, Caldwell, TX, for the purchase of 16 light-duty vehicles in an amount not to exceed \$454,767, and DALLAS DODGE, Dallas, TX, for the purchase of three light-duty vehicles in an amount not to exceed \$58,478.

RCA 17 – Authorize a contract through the Texas Local Government Purchasing Cooperative (BuyBoard) with PHILPOTT MOTORS, LTD, Nederland, TX, for the purchase of 86 light-duty vehicles in an amount not to exceed \$2,242,025.81.

Agenda Item 5d, the Staff Briefing on policies related to disconnection of electric service, was moved up to accommodate speakers. The briefing was presented by J.J. Gutierrez, Customer Care Vice President. A proposed ordinance amendment will be brought forward for review by the Commission next month prior to Council consideration.

Carol Biedrzycki of Texas ROSE, Linnea Nasman of the MS Society, and Lanetta Cooper of the Gray Panthers made comments regarding proposed changes to the disconnection policies.

5. STAFF REPORTS AND BRIEFINGS

- a. The Upcoming Procurements Report was presented by Rosemary Ledesma, Purchasing Manager.
- b. The Financial Report was presented by Steve Machicek, Corporate Accounting Director.
- c. The Quarterly Report on the Austin Climate Protection Program was presented by Ester Matthews, Climate Protection Program Director and Karl Rabago, Distributed Energy Services Vice President.

The following item was postponed earlier in the meeting. The number reflects the order as it appeared on the agenda.

4. NEW BUSINESS

- b. Discussion and possible action on the proposed Austin Energy Resource, Generation, and Climate Protection Plan
Interim General Manager Robert Goode presented the most recent version of the plan. Mike Sloan offered comments to the Commission as did Matt Johnson of Public Citizen. The Commission voted to recommend approval of the plan on November 16, 2009 and concluded that it was unnecessary to vote again to support the plan.

The following item was postponed earlier in the meeting. The number reflects the order as it appeared on the agenda.

5. STAFF REPORTS AND BRIEFINGS

- e. Interim General Manager's Report: An update on the review of the Competitive Matters Resolution – Robert Goode provided an update on plans to present responses to questions posed at last month's meeting.

6. FUTURE AGENDA ITEMS

Commissioners requested that they receive a written update on the biomass plant in May.

7. ADJOURNMENT

Chair Schmandt adjourned the regular meeting of the Electric Utility Commission at 8:45 p.m. without objection.

STAFF’S INITIAL RESPONSES TO PUBLIC COMMENTS RECEIVED IN THE ELECTRIC UTILITY COMMISSION COMPETITIVE MATTERS REVIEW PROCESS

Austin Energy staff is currently working, through a number of teams, to thoroughly review the current City Council resolution regarding “competitive matters” that may be withheld from public access. Staff believes that there is room for numerous revisions based upon a decade of experience with the resolution – some provisions have never been used and likely will never be used, while others can nonetheless be discarded or rewritten. The goal of this review is to propose a top-to-bottom rewrite to update, narrow, or eliminate covered categories of information, and to establish reporting processes to mitigate those areas where staff believes continued protection is warranted. Annual reporting will also be increased in subject matter and detail.

Transparency is the starting point in each area, though staff currently believes that some information will need to remain protected for certain periods of time to ensure the most competitive operation of the utility for the benefit of ratepayers and the citizens of Austin. Please recognize that these responses are submitted in the middle of an ongoing and fluid dialogue. For instance, they do not address recently submitted materials regarding information reporting and that identify specific types of information that would be beneficial if made public or more readily accessible.

For purposes of responding to specific public comments that have been received through the ongoing process before the Electric Utility Commission, some have been consolidated (or one comment chosen when more than one was received on the same matter) to avoid repetition. Public comments are in bold.

Consumption should be public, both for individual buildings and in aggregate for the system by month, year, and rate class. Specific information that should be provided should also include coincident peak demand by rate class. Lists of customers such as GreenChoice should be public.

The utility is required under the current competitive matters resolution to provide annual consumption by rate class. This requirement can be broadened to include a monthly breakdown in the report. The report can also be made to include coincident peak demand information by class.

Austin Energy staff does not agree that individual customer information should or can be made publicly available. Putting aside the competitiveness issue, State law will not allow Austin Energy to reveal customer consumption data on an individual basis. Section 17.004(a) of the Texas Utility Code provides that “all buyers of telecommunications and retail electric services are entitled to ... (6) privacy of customer consumption and credit information.” Section 17.005 then provides that “the governing body of a municipally owned utility shall adopt, implement, and enforce rules that have the effect of accomplishing the objectives set forth in Sections 17.004(a) and (b) and 17.102, as to the municipally owned utility within its certificated service

area.” The utility cannot, therefore, make this information available even if it were removed from the resolution.

Austin Energy also believes that confidentiality of customer information is consistent with good public policy and maintaining the vitality of Austin Energy programs. Electric customers, like other customers, generally have an expectation of privacy when dealing with utilities or credit institutions. Customers may be deterred from participating in Austin Energy programs such as GreenChoice if they knew their participation would put them on various lists maintained by outside persons or companies.

Lastly, though Austin Energy is not currently in retail competition, the Texas Legislature has the power to place the utility into a competitive retail market in a relatively short period of time, and information about individual facilities or customers would allow competitors to target specific customer segments and put Austin Energy at a competitive disadvantage. Significant investment on behalf of Austin’s citizens has been made in infrastructure, energy efficiency, research, and in developing business relationships. Because disclosure of a facility’s consumption information would risk diminution in the potential recoverable return to customers on operating or capital investments made by the utility in a market which could become competitive in the near future, Austin Energy believes that whatever benefits may be achieved by revealing customers’ individual consumption information is outweighed by the competitive risk to the utility.

No contract that has expired should be withheld for more than a year after it has expired.

Austin Energy staff is currently evaluating all time periods during which various competitive contracts should be withheld. Staff agrees that many can be shortened, and that all contracts should have a finite and defined release date. The review has not been completed but will be contained in staff’s proposed revisions to the resolution. Some contract categories may have a one-year release time-frame, though in some cases staff may recommend two. This evaluation is on-going, however, so a precise response can’t be given yet.

The cost of electricity by fuel type (gas, coal, nuke, wind) should be public.

The resolution currently requires Austin Energy to make available the average annual production cost (fuel plus O&M) of electricity on a system basis. This can be broken out by fuel type and included in Austin Energy’s annual reporting.

