



ELECTRIC UTILITY COMMISSION REGULAR MEETING MINUTES JULY 19, 2010

The Electric Utility Commission (EUC) convened in a regular meeting on July 19, 2010 in the Shudde Fath Conference Room at 721 Barton Springs Road in Austin, Texas.

CALL TO ORDER

Phillip Schmandt, Chair, called the meeting to order at 6:01 p.m.

Commissioners in attendance: Phillip Schmandt, Chair; Linda Shaw, Vice Chair; Gary 'Bernie' Bernfeld, Shudde Fath, and Steve Taylor. Stephen Smaha and Michael E. Webber were absent.

Staff in attendance: Robert Goode, Cheryl Mele, Kerry Overton, Elaine Hart, Andy Perny, Mark Dreyfus, Karl Rabago, David Wood, Jawana J.J. Gutierrez, Jim Collins, Fred Yebra, Rosemary Ledesma, Chris Smith, Adrienne Brandt, Jamie Mitchell, Pat Sweeney, Ann Little, Steve Machicek, David Kutach, Tim Kisner, Matt Russell, Christopher Frye, Scott Jarman, Steve Saenz, Elaine Kelly-Diaz, Tim Ardlit, Pat Valdez, Stacy Neef, and Toye Goodson Collins.

1. APPROVAL OF MINUTES

The minutes for the regular meeting of June 21, 2010 were approved on Commissioner Bernfeld's motion and Commissioner Fath's second, on a 5-0 vote.

2. CITIZEN COMMUNICATIONS: GENERAL – None

3. 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 Taylor's second, on a 5-0 vote with Chair Schmandt abstaining on item p:

- a. Contract with GE ENERGY MANAGEMENT SERVICES for purchase of an Automated Meter Infrastructure software module for the PowerOn Outage Management System with five 12-month extension options for a total of \$330,369.
- c. Contract with DIGITAL INSPECTIONS for the upgrade of the Cascade software from Sybase to Oracle for \$100,275.
- d. A 24-month contract with TEXAS ELECTRIC COOPERATIVES for shunt capacitor banks with three 12-month extension options for a total of \$1,484,250.
- e. Contract with HOLT CAT for an emergency generator and automatic transfer switch for the Transmission/Distribution and Energy Market Back-Up Control Center for \$130,000.
- f. Five-year contract with TECHLINE, INC. for the purchase and installation of a remote intelligent streetlight monitoring system for \$6,070,914.
- j. Amendment No. 6 to an Interlocal Agreement with TEXAS ENGINEERING EXPERIMENT STATION to increase the contract for energy management services for \$600,000.
- k. A 36-month contract with ACLARA SOFTWARE INCORPORATED for online energy audit services with two 12-month extension options for a total of \$576,010.
- m. Rebate to the Texas Facilities Commission, William P. Clements Building for the installation of energy efficient equipment for \$73,106.85.
- n. Ordinance authorizing acceptance of \$10,000 in grant funds from the U.S. Department of Energy through the Public Solutions Group, Ltd. and amending the Fiscal Year 2009-2010

Austin Energy Operating Budget Special Revenue Fund to appropriate such grant funds, and authorize negotiation and execution of a two-year agreement between the Central Texas Clean Cities Program and Texas State Technical College to administer "Clean Start," a DOE Clean Cities Petroleum Reduction Technologies Project, in the amount of \$5,000 a year for two years, for a total amount not to exceed \$10,000. The grant period is Dec. 31, 2009 through Dec. 31, 2013.

- o. A 24-month contract with FURMANITE AMERICA, INC.; and TEAM INDUSTRIAL SERVICES, INC, for valve repair services with two 24-month extension options for a total of \$1,200,000 each and combined.
- p. Contract with BAKER & HUGHES PIPELINE MANAGEMENT GROUP for the Lindell Lane to Decker Power Plant Gas Supply pipeline cleaning and inspection for \$203,716.
- q. Contract with ALFRED CONHAGEN, INC. OF TEXAS for the repair and modification of a boiler feed pump for \$128,991.
- r. Contract with DIW ENGINEERING AND FABRICATION, LLC for three cable reel trailers for \$138,600.
- s. Two contracts with AUSTIN TRUCK & EQUIPMENT INC LTD, d.b.a. FREIGHTLINER OF AUSTIN for one service truck for \$118,604; and with LONGHORN INTERNATIONAL TRUCKS LTD for four service trucks for \$467,486.

