



ELECTRIC UTILITY COMMISSION
REGULAR MEETING MINUTES – Approved April 18, 2011
MARCH 21, 2011

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

1. **CALL TO ORDER** – Phillip Schmandt, Chair, called the meeting to order at 6:00 p.m.
Commissioners in attendance: Phillip Schmandt, Chair; Linda Shaw, Vice Chair; Gary ‘Bernie’ Bernfeld, Shudde Fath, Stephen Smaha, and Steve Taylor. Dr. Michael E. Webber was absent.

Staff in attendance: Larry Weis, Cheryl Mele, Elaine Hart, Jackie Sargent, David Wood, J.J. Gutierrez, Karl Rabago, Ann Little, Mark Dreyfus, Pat Alba, David Kutach, Fred Yebra, Jim Collins, Rosemary Ledesma, Shawn Harris, Jerry Hernandez, Stephen Leinweber, Steve Saenz, Laura Lee Franks, Elaine Kelly-Diaz, Steve Machicek, Tim Arndt, Chris Smith, Drusilla Saenz, Eddie Washington, Lynda Williams, and Toye Goodson Collins.
2. **APPROVAL OF MINUTES** - Approve minutes of the February 28, 2010 regular meeting.
Motion to approve minutes by Commissioner Taylor, seconded by Commissioner Fath, passed on a vote of 6-0.
3. **CITIZEN COMMUNICATIONS** – John Sutton of the Building Owners and Managers Association (BOMA) spoke in support of Item 8, amendments to the Energy Conservation and Disclosure (ECAD) ordinance. Earl Hairston of the Austin Board of Realtors (ABoR) supported amendments with changes.

NEW BUSINESS

4. Recommend approval of an ordinance authorizing acceptance of \$2,121,100 in American Recovery and Reinvestment Act (ARRA) grant funds from the U.S. Department of Energy (DOE) through the Texas Department of Housing and Community Affairs (TDHCA) as the administering agency, and amending the Fiscal Year 2010-2011 Austin Energy Operating Budget Special Revenue Fund of Ordinance No. 20100913-002 to appropriate \$2,121,100 for weatherization of homes for low-income, elderly, and disabled customers within Austin Energy’s service area. **Motion to approve on consent by Commissioner Smaha, seconded by Commissioner Taylor, passed on a vote of 6-0.**
5. Recommend authorization to award and execute Amendment No. 3 to six requirements service contracts with AIRTECH ENERGY SYSTEMS, INC., Austin, TX; CLIMATE MECHANICAL, INC., Austin, TX; GO GREEN SQUADS LLC, Austin, TX; MCCULLOUGH HEATING & AIR CONDITIONING, INC., Austin, TX; VALDEZ REMODELING & WEATHERIZATION, INC., Austin, TX; and WEATHERIZATION MANAGEMENT GROUP, Dallas, TX, to increase the contract for weatherization measures and improvement services in an estimated combined amount not to exceed \$1,652,000, for a revised estimated combined contract amount not to exceed \$6,477,490. **Motion to approve on consent by Commissioner Smaha, seconded by Commissioner Taylor, passed on a vote of 6-0.**
6. Recommend authorization to award and execute Amendment No. 3 to nine requirements service contracts with A-PLUS ENERGY MANAGEMENT & A/C, Austin, TX;

AMERICAN CONSERVATION & AIR, Austin, TX; APPLE ENERGY GROUP, LLC, Austin, TX; ATS ENGINEERING & INSPECTORS, Austin, TX; CITY CONSERVATION, Austin, TX; MCCULLOUGH HEATING & AIR CONDITIONING, INC., Austin, TX; STANDARD RENEWABLE ENERGY, Austin, TX; THE INSTITUTE FOR BUILDING TECHNOLOGY AND SAFETY, Herndon, VA; and THE NELROD COMPANY, Fort Worth, TX, to increase the contract for weatherization test in audit services in an estimated combined amount not to exceed \$275,349, for a revised estimated combined contract amount not to exceed \$778,349. **Motion to approve on consent by Commissioner Smaha, seconded by Commissioner Taylor, passed on a vote of 6-0.**