Per the current AE Generation Resource Plan, new generation sources (PPAs or AE owned) will be added at various times in the future. These can be expensive (i.e. \$2.3B Nacogdoches biomass PPA and \$250M Webberville solar PPA). Moving forward, for projects > 10 MW capacity, stakeholders want improved AE transparency and stakeholder participation in the following aspects of these type resources:

- a. Planning phase**
 - i. General info (i.e. technology, size/configuration, carbon impact, options, benchmarks)**
 - ii. Estimated project cost, schedule, job creation (US, regional, local), risks**
 - iii. Estimated ratepayer bill impact (residential, commercial, industrial)**
- b. RFP/bid evaluation phase**
 - i. Comparison of evaluation phase info with planning phase info**
 - ii. Recommendations**
 - iii. Approval process**
- c. Implementation phase**
 - i. Progress updates**
 - ii. Issues and resolutions**

Identify a stakeholder process to accomplish this. Identify potential conflicts with the Competitive Matters Resolution and propose how these can be resolved so stakeholders can have meaningful participation. How can this process be integrated into current and future AE Resource Generation Plans?

Austin Energy agrees that there are conflicts with the current resolution (e.g., paragraph I.B.3), and is working to propose a redraft of this section and others to address this concern. The requested information can largely be provided (subject to state requirements generally applicable to municipal purchasing processes – public participation in the actual bid and RFP evaluation process is not permissible). Austin Energy staff has been meeting with various stakeholders to discuss possible methods to address process concerns, and is also working to incorporate requirements for acquisition processes into the staff proposal for a revised resolution. There will be a rewrite of the segment dealing with generation resource acquisition information. Staff has also been directed by the City Council to develop affordability metrics for use in evaluating future resource acquisitions. This work should be completed by around September of this year.

The Austin Generation Resource Planning Task Force unanimously approved the following recommendation: “Each quarter Austin Energy should publicly provide an itemization of the fuel charge in the format shown on Appendix A (included below).” The intent of this recommendation was to provide a mechanism for customers to understand the following regarding cost of specific generation resources:

- Are actual costs meeting expected costs?**
- What are cost impacts to customer bills?**
- Benchmark to compare costs of similar new projects coming down the pipeline**

During the Task Force, AE verbally indicated they could provide this information. Now they have indicated they can’t due to provisions of the

Competitive Matters Resolution. Identify conflicts with the Competitive Matters Resolution and propose how these can be resolved so affordability can be a transparent and meaningful part of planning and implementation of the AE Generation Resource Plan. How can this solution be integrated into current and future AE Resource Generation Plans?

Austin Energy staff believes that continuous availability of the granular level of detail requested would provide wholesale competitors with unit-specific costs of the kind that are generally considered competitive or protected information in the ERCOT market (see, e.g., ERCOT Protocol 1.3.1.1(11)

<http://www.ercot.com/content/mktrules/protocols/current/01-010110.doc>), and that release of the information would provide Austin Energy's competitors with detailed marginal cost information and therefore a competitive advantage over Austin Energy in the market. The questions set forth above will be addressed by the affordability metrics staff has been instructed by the City Council to develop and implement, including project cost impacts on customer bills. In addition to developing affordability and benchmarking information, Austin Energy staff proposes to report fuel charge components on a fuel-specific, rather than unit-specific, basis. Fuel types and ERCOT fees and charges will be broken out on a percentage basis and will state what additional associated costs comprise each cost category.

Very recently (Jan 21, 2010), the Federal Energy Regulatory Commission (FERC) requested comments regarding transparency of wholesale energy costs of municipally owned electric utilities as well as Federal entities and certain electric cooperatives.

Presumably this enquiry is driven by pressure for increased transparency and will help FERC understand how to address this issue in the future. The inquiry is located at

<http://elibrary.ferc.gov/idmws/common/OpenNat.asp?fileID=12249546>.

AE routinely buys/sells energy on the wholesale market, therefore this enquiry hits at the core of AE's justification for the Competitive Matters Resolution. Will (or has) AE responded to this enquiry? If so, please provide a copy of the response as this will give everyone a better understanding of AE's position on this topic.

Austin Energy did not file comments in FERC docket RM10-12, because that proceeding does not affect municipal utilities operating in the ERCOT market. Section 824(b) of the Federal Power Act states that the FERC's jurisdiction extends only to the transmission or sale of power in interstate commerce, and that entities engaged only in *intrastate* commerce are exempt from its jurisdiction (with certain exceptions that are not relevant here). Likewise, the FERC's jurisdiction to enact price transparency rules under Section 824t (the statutory provision at issue in the FERC docket) extends only to interstate market participants. ERCOT is an entirely intrastate market, and thus ERCOT market participants, including municipal utilities such as Austin Energy, are exempt from FERC jurisdiction under Section 824(b) and 824t.

Docket RM10-12 concerns certain entities that are engaged in interstate commerce but generally exempt from FERC oversight under Section 824(f) – the federal government, states, municipalities, and certain federally funded cooperatives. The key here is to understand that these entities are nonetheless engaged in interstate commerce and therefore subject to FERC jurisdiction under Section 824t. The question in Docket RM10-12 is whether these 824(f) entities should be made subject to FERC interstate wholesale price reporting requirements under Section 824t. Austin Energy is not in this category, will not be affected by Docket RM10-12, and is therefore not filing comments. The docket has no relevance to ERCOT.

Although Austin Energy did not file comments in the docket, the Large Public Power Council (LPPC), of which Austin Energy is a member, did file comments to the effect that, with certain exceptions, it did not object to the expansion of FERC filing requirements to otherwise exempt entities in FERC regulated markets.

Does Austin Energy support resolution 10-06 of the American Public Power Association (APPA), which calls for full disclosure of generator cost information?

Austin Energy does not have a position on APPA resolution 10-06, because it is directed to the Federal Energy Regulatory Commission (FERC) with respect to its oversight of wholesale market participants engaged in interstate commerce. The FERC does not regulate the ERCOT market in which Austin Energy operates. Austin Energy would also note that resolution 10-06 is an interim committee-issued resolution that has not yet been adopted by the full APPA membership.

Austin Energy would likely be supportive of more *overall* market transparency in the ERCOT market if a concerted effort to implement such a policy change arose. It also believes that it should release information generally made available by other utilities in the ERCOT market. However, the issue currently before the Austin Electric Utility Commission is whether Austin Energy should *unilaterally* make available information while not itself having reciprocal access to its competitors' information. Austin Energy should have the opportunity to operate on the same playing field as other ERCOT power generators.