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 5-0 vote:

- b. Contract with GE ENERGY MANAGEMENT SERVICES for software license upgrades with five 12-month extension options for a total of \$2,891,062.
- g. Two 24-month contracts for 15kV padmount switchgear with: KBS ELECTRICAL DISTRIBUTORS with three 12-month extension options for a total of \$1,849,955; and with POWELL ELECTRICAL SYSTEMS, INC. with three 12-month extension options for a total of \$1,352,320.
- h. A 12-month contract with UNISYS CORPORATION for Remittance Processing Transport Hardware, Software and Training with seven 12-month extension options for maintenance, support and supplies for a total of \$970,671.
- i. Contract with HOLMAN BOILER WORKS, INC. for a used steam boiler for the Mueller Energy Center for \$330,500.
- l. A 24-month contract with SOLAR WORLD CALIFORNIA to supply building-mounted solar photovoltaic modules with one 12-month extension option for a total of \$3,700,158.25.

- 4. **PUBLIC HEARING** – A public hearing was conducted to receive citizen input regarding possible amendments to the Competitive Matters Resolution No. 20051201-002. The following speakers addressed the Commission: Carol Biedrzycki of Texas ROSE; Roger Wood of Freescale and CCARE; Andy Wilson of Public Citizen; Mike Sloan of Virtus Energy; and Chris Searles. Chair Schmandt requested that staff provide monthly reports, updated drafts of the resolution and other related documents, and responses regarding the 113-point request submitted by Mr. Wood. All agreed to a three-month goal in which to produce these results. Austin Energy staff will continue to meet with stakeholders and provide monthly updates to the Commission.
- 5. **OLD BUSINESS** – Discussion of Austin Energy's Fiscal Year 2011 budget development
The following speakers addressed the Commission: Al D'Andrea of McCullough Heating & Air Conditioning and the Resource Conservation Contractors Association; Scott Johnson also

of the Resource Conservation Contractors Association; and Matt Johnson of Public Citizen. All encouraged the full funding of energy efficiency programs.

Elaine Hart, Chief Financial Officer, presented an update on Austin Energy's proposed budget. Next month, Commissioners will be asked to make a recommendation on the budget before Council consideration in September.

6. STAFF REPORTS AND BRIEFINGS

- a. The Financial Report was presented by Steve Machicek, Corporate Accounting Director.
- b. The Deferred Payment Arrangement and Disconnection Report was presented by J.J. Gutierrez, Vice President, Customer Care.
- c. A staff briefing, an update on the Development of Affordability Metrics, was presented by Mark Dreyfus, Director, Regulatory and Government Affairs.
- d. A staff briefing, an update on the Energy Conservation and Audit Disclosure Ordinance was presented by Fred Yebra, Director, Demand Side Management. Chair Schmandt requested that the ECAD form provided to homeowners be revised to include a statement estimating how much the specified energy conservation improvements, if installed, would save in annual energy bills if the home were an average single family home in Austin (or a similar metric that allows a homeowner to compare the potential dollar savings that can be earned from installing the improvements and the cost of installing the improvements). Chair Schmandt asked whether a new plan would be adopted to accelerate audits of commercial residencies in light of the fact that almost no commercial properties have completed the audit during the first year of the 2-year window in which all commercial properties are to have an energy audit and was informed no new plan would be adopted at this time.
- e. A staff briefing, a quarterly update on the Austin Climate Protection Program, was presented by Lisa Braithwaite, Research Analyst, Climate Protection Program.

7. FUTURE AGENDA ITEMS AND REQUESTED BRIEFINGS ON UPCOMING PROCUREMENTS – No discussion.

8. ADJOURNMENT - Chair Schmandt adjourned the regular meeting of the Electric Utility Commission at 9:12 p.m. without objection.