



**ELECTRIC UTILITY COMMISSION
REGULAR MEETING MINUTES – Approved October 18, 2010
SEPTEMBER 20, 2010**

The Electric Utility Commission (EUC) convened in a regular meeting on September 20, 2010 in the Shudde Fath Conference Room at 721 Barton Springs Road in Austin, Texas.

CALL TO ORDER

Linda Shaw, Vice Chair, called the meeting to order at 6:00 p.m.

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

Staff in attendance: Cheryl Mele, Kerry Overton, Elaine Hart, Andy Perny, Mark Dreyfus, Karl Rabago, David Wood, Jawana J.J. Gutierrez, Pat Alba, Alan Claypool, Jackie Sargent, Ann Little, Kathleen Garrett, Al Sarria, Jeff Vice, Rosemary Ledesma, Christopher Frye, Patricia Alofsin, David Kutach, Marnie Cervenka, Todd Shaw, Matt Russell, Larry Alford, Pat Sweeney, Adrienne Brandt, Steve Machicek, Drusilla Saenz, and Toye Goodson Collins.

APPROVAL OF MINUTES

1. Approve minutes of the August 16, 2010 regular meeting. **Motion to approve minutes by Commissioner Fath, seconded by Commissioner Webber, passed on a vote of 5-0.**

CITIZEN COMMUNICATIONS: GENERAL

Paul Robbins addressed the Commission regarding the proposed contract for the residential rate advisor. Chris Searles, representing the Transparency Working Group, and Andy Wilson, of Public Citizen, spoke on matters pertaining to the review of the Competitive Matters Resolution.

OLD BUSINESS

2. Update on the revision of the Competitive Matters Resolution – Andy Perny, Assistant City Attorney, referred to the draft resolution included in the agenda packet and a draft of Exhibit C, "New Resource Template" distributed prior to the meeting. He provided a progress report on activities and documents associated with the resolution and reported that meetings with the stakeholder group continue. Vice Chair Shaw invited comments from members of the public. Roger Wood, of Freescale and CCARE, distributed a strawman timeline. Carol Biedrzycki, of Texas ROSE, distributed an implementation schedule. Chris Searles suggested that the format of the October meeting of the EUC be an open discussion with staff and stakeholders. Mr. Wood, Ms. Biedrzycki, and Mr. Searles are members of the Transparency Working Group. There was consensus among Commissioners, staff, and stakeholders to continue discussion at the October EUC meeting, with a recommendation by the EUC in November.

NEW BUSINESS

3. Recommend authorization to award and execute a contract with HYDRATIGHT LIMITED, Antigo, WI, for the purchase of turbine engine maintenance tools for use at Decker Creek Power Station in an amount not to exceed \$164,248. **Motion to approve on consent by Commissioner Webber, seconded by Commissioner Taylor, passed on a vote of 5-0.**
4. Recommend authorization to award and execute a contract with PUFFER-SWEIVEN, Stafford, TX, for the purchase of a hardware and software upgrade for the Delta V software at Decker Creek

Power Station, in an amount not to exceed \$144,000. **Motion to approve on consent by Commissioner Webber, seconded by Commissioner Taylor, passed on a vote of 5-0.**

5. Recommend authorization to award and execute a 12-month requirements service contract with OPENLINK INC, Houston, TX, for the purchase of software maintenance and services in an estimated amount not to exceed \$136,230, with four 12-month extension options in estimated amounts not to exceed \$143,041 for the first extension option, \$150,193 for the second extension option, \$157,703 for the third extension option, and \$165,588 for the fourth extension option, for a total estimated contract amount not to exceed \$752,755. **Motion to approve on consent by Commissioner Webber, seconded by Commissioner Taylor, passed on a vote of 5-0.**
6. Recommend authorization to award, negotiate, and execute a 60-month requirements service contract through the State of Texas Department of Information Resources (DIR) cooperative purchasing program with SUMMUS INDUSTRIES, INC., (MBE/MB) Sugar Land, TX, for a Microsoft Enterprise License Agreement and Software Assurance in an estimated amount not to exceed \$14,538,229. (AE's share is \$552,000/year for five years.) **Motion to approve by Commissioner Fath, seconded by Commissioner Webber, passed on a vote of 4-1 with Commissioner Smaha voting no.**
7. Recommend authorization to award and execute various supply and service contracts during the Fiscal Year 2010-2011 through the STATE OF TEXAS DEPARTMENT OF INFORMATION RESOURCES (DIR) cooperative purchasing program Austin, TX, for the purchase of computer hardware products, including maintenance, training, information technology services, and telecommunication products and services in an estimated amount not to exceed \$9,488,628. **Motion to approve on consent by Commissioner Webber, seconded by Commissioner Taylor, passed on a vote of 5-0.**
8. Recommend authorization to award and execute a various supply and service contracts during the Fiscal Year 2010-2011 through the STATE OF TEXAS DEPARTMENT OF INFORMATION RESOURCES cooperative purchasing program, Austin, TX, for the purchase of computer software products including maintenance, training, and information technology services for Austin Energy in an estimated amount not to exceed \$11,777,698. **Motion to approve on consent by Commissioner Webber, seconded by Commissioner Taylor, passed on a vote of 5-0.**
9. Recommend authorization to award and execute a 12-month requirements service contract with SCHNEIDER ELECTRIC USA, INC., dba SQUARE D COMPANY, Alameda, CA, for the purchase of Energy Profiler Online (EPO) application hosting services in an amount not to exceed \$120,600, with four 12-month extension options in estimated amounts not to exceed \$125,424 for the first extension option, \$132,950 for the second extension option, \$140,927 for the third extension option, and \$149,383 for the fourth extension option, for a total estimated contract amount not to exceed \$669,284. **Motion to approve by Commissioner Fath, seconded by Commissioner Smaha, passed on a vote of 5-0.**
10. Authorize award, negotiation, and execution of a 12-month requirements service contract with CREATIVE CONSUMER RESEARCH, INC., Stafford, TX, for marketing research service studies in an estimated amount not to exceed \$300,000, with four 12-month extension options in an estimated amount not to exceed \$300,000 per extension option, for a total estimated contract amount not to exceed, \$1,500,000. **Motion to approve by Commissioner Fath, seconded by Commissioner Webber, passed on a vote of 4-1 with Commissioner Smaha voting no.**
11. Recommend authorization to award and execute a 12-month requirements service contract with MALDONADO NURSERY & LANDSCAPING, INC., San Antonio, TX, (MBE/MB-100%) for Grounds Maintenance Services in an estimated amount not to exceed \$57,668, with four 12-month