In light of the APPA resolution, does Austin Energy believe the 25-page “competitive matters” resolution needs extensive revision so that information already available to competitors is not withheld from the citizen-owners of the utility?

Austin Energy does not believe extensive revision is required solely because of the APPA resolution. It does not disagree with the assertion that wholesale market participants are able to make approximate estimates of their competitors' likely operating costs and bid positions. As stated above, Austin Energy would likely not oppose greater overall transparency in the ERCOT market, similar to that called for by the APPA resolution. However, the issue at hand is whether Austin Energy should unilaterally disclose exact information to its competitors while not having access to similar information in return. Austin Energy continues to believe that unilaterally

disclosing its exact cost and bid data to its competitors, without access to reciprocal information, would place the utility at a competitive disadvantage in the market.

It seems an important question: “What info is available to AE’s competitors”?

Austin Energy staff agrees that much information available to those who know where to look is not readily accessible to the average citizen. This is not due to the competitive matters resolution, however, but to the fact that much information is contained in databases or reported as raw data to a regulatory agency. In such cases, it may not be in readily available form. Staff agrees that reporting can be improved, and has met several times with stakeholders to address this problem. In addition to improved reporting by the utility, web links will be provided to various agency websites such as ERCOT, the PUCT, and the EPA where much information can be found. The EPA, for example, maintains hourly data regarding unit fuel input, electrical output, and emissions data. Information reported by ERCOT is set forth in ERCOT Protocol 12.4 (<http://www.ercot.com/content/mktrules/protocols/current/12-020110.doc>).

Staff disagrees, however, that market competitors have access to information that is not in some way otherwise public. Wholesale market participants may be able to make approximate estimates of their competitors’ likely operating costs and bid positions, but do not have access to specific data that is not in the public domain. Information that is filed with ERCOT or the PUCT is public, except for information that is deemed “protected information” under the ERCOT Protocols. ERCOT protocol 1.3 (which can be found at <http://www.ercot.com/content/mktrules/protocols/current/01-010110.doc>.) defines what types of information are or are not made available to the market. For example, resource specific costs, design and engineering data is generally not available and known to competitors.

**Requests for Council Action (RCAs) related to Austin Energy
For Review by the Electric Utility Commission on May 17, 2010**

AUSTIN ENERGY

1. Approve an ordinance authorizing acceptance of \$10,000,000 in American Recovery and Reinvestment Act (ARRA) competitive grant funds from the U.S. Department of Energy and amending the Fiscal Year 2009-2010 Austin Energy Operating Budget Special Revenue Fund of Ordinance No. 20090914-002 to appropriate funds for a Retrofit Ramp-Up Program and for the addition of eight (8) full-time equivalent positions to implement the program. (Council Date: 05/27/10; Staff Responsible: RABAGO)
2. Authorize negotiation and execution of an Interlocal Agreement with the City of San Antonio to allow cooperation and joint purchasing efforts with respect to implementing the Retrofit Ramp-Up Program under the federal American Recovery and Reinvestment Act of 2009. (05/27/10; RABAGO)
3. Approve an ordinance amending City Code Chapter 15-9 as it relates to utility customers on life support and utility disconnection moratoriums during extreme weather conditions. (06/10/10; GUTIERREZ, PERNY)

CONTRACT AND LAND MANAGEMENT

4. Authorize execution of a construction contract with HILL COUNTRY CONCRETE & MASONRY SUPPLY, INC, Kerrville, TX for the Wheless Lane Substation Wall in an amount not to exceed \$145,000. (06/10/10; WOOD)

PURCHASING

5. Authorize award and execution of a 12-month service agreement with TEXAS CRANE SERVICES, San Antonio, TX for the rental and operation of hydraulic and lattice boom cranes in an estimated amount not to exceed \$116,915 with three 12-month extension options in an estimated amount not to exceed \$116,915 per extension option, for an estimated total contract amount not to exceed \$467,660. (05/27/10; WOOD)
6. Authorize award, negotiation and execution of a contract with TEXAS ENGINEERING EXTENSION SERVICE, College Station, TX for the development of a National Incident Management Systems (NIMS) Incident Command System (ICS) 300 and 400 training course in an amount not to exceed \$53,178. (06/24/10; WOOD, McAFEE)
7. Authorize award, and execution of a 12-month requirements service contract, with ORACLE USA, Austin, TX, for the purchase of Oracle Customer Care & Billing software maintenance and support in an estimated amount not to exceed \$772,185 with six 12-month extension options in an estimated amount not to exceed \$772,185, for the first extension option, \$772,185, for the second extension option, \$772,185 for the third extension option, \$810,795 for the fourth extension option, \$851,335 for the fifth extension option, and \$893,902 for the sixth and final extension option for a total estimated amount not to exceed \$5,644,772. (05/27/10; POPHAM, GUTIERREZ, ORR)

8. Authorize award and execution of a 12-month requirements service contract with SAP CANADA, VANCOUVER, BC for the purchase of SAP software maintenance and support in an estimated amount not to exceed \$16,500 with six 12-month extension options in an estimated amount not to exceed \$16,500 per extension option, for a total contract amount not to exceed \$115,500. (05/27/10; POPHAM, GUTIERREZ, ORR)
9. Authorize award and execution of a contract through the Texas Local Government Purchasing Cooperative (BuyBoard) with PHILPOTT MOTORS, LTD., Nederland, TX, for the purchase of 16 medium-duty vehicles in an amount not to exceed \$754,298.25. (06/10/10; LEDESMA, FRANCIS)

SUBJECT: Approve an ordinance authorizing acceptance of \$10,000,000 in American Recovery and Reinvestment Act (ARRA) competitive grant funds from the U.S. Department of Energy and amending the Fiscal Year 2009-2010 Austin Energy Operating Budget Special Revenue Fund of Ordinance No. 20090914-002 to appropriate funds for a Retrofit Ramp-Up Program and for the addition of eight (8) full-time equivalent positions to implement the program.

AMOUNT & SOURCE OF FUNDING: Funding is available from the U.S. Department of Energy for the grant period of June 1, 2010 – June 1, 2013. No match is required.

FISCAL NOTE: A fiscal note is attached.

