



**ELECTRIC UTILITY COMMISSION
REGULAR MEETING MINUTES
DECEMBER 13, 2009**

The Electric Utility Commission (EUC) convened in a regular meeting on December 13, 2009 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 and Michael Webber. Steven Taylor was absent.

Staff in attendance: Roger Duncan, Cheryl Mele, Kerry Overton, Elaine Hart, Andy Perny, Mark Dreyfus, Jeff Vice, Pat Sweeney, Ann Little, Drusilla Saenz, Jim Collins, John Wester, Jamie Mitchell, Greg Troxell, Jawana 'J.J.' Gutierrez, David Kutach, Fred Yebra, Steve Saenz, Tim Ardlit, Matthew Russell, Pat Alba, Dustin McLemore, Chris Smith, Rosemary Ledesma, Michael Osborne, Toye Goodson Collins.

2. APPROVAL OF MINUTES

The minutes for the regular meeting of November 16, 2009 were approved on Commissioner Fath's motion and Commissioner Smaha's second, on a 6-0 vote.

3. CITIZEN COMMUNICATIONS

Roger Wood - competitive matters resolution.

4. NEW BUSINESS

a. **Action on City Council agenda items related to Austin Energy** – The following Recommendations for Council Action (RCAs) were recommended for approval on consent, on Chair Schmandt's motion and Commissioner Smaha's second, on a 6-0 vote:

RCA 2 – energy efficiency rebate to Leander Independent School District for \$55,638.

RCA 3 – energy efficiency rebate to the Texas Facilities Commission for \$77,443.

RCA 4 – contract through DIR with Adjacent Technologies for document and records imaging services for \$1,250,000.

RCA 6 – contract amendment of \$1,056,800 with Motorola Communications and Electronics for radio equipment for a revised total of \$98,900,732.

The following RCA was pulled from the Consent Agenda, discussed and recommended on Commissioner Fath's motion and Commissioner Webber's second, on a 6-0 vote:

RCA 1 – ordinance amending the budget to add four full-time equivalent (FTE) positions to assist in implementation of a federally-funded weatherization program.

The following RCA was pulled from the Consent Agenda, discussed and recommended on Chair Schmandt's motion and Vice Chair Shaw's second, on a 5-0-1 vote, with Commissioner Fath abstaining:

RCA 5 – contract with Wortham Insurance & Risk Management to provide insurance services for the procurement of Excess Liability insurance for \$6,011,944.

The following RCA was pulled from the Consent Agenda, discussed and recommended, with changes, on Commissioner Fath motion and Vice Chair Shaw's second, on a 6-0 vote:

RCA 7 - amendment to an agreement with Greater Austin Economic Development Corporation for continued participation in the Opportunity Austin 2.0 Campaign program for one year, from January 15, 2010 to January 15, 2011, for \$350,000.

- b. **Discussion of plans to review Resolution #20051201-002 defining competitive matters of the utility** – Commissioners requested that staff present an informational briefing at next month's meeting and hold public hearings at the February 22 and March 22 meetings. The Commission plans to make recommendations at the March meeting.

5. **OLD BUSINESS**

- a. **Discussion and possible action regarding the General Fund transfer policy** – Commissioners plan to make a recommendation at the January 25, 2010 meeting.
- b. **Discussion and possible action on Austin Energy's interest in the Fayette Power Plant** – The following motion was approved on Commissioner Smaha's motion and Commissioner Webber's second, on a 5-1 vote, with Chair Schmandt voting nay:
"At such point that there is coal plant energy to re-sell into the ERCOT market, that sale of such energy not be carried out, regardless of the potential profit at hand, as the intent of these changes is to reduce carbon emissions and not just move it to another entity. This motion does not preclude selling all or part of Austin Energy's share of the plant or repurposing it when feasible and/or practicable."

6. **STAFF BRIEFINGS AND REPORTS**

- a. **Monthly Reports – Upcoming Procurements** by Rosemary Ledesma, Purchasing Manager, and the **Customer Report** by J. J. Gutierrez, Customer Care Vice President.
- b. **Energy Conservation and Audit Disclosure Ordinance Update** – by Fred Yebra, Energy Efficiency Services Director.

7. **EXECUTIVE SESSION** – Public Power Utility Competitive Matters, Section 551.086; Discuss matters relating to Austin Energy generation resources.

The motion to convene a closed session of the Electric Utility Commission in order to receive briefings on confidential matters of the utility by Austin Energy staff was approved on Commissioner Fath's motion and Commissioner Smaha's second, on a 6-0 vote. The Commission met in Executive Session from 7:35 p.m. until 7:50 p.m.

8. **FUTURE AGENDA ITEMS**

Commissioners requested updated figures for their upcoming General Fund transfer recommendation. Commissioner Webber requested a copy of the presentation on underground transmission and distribution infrastructure.

9. **ADJOURNMENT**

Chair Schmandt adjourned the regular meeting of the Electric Utility Commission without objection at 7:55 p.m.