extension options in an estimated amount not to exceed \$57,668 per extension option, for an estimated total contract amount not to exceed \$288,340. **This item was pulled by staff and therefore, not considered by the Commission.**

12. Recommend authorization to award and execute a 24-month requirements supply contract with TECHLINE, INC., Austin, TX, for vacuum switches in an estimated amount not to exceed \$1,189,200 with three 12-month extension options in an estimated amount not to exceed \$594,600 per extension option, for a total estimated contract amount not to exceed \$2,973,000. **Motion to approve on consent by Commissioner Webber, seconded by Commissioner Taylor, passed on a vote of 5-0.**
13. Recommend authorization to award and execute a 12-month requirements service contract with HAVERFIELD AVIATION, INC., Gettysburg, PA, for aerial maintenance services for Austin Energy in an estimated amount not to exceed \$144,724, with three 12-month extension options in an estimated amount not to exceed \$144,724 per extension option, for a total estimated contract amount not to exceed \$578,896. **Motion to approve by Commissioner Fath, seconded by Commissioner Taylor, passed on a vote of 5-0.**
14. Recommend authorization to award and execute a 12-month requirements supply contract with AIR LIQUIDE AMERICA SPECIALTY GASES, LLC, Houston, TX, for the purchase of specialty EPA protocol gases and gas cylinder management services for Austin Energy in an estimated amount not to exceed \$48,913, with four 12-month extension options in an estimated amount not to exceed \$48,913 per extension option, for a total estimated contract amount not to exceed \$244,565. **Motion to approve by Commissioner Fath, seconded by Commissioner Taylor, passed on a vote of 5-0.**
15. Authorize award, negotiation, and execution of an 18-month requirements service contract with VOLATILITY MANAGERS LLC, Green Mountain Falls, CO, and MANAGEMENT APPLICATIONS CONSULTING, INC., Reading, PA, for consulting services for performing residential consumer independent rate advisor services for Austin Energy in an estimated amount not to exceed \$97,340 for Phase I (Participation in Public Involvement Committee process), with one 18-month extension option to provide additional services in an estimated amount not to exceed \$162,600 for Phase II (Rate Proceeding Support), for a total estimated contract amount not to exceed \$259,940. **Motion to approve by Commissioner Fath, seconded by Commissioner Webber, passed on a vote of 5-0.**
16. Consider an ordinance amending the Electric Rate Schedule contained in Ordinance No. 20100913-004 to include primary service customers as eligible customers under the Coincident Load Special Contract Rider, eliminate the need for a written contract under the Independent School Districts Time-of-Use tariff, and extend the low-income fuel charge under the Residential Service Tariff beyond its current expiration date of March 1, 2011. **Motion to approve by Commissioner Fath, seconded by Commissioner Smaha, passed on a vote of 5-0.**

Cheryl Mele, Chief Operating Officer, introduced Jackie Sargent, Austin Energy's new Vice President for Power Supply and Market Operations, and Alan Claypool, new Chief Information Officer.

STAFF REPORTS AND BRIEFINGS

17. Monthly Financial Report – presented by Steve Machicek, Corporate Accounting Director.
18. Monthly Deferred Payment Arrangements and Disconnections Report – presented by J.J. Gutierrez, Customer Care Vice President.

19. Status of the Webberville solar project – presented by Pat Sweeney, Energy and Market Operations Director.
20. Plug-In Hybrid Program – presented by Larry Alford, Emerging Transportation Technologies Manager.
21. Update on the Development of Affordability Metrics – presented by Mark Dreyfus, Regulatory and Governmental Affairs Director.
22. Update on the Rate Review Process – presented by Mark Dreyfus, Regulatory and Governmental Affairs Director.

FUTURE AGENDA ITEMS

23. Request agenda items including briefings related to the Upcoming Procurements Report – Commissioners Webber and Smaha requested a briefing on rate schedule changes or tariffs to fund energy efficiency. Commissioner Webber also requested information regarding two items listed on the Upcoming Procurements Report: item 7, “Meters, Meter Sockets, Current Transformers” and item 8, “Transmission and Distribution Electrical Services.”

ADJOURNMENT

Vice Chair Shaw adjourned the regular meeting of the Electric Utility Commission at 8:30 p.m. without objection.