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on May 17, 2010 and by the Resource Management Commission on May 18, 2010.

FOR MORE INFORMATION CONTACT: Karl R. Rábago, Vice President, Distributed Energy Services.

RELATED ITEM(S): Related to RCA #2

The U.S. Department of Energy (DOE) has awarded the City of Austin (Austin Energy) \$10,000,000 in American Recovery and Reinvestment Act (ARRA) competitive grant funds to design, develop, and implement an ARRA Retrofit Ramp-Up Program. The purpose of this program is to create jobs and accelerate the number of residential and commercial comprehensive building retrofits in the Austin Energy service area by providing enhanced marketing and outreach and a new financing option to complement existing energy efficiency and solar programs.

The acceptance of these funds will allow Austin Energy to conduct customer research, develop marketing, provide contractor and customer outreach, design financing mechanisms, and provide oversight, inspections, tracking, and grant reporting activities. Eight FTEs will be employed during the grant period of June 1, 2010 to June 1, 2013 to implement the program.

A major component of this program will be to develop a Property-Assessed Clean Energy (PACE) financing mechanism whereby City of Austin property owners could use money from a financing pool and then repay their loans through a property tax assessment that would stay with the property even if it were sold. The financing pool could come from either municipal or private financing, and both options will be explored during this grant period. The public financing approach is supported by 2009 Texas legislation (House Bill 1937.) The cities of San Antonio and El Paso have also expressed their intention to move forward with PACE financing.

The City of San Antonio also received a DOE grant for \$10 million to develop a program approach and pursue financing options. Austin Energy intends to collaborate with San Antonio and El Paso and possibly other interested Texas cities to ensure that a PACE program can be developed to meet all state legal and financial requirements.

ORDINANCE NO.

AN ORDINANCE AUTHORIZING ACCEPTANCE OF \$10,000,000 IN AMERICAN RECOVERY AND REINVESTMENT (ARRA) COMPETITIVE GRANT FUNDS FROM THE U.S. DEPARTMENT OF ENERGY AND AMENDING THE FISCAL YEAR 2009-2010 AUSTIN ENERGY OPERATING BUDGET SPECIAL REVENUE FUND OF ORDINANCE NO. 20090914-002 TO FUND A RETROFIT RAMP-UP PROGRAM.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. The Council authorizes the addition of eight (8) FTE'S for the Retrofit Ramp-Up Program.

PART 2. The Council amends the Fiscal Year 2009-2010 Austin Energy Operating Budget Special Revenue Fund of Ordinance No. 20090914-002 to fund a Retrofit Ramp-Up Program.

PART 3. This ordinance takes effect on _____.

PASSED AND APPROVED

_____, 2010 § _____
 § _____
 § _____
 Lee Leffingwell
 Mayor

APPROVED: _____
 David Allan Smith
 City Attorney

ATTEST: _____
 Shirley A. Gentry
 City Clerk

RCA 2

CITY OF AUSTIN – AUSTIN ENERGY
RECOMMENDATION FOR COUNCIL ACTION

AGENDA DATE: 5/27/10

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SUBJECT: Authorize negotiation and execution of an Interlocal Agreement between the City of Austin/Austin Energy and the City of San Antonio to allow cooperation and joint purchasing efforts with respect to implementing the Retrofit Ramp-Up Program under the American Recovery and Reinvestment Act of 2009.

AMOUNT & SOURCE OF FUNDING: Funding is available from the Department of Energy pursuant to the American Recovery and Reinvestment Act (ARRA) of 2009, from June 1, 2010 to June 1, 2013. No match is required.

FISCAL NOTE: There is no anticipated financial impact. A fiscal note is not required.

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on May 17, 2010 and by the Resource Management Commission on May 18, 2010.

FOR MORE INFORMATION CONTACT: Karl R. Rábago, Vice-President,
Distributed Energy Services, 322-6098

RELATED ITEM: Related to RCA #1.

This proposed cooperative agreement by which either City (Austin Energy) or the City of San Antonio may solicit and purchase goods and services for Retrofit Ramp-Up Program will achieve cost savings and efficiencies by eliminating multiple government solicitations and reducing the administrative and overhead costs of both suppliers and participating governments.

The City (Austin Energy) and the City of San Antonio will share expertise and resources in order to efficiently provide weatherization services. Both Austin Energy and the City of San Antonio received American Recovery and Reinvestment Act (ARRA) funding through the U.S. Department of Energy for the Retrofit Ramp-Up Program. Coordination and cooperation may occur in the following areas of program implementation:

- Exchange of resources regarding eligibility and application
- Program resources
- Exchange of equipment
- Program training and certification
- Analysis or studies for development, design and implementation
- Coordination of Davis Bacon Act (Federal Labor Standards Act) Implementation

**CITY OF AUSTIN – AUSTIN ENERGY
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA DATE: 6/10/2010
PAGE 1 OF 1**

SUBJECT: Approve an ordinance amending City Code Chapter 15-9 as it relates to utility customers on life support and utility disconnection moratoriums during extreme weather conditions.

AMOUNT & SOURCE OF FUNDING: There is no unanticipated financial impact.

FISCAL NOTE: A fiscal note is not required.

FOR MORE INFORMATION CONTACT: Jawana Gutierrez, Vice-President, Customer Care, 322-6956.

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on May 17, 2010

The proposed amendments to the Utility Service Regulations set forth in City Code Chapter 15-9 will revise the City's practices regarding utility life support customers and utility service disconnections during extreme hot weather.

The proposed amendment to Section 15-9-23 redefines and expands the identification of customers with certain life support equipment and medically vulnerable conditions, thereby allowing these groups additional customer protections. The proposed amendment to Section 15-9-110 ensures that utility customers on a life support system or with a chronic illness will receive additional notifications before utility services are disconnected.

The proposed amendment to 15-9-109 replaces the current extreme weather utility disconnection moratorium for the summer.

RCA 4

CITY OF AUSTIN – CONTRACT & LAND MGMT. RECOMMENDATION FOR COUNCIL ACTION

AGENDA DATE: 06/10/10
PAGE: 1 of 2

SUBJECT: Authorize execution of a construction contract with HILL COUNTRY CONCRETE & MASONRY SUPPLY, INC, Kerrville, TX for Wheless Lane Substation Wall in an amount not to exceed \$145,000.

AMOUNT & SOURCE OF FUNDING: Funding is available in the Fiscal Year 2009-2010 Capital Budget of Austin Energy.

FISCAL NOTE: A fiscal note is attached.

FOR MORE INFORMATION CONTACT: Dorthy Kester, 505-7041; David Wood, VP, Electric Service Delivery,

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on May 17, 2010.

PURCHASING: Only bid received, but within the project manager's estimate.

MBE / WBE: This contract will be awarded in compliance with Chapter 2-9A of the City Code (Minority Owned and Women Owned Business Enterprise Procurement Program) by meeting the goals with 6.68% MBE and 1.21% WBE subcontractor participation.

This wall construction project is part of a larger project to upgrade Wheless Lane Substation, including efforts to improve the oil containment capability of the substation, increase the safety of the substation by upgrading the grounding, and develop security measures by installing cameras and lighting. This construction contract work consists of furnishing all labor, equipment and material necessary for a concrete screening wall with gates, including removal of an existing chain-link fence and gates. The work is required to improve the security and safety of the substation.

The contract allows 50 calendar days for completion of this project. Wheless Lane Substation is located in NE Austin, E of Cameron Rd and S of Hwy 290 (within zip code 78723).

Bid documents were distributed to nine general contractors. Bids were opened on April 22, 2010, with Hill Country Concrete being the lone bidder.

The contractor's choice of work methodology provides for ten areas of subcontracting opportunities which are listed below. Project specific goals stated in the solicitation were 6.55% MBE and 3.03% WBE. Total participation estimated on base bid amount of \$145,000:

<u>NON M/WBE TOTAL – PRIME</u>	<u>\$133,555.35</u>	<u>92.11%</u>
Hill Country Concrete, Kerrville, Texas		

<u>MBE TOTAL – SUBCONTRACTORS</u>	<u>\$9,687.50</u>	<u>6.68%</u>
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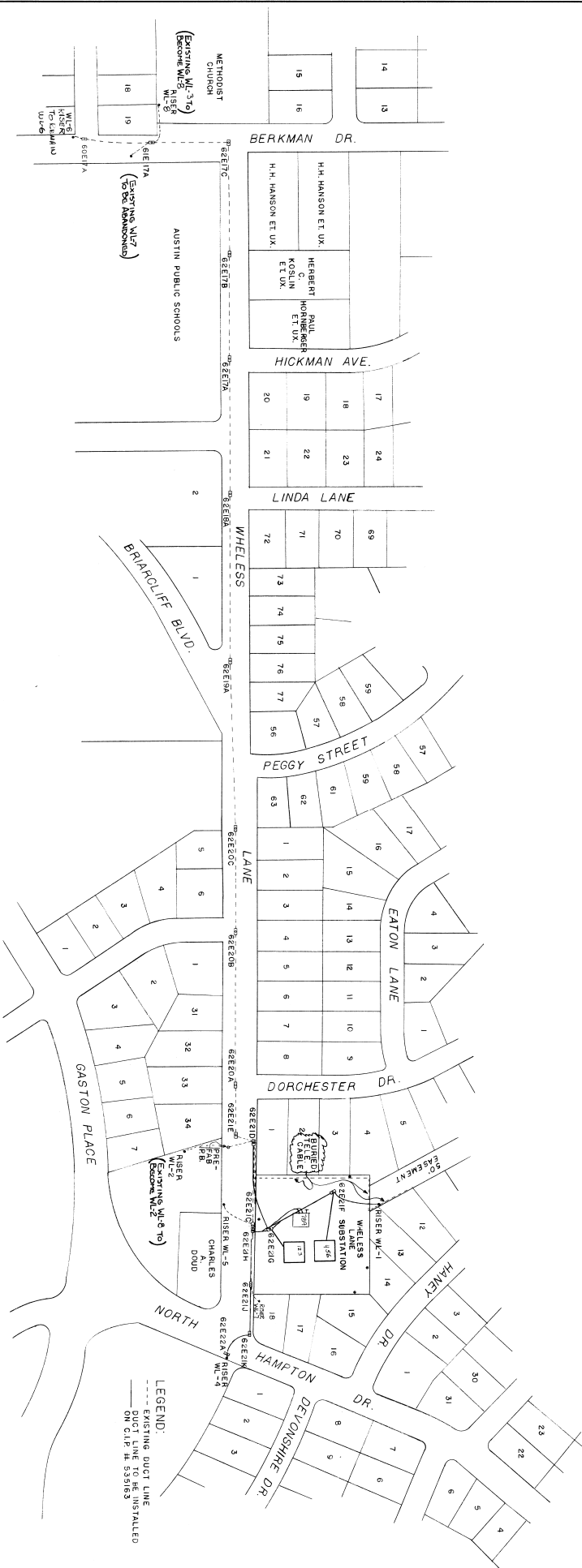
(LON8303576) Lone Star Ready-Mix, Austin, TX (concrete)	\$7,187.50	4.96%
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(0000010430) RAW Trucking, Austin, TX (hauling)	\$2,500.00	1.72%
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<u>WBE TOTAL – SUBCONTRACTORS</u>	<u>\$1,757.25</u>	<u>1.21%</u>
(ALL8308356) All Points Inspection Services, Austin, TX (construction photography)		

<u>NON M/WBE TOTAL – SUBCONTRACTORS</u>
N/A

The Contractor submitted a MBE/WBE Compliance Plan that met the goals of the solicitation and was approved by the Department of Small & Minority Business Resources.



NOTE: INSTALL 100' x 100' DUCT LINE
AND ALL FEEDER CABLES ON CLP # 53163
AND WHEEL 305378.

TITLE				DATE: 5/22/75			
CITY OF AUSTIN, TEXAS				SCALE: 1"=100'-0"			
ELECTRIC DEPARTMENT				DRAWING NUMBER: 7B 560 A2			
ENGINEERING DESIGN DIVISION				SHEET: A			
REV.	DATE	DESCRIPTION	BY	CHKD	APP'D	DATE	APP'D
1	3-23-75	ADDED SUBSTATION	W.H.	W.H.	5/22/75		
2	5-18-75	ORIGINAL DRAWING	W.H.	W.H.	5/22/75		

CITY OF AUSTIN - PURCHASING
RECOMMENDATION FOR COUNCIL ACTION
VENDOR NAME: TEXAS CRANE SERVICES

RCA 5

AGENDA DATE: 5/27/2010

PAGE 1 OF 2

SUBJECT: Authorize award and execution of a 12-month service agreement with TEXAS CRANE SERVICES, San Antonio, TX for the rental and operation of hydraulic and lattice boom cranes in an estimated amount not to exceed \$116,915 with three 12-month extension options in an estimated amount not to exceed \$116,915 per extension option, for an estimated total contract amount not to exceed \$467,660.

AMOUNT AND SOURCE OF FUNDING: Funding in the amount of \$47,500 is available in the Fiscal Year 2009-2010 Operating Budget of the Austin Energy. Funding for the remaining seven months of the original contract period and extension options is contingent upon available funding in future budgets.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

FOR MORE INFORMATION CONTACT: Terry Nicholson, Sr. Buyer/512-322-6586

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: To be reviewed by the Electrical Utility Commission on 5/17/10.

PURCHASING: Lowest bid of two bids received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program. No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

This agreement will provide AE with access to cranes, labor, qualified personnel and tools required to safely lift, load, transport and unload heavy utility equipment and materials as required. The equipment and materials to be moved will include but are not limited to transmission towers, reinforcing steel, manhole forms and transformers weighing in excess of 200,000 pounds. The agreement includes both regular services which are defined as work performed within five working days of notification and emergency services, which refer to work performed within four hours of notification from AE.

MBE/WBE solicited: 0/1

MBE/WBE bid: 0/0

BID TABULATION

IFB TVN0051
Crane Rental Services
(17 Line Items)

Vendor
Texas Crane Services
San Antonio, TX

Total Bid
\$116,915

Crocker Crane Rentals
Leander, TX

\$145,725

A complete bid tabulation is on file in the Purchasing Office and is on the City of Austin, FASD Purchasing Office website.

PRICE ANALYSIS

- a. Adequate competition.
- b. Twenty two notices were sent including one WBE. There are no known MBEs available for this service. Two bids were received, with no response from the WBE.
- c. The pricing offered represents a 18% decrease from the last contract award made in January 2006.

APPROVAL JUSTIFICATION

- a. Lowest bid received. Texas Crane is not the current provider of these services.
- b. The Purchasing Office concurs with the Austin Energy's recommended award.
- c. Advertised on the Internet.

**CITY OF AUSTIN - PURCHASING
RECOMMENDATION FOR COUNCIL ACTION
VENDOR NAME: TEXAS ENGINEERING EXTENSION SERVICE**

**AGENDA DATE:06/24/2010
PAGE 1 OF 1**

SUBJECT: Authorize award, negotiation and execution of a contract with TEXAS ENGINEERING EXTENSION SERVICE, College Station, TX for the development of a National Incident Management Systems (NIMS) Incident Command System (ICS) 300 and 400 training course in an amount not to exceed \$53,178.

AMOUNT AND SOURCE OF FUNDING: Funding is available in the Fiscal Year 2009-2010 Operating Budget of Austin Energy.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

FOR MORE INFORMATION CONTACT: Terry Nicholson, Senior Buyer/512-322-6586

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on May 17, 2010

PURCHASING: Best evaluated proposal of four proposals received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

This contract is for the development, implementation and execution of ICS 300 and 400 training courses for AE's mid-level and top-level incident command personnel. For the past 10 years, Austin Energy has been using the ICS system to manage emergencies. In 2004, the NIMS program was officially adopted by the Department of Homeland Security as the Nation's emergency response standard and training guidelines and curriculum were developed to be used nationally. The available training programs have been developed for general industry and therefore not specifically relevant to electric utility operations and emergencies. AE is seeking a tailored ICS 300 and 400 course which meet the objectives of NIMS, but incorporates electric utility-type scenarios and acknowledges the areas where the electric utility industry functions differently than the public emergency response agencies.

MBE/WBE solicited: 3/4

MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Forty nine notices were sent including three MBEs and four WBE's. Four proposals were received, with no response from the MBE/WBEs.

APPROVAL JUSTIFICATION

- a. Best evaluated proposal received.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.

EVALUATION FACTORS FOR: NIMS COMPLIANT ICS 300 & 400 TRAINING

RFP # TVN0010		Texas Engineering Extension Service College Station, TX	D.L. English Consulting, Inc. South Dartmouth, MA	O'Briens Response Management Brea, CA	All Hands Consulting Columbia, MD	
Evaluation Criteria		Total Points				
1	System Concept and Solutions Proposed (Grasp of the requirement and its solution(s), responsiveness to terms and conditions, completeness and thoroughness of the technical data and documentation.)	25 Points	23	13	9	14
2	Demonstrated personnel qualifications and experience related to scope.	15 Points	14	8	10	9
3	Scheduling and Availability	15 Points	13	8	10	10
4	Professional References	20 Points	18	10	10	13
5	Cost Proposal	25 Points	3	2	25	4
Grand Total Score		100 Pts	72	41	64	50

SUBJECT: Authorize award, and execution of a 12-month requirements service contract, with **ORACLE USA**, Austin, TX, for the purchase of Oracle Customer Care & Billing (CC&B) software maintenance and support in an estimated amount not to exceed \$772,185 with six 12-month extension options in an estimated amount not to exceed \$772,185, for the first extension option, \$772,185, for the second extension option, \$772,185 for the third extension option, \$810,795 for the fourth extension option, \$851,335 for the fifth extension option, and \$893,902 for the sixth and final extension option for a total estimated amount not to exceed \$5,644,772.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$772,185 is available in the 2009-2010 Operating Budget of Austin Energy. Funding for the extension options is contingent upon available funding in future budgets.

FISCAL NOTE: NA

FOR MORE INFORMATION CONTACT: Art Acuña, Senior Buyer/512-322-6307

PRIOR COUNCIL ACTION: NA

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on May 17, 2010

PURCHASING: Critical Business Need

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority –Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

This contract is for the purchase of Oracle software maintenance and support services used to support the new Oracle Customer Care & Billing (CC&B) system currently being implemented at Austin Energy (AE) for several City utility departments. When implemented, the new CIS Billing system will provide the City with a single service to generate utility bills for customers of the City's utilities, including Austin Energy, Austin Water Utility, and Solid Waste Services. The new Oracle CC&B system is the central and primary software application that drives the new billing system. This ongoing Oracle software maintenance and support services is necessary to ensure that Austin Energy can maintain adequate assurance that an unanticipated software problem could be resolved in sufficient time to prevent a loss of service and revenue for the City's utilities. The contract approved with IBM included funding for this service, therefore that contract will be amended by decreasing the authorization in an amount equal to the amount approved above.

SUBJECT: Authorize award and execution of a 12-month requirements service contract with **SAP CANADA, VANCOUVER, BC** for the purchase of SAP software maintenance and support in an estimated amount not to exceed \$16,500 with six 12-month extension options in an estimated amount not to exceed \$16,500 per extension option, for a total contract amount not to exceed \$115,500.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$16,500 is available in the 2009-2010 Operating Budget of Austin Energy. Funding for the extension options is contingent upon available funding in future budgets.

FISCAL NOTE: NA

FOR MORE INFORMATION CONTACT: Art Acuña, Senior Buyer/512-322-6307

PRIOR COUNCIL ACTION: NA

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on May 17, 2010

PURCHASING: Critical Business Need

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9C of the City Code. No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

This contract is for the purchase of SAP software maintenance and support services used to support the Customer Information Services (CIS) Billing System Replacement Project. CIS provides the City with a single service to generate utility bills for customers of the City's utilities, including Austin Energy, Austin Water Utility, and Solid Waste Services. The new CIS System will utilize blended software solutions including Oracle, SAP and IBM Websphere software applications. The blended software needed to implement the new CIS was initially purchased as a bundled package from IBM on April 30, 2009 and awarded as part of an eight year contract. As the new CIS project is in its second year, the ancillary software application maintenance and support services required for Oracle and SAP software maintenance must be obtained directly from their respective manufacturers. This contract will be for the exclusive purchase of software maintenance and support services for SAP Software from Business Objects Americas. This ongoing SAP software maintenance and support services is necessary to ensure that AE can maintain adequate assurance that an unanticipated software problem could be resolved in sufficient time to prevent loss of service and related revenue within the new CIS. The contract approved with IBM included funding for this service, therefore that contract will be amended by decreasing the authorization in an amount equal to the amount approved above.

SUBJECT: Authorize award and execution of a contract through the Texas Local Government Purchasing Cooperative (BuyBoard) with PHILPOTT MOTORS, LTD., Nederland, TX, for the purchase of 16 medium-duty vehicles in an amount not to exceed \$754,298.25.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$142,763.66 is available in the Fiscal Year 2009-2010 Capital Budget of the Austin Water Utility. Funding in the amount of \$293,149.11 is available in the Fiscal Year 2009-2010 Capital Budget of Austin Energy. Funding in the amount of \$152,546.36 is available in the Fiscal Year 2009-2010 Vehicle Acquisition Fund. Funding in the amount of \$107,214.30 is available in the Fiscal Year 2009-2010 Capital Budget of the Watershed Protection and Development Review Department. Funding in the amount of \$35,402.47 is available in the Fiscal Year 2009-2010 Capital Budget of the Health and Human Services Department. Funding in the amount of \$23,222.35 is available in the Fiscal Year 2009-2010 Capital Budget of the Municipal Court.

FISCAL NOTE: A fiscal note is attached.

PURCHASING: Cooperative Purchase.

BOARD AND COMMISSION ACTION: To be reviewed by the Water and Wastewater Commission on 05/12/2010 and Electric Utility Commission on 05/17/10.

MBE/WBE: This cooperative contract is exempt from the MBE/WBE Ordinance. This exemption is in compliance with Chapter 2-9D of the City Code (Minority –Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this contract.

FOR MORE INFORMATION CONTACT: Sharon Patterson, Senior Buyer/972-4014

This contract is for the purchase of one new and two replacement pickup service-trucks, one replacement cargo van, and three new and nine replacement truck cab and chassis with mounted service bodies to be distributed between Austin Energy, Health and Human Services, Parks and Recreation, Municipal Court, Watershed Protection and Development Review, and the Austin Water Utility.

The Austin Climate Protection Program team and Fleet staff have worked together to develop a vehicle purchasing process in our progress towards our citywide objective of obtaining carbon neutrality by 2020. The development of the purchasing criteria incorporates emissions impact, available technologies on the market, physical demands on the vehicle, and service application. These criteria are applied to all vehicles submitted to Fleet for purchase.

Two of these vehicles are powered by E85 flex fuel, meaning they can operate on a blend of 85% ethanol with 15% gasoline. E85 provides roughly a 15% reduction in greenhouse gas emissions relative to gasoline.

Fourteen of these vehicles are powered with engines capable of burning biodiesel (B20) fuel. In line with Austin Climate Protection Program goals, B20 provides an approximate 25% reduction in greenhouse gas emissions versus using gasoline and an approximate 5% reduction versus using petro-diesel.

The vehicles in this RCA have been recommended for purchase utilizing a process that involves the Fleet Officer, affected Department Directors, and Assistant City Managers (ACMs). ACM approval is required for all new additions to the City's fleet prior to any requests being made to the Purchasing Office.

Departments reviewed the list of vehicles determined eligible for replacement by Fleet Services based on mileage, hours of use, and maintenance costs. From that list, priority uses were determined within the departments, and the proposed equipment was reviewed by the Fleet Service Center Manager to ensure the specified vehicle is appropriate for the use.

All of these replacement vehicles have met the Fleet Officer's eligibility criteria for replacement. The Fleet Service Center Managers have inspected each vehicle to be replaced, and determined that the mileage or hours of use of each vehicle proposed for replacement cannot be increased without risking a significant increase in repair costs and loss of productivity due to down time.

Included in this purchase are the following vehicles:

Austin Energy

- 3 Ford F450 Service-Body Trucks with Liftgate, 4x4 – 1 New, 2 Replacements
- 1 Ford F350 Service-Body Truck with Crew Cab and Liftgate – Replacement
- 1 Ford F550 Platform Truck, 4x4 – Replacement
- 1 Ford E350 Econoline Cargo Van - Replacement

Austin Water Utility

- 2 Ford F550 Service-Body Trucks with Crane, Jack Leg and Boom Support – 1 New, 1 Replacement

Health and Human Services Department

- 3 Ford F350 Cab and Chassis with remounted animal-control bodies - Replacements

Municipal Court

- 1 Ford F150 Pickup Truck with Super Cab, 4x2 – New

Parks and Recreation Department

- 1 Ford F350 Pickup Truck with Crew Cab, 4x2 – Replacement
- 1 Ford F450 Service-Body Truck with Crew Cab, 4x2 – Replacement

Watershed Protection and Development Review Department

- 2 Ford F450 Platform Trucks with Crew Cab and Dump Bed – 1 New, 1 Replacement

Philpott Motors, Ltd. is under contract with BuyBoard to supply various types of medium-duty vehicles and equipment statewide as a result of a competitive bidding process. Utilizing BuyBoard contracts provides for volume discount pricing as well as the earliest opportunity to place the City's vehicles on order.

UPCOMING PROCUREMENTS BY AUSTIN ENERGY					
	PROJECT NAME	ESTIMATED AMOUNT	CUSTOMER	ESTIMATED COUNCIL	DESCRIPTION
1	Consulting Services for Utility Financial Review	\$250,000	General Manager	June	Independent evaluation of Austin Energy's financial position and affordability benchmarking.
2	Microsoft Enterprise License Agreement and Software Assurance - DIR (Summus Industries, Inc.)	\$14,600,000 (City-wide)	IT	June	Citywide procurement thru CTM for enterprise license agreement through Dell with Microsoft to update our current Microsoft infrastructure to the current versions. AE portion is \$520,000.
3	Crane rental and related services	\$143,000	Distribution/ Transmission	July	Crane rental and operator services
4	Street Light Poles & Fixtures	\$343,000	Distribution/ Transmission	July	Inventory supply of shoe-box style street light poles and fixtures.
5	Transporter remittance processor	\$500,000	Customer Care	July	Sole Source with Unisys. IT procurement of new transporter equipment for the remittance payment processing of checks to be utilized by the Customer Care business unit.
6	Switchgear relays and panels	\$1,000,000	ESD	July	Annual supply of replacement relays for switchgear and relay panels. Includes purchases for copper cable and fiber optic receivers as well.
7	Transportation and disposal of PCBs	\$209,000	Environmental Care & Protection	July	Management and disposal of PCB & Non-PCB wastes.
8	Uniformed security guard services	\$1,600,000	Facilities	July	Unarmed security guard services for various AE locations.
9	Gas pipeline cleanout and inspection	\$150,000	Power Production	July	Clean and inspect a three mile, 20" gas supply pipeline from the Decker Lindell Lane metering station to the Decker Creek Power Station gas yard.
10	Transmission and Distribution Electrical Services	\$7.4 M/yr	ESD	July	Five year contract for providing routine and emergency electric distribution powerline above ground installations and maintenance services.
11	Demineralizer Upgrade at Decker	\$2,000,000	Power Production	July	Purchase & Installation of new demineralizer system for Decker
12	Switchgear and Emergency Control Panel Upgrade at RMEC	\$580,000	On-Site Energy resources	July	Upgrade to maintain and upgrade the redundancy for RMEC that supplies electrical energy to Dell Children's Hospital
13	Annual Valve Repair Contract for AE Power Plants	\$200,000/yr	Power Production	July	Repair of Valves as required by AE Power Plants
14	Valve parts	350,000	Power Production	July	Replacement parts for critical combined cycle control valves for the steam turbine installed in Unit 5 at the Sand Hill Energy Center
15	Backup Utility Control Center	\$100,000	ESD	July	Mobile backup for Decker power station
16	Repair feedwater pump	\$125,000	Power Production	July	Sand Hill Energy Center Unit 5 flowserve 4x12WXH-10 Boiler, feed pump repair and modification
17	Marketing research study services	\$400,000	DES	July	Full service marketing research services to conduct market studies annually
18	Capacitor Banks	\$300,000/yr	ESD	July	Externally fused. 138 KV substation shunt power capacitor banks.
19	Consulting Services for Utility Rate Increase	\$250,000	Finance	August	Consulting expertise to assist in rate review planning and analysis including cost of service studies, cost analysis, rate comparisons, design and implementation of a public involvement process and rate design.
					EUC May 17, 2010

AUSTIN ENERGY
FY 2010 BUDGET TO ACTUAL (Budget Based Statement)



Unaudited Results

\$ in Thousands

	March 2010 Year to Date Actual	March 2010 Year to Date Budget	Variance	Percent
REVENUES				
Service Area Base Revenue	\$ 262,740	\$ 254,739	\$ 8,001	3.1%
Bilateral & Ancillary Service Sales	9,501	15,850	(6,349)	-40.1%
Transmission Service Revenue	28,747	28,789	(42)	-0.1%
Miscellaneous Revenue	16,281	19,044	(2,763)	-14.5%
Interest Income	4,201	6,725	(2,524)	-37.5%
Total Operating Revenue Without Fuel Revenue	321,470	325,147	(3,677)	-1.1%
Fuel & Green Choice Revenue	178,002	225,153	(47,151)	-20.9%
Total Operating Revenue	499,472	550,300	(50,828)	-9.2%
Total Revenue	499,472	550,300	(50,828)	-9.2%
OPERATING REQUIREMENTS				
Fuel and Green Power Expense	182,255	223,905	41,650	18.6%
Department O&M Without Fuel				
Department O&M	94,515	107,014	12,499	11.7%
Transmission Service Expense	30,529	31,244	715	2.3%
South Texas Project O&M	36,219	32,282	(3,937)	-12.2%
Fayette Power Project O&M	9,537	11,182	1,645	14.7%
Call Center	11,619	12,446	827	6.6%
Energy Conservation Rebates	7,866	5,687	(2,179)	-38.3%
Bad Debt Expense	1,809	1,516	(293)	-19.3%
Administrative Support Transfer	7,262	7,262	0	0.0%
Total Operating O&M Without Fuel	199,356	208,633	9,277	4.4%
Total Operating Requirements	381,611	432,538	50,927	11.8%
DEBT SERVICE REQUIREMENTS				
Revenue Bond	61,749	62,684	935	1.5%
Other Obligations	436	1,270	834	65.7%
Total Debt Service Requirements	62,185	63,954	1,769	2.8%
TRANSFERS/USES OF COVERAGE				
General Fund Transfer	50,500	50,500	0	0.0%
Electric CIP Transfer	30,025	29,855	(170)	-0.6%
Revenue Bond Retirement Reserve Transfer	44,000	44,000	0	0.0%
Total Transfers	124,525	124,355	(170)	-0.1%
Total Requirements Without Encumbrances	568,321	620,847	52,526	8.5%
Total Encumbrances	13,752	13,752	0	0.0%
Total Requirements	582,073	634,599	52,526	8.3%
CHANGE TO BEGINNING BALANCE	\$ (82,601)	\$ (84,299)	\$ 1,698	2.0%