7. Recommend authorization to award and execute Amendment No. 2 to nine requirements service contracts with A-PLUS ENERGY MANAGEMENT & A/C, Austin, TX; AMERICAN CONSERVATION & AIR, Austin, TX; APPLE ENERGY GROUP, LLC, Austin, TX; ATS ENGINEERING & INSPECTORS, Austin, TX; CITY CONSERVATION, Austin, TX; MCCULLOUGH HEATING & AIR CONDITIONING, INC., Austin, TX; STANDARD RENEWABLE ENERGY, Austin, TX; THE INSTITUTE FOR BUILDING TECHNOLOGY AND SAFETY, Herndon, VA; and THE NELROD COMPANY, Fort Worth, TX, to increase the contract for weatherization final inspection audit services in an estimated combined amount not to exceed \$178,000, for a revised estimated combined contract amount not to exceed \$428,000. **Motion to approve by Commissioner Taylor, seconded by Commissioner Bernfeld, passed on a vote of 6-0.**
8. Recommend approval of an ordinance amending Chapter 6-7 of the City Code relating to Energy Conservation Audit and Disclosure requirements. **Motion to approve, with changes to Section 6-7-12, by Chair Schmandt, seconded by Commissioner Taylor, passed on a vote of 5-1 with Commissioner Smaha voting no. The changes were as follows:**
§ 6-7-12 DISCLOSURE REQUIRED.
The owner of a residential facility must provide a copy of the energy audit required under this article to the purchaser or prospective purchaser of the facility:
 - (1) if the contract for the sale of the facility provides an option period during which the prospective purchaser may terminate the contract for any reason, no later than 3 days prior to the termination of the option period; or
 - (2) if the contract for the sale of the facility does not provide for an option period during which the prospective purchaser may terminate the contract for any reason:
 - (a) concurrent with the seller's disclosure notice required under state law; or
 - (b) if no seller's disclosure notice is required under state law, before the time of sale-and the person performing the audit must provide a copy of the energy audit to the director not later than 30 days after the audit is complete.
9. Recommend approval of a rebate to Dell Computers, Inc. for the installation of energy efficient equipment in an amount not to exceed \$92,853. **Motion to approve on consent by Commissioner Smaha, seconded by Commissioner Taylor, passed on a vote of 6-0.**
10. Recommend authorization to negotiate and execute Work Component Amendment No. A-1 to the Construction Manager at Risk Agreement with DPR Construction, Inc., Austin, TX for a Partial Guaranteed Maximum Price of \$2,093,490 for both Work Component No. 01 - Demolition and Work Component No. 02 - Site Facilitization for the construction of the Austin Energy System Control Center, plus a contingency in the amount of \$46,000, for a total not-to-exceed authorization amount of \$2,139,490. **Motion to approve on consent by Commissioner Smaha, seconded by Commissioner Taylor, passed on a vote of 6-0.**

11. Recommend authorization to award and execute a 12-month requirements supply contract with KBS ELECTRICAL DISTRIBUTORS, INC., Austin, TX for the purchase of station class surge arresters for Austin Energy in an estimated amount not to exceed \$120,000, with four 12-month extension options in an estimated amount not to exceed \$120,000 per extension option, for a total estimated contract amount not to exceed \$600,000. **Motion to approve on consent by Commissioner Smaha, seconded by Commissioner Taylor, passed on a vote of 6-0.**
12. Recommend authorization to award and execute Amendment No.1 to a requirements service contract with COMPUTER SCIENCE CORPORATION, Houston, TX to increase the contract amount for the purchase of software technology and implementation services including training in an amount not to exceed \$600,000, for a revised estimated contract amount not to exceed \$2,400,000. **Motion to approve by Commissioner Taylor, seconded by Commissioner Bernfeld, passed on a vote of 6-0.**
13. Recommend authorization to award and execute Amendment No. 1 to a requirements supply contract with TEXAS DIGITAL SYSTEMS, INC., College Station, TX to increase the contract amount for the expansion of information delivery services for the new City of Austin/Austin Energy Walk-in Customer Service Center, including the purchase of monitors, software, installation, annual maintenance and support, and implementation in an estimated amount not to exceed \$54,000 for the current contract period, and in an estimated amount not to exceed \$3,000 for each of the three 12-month extension options, for a total estimated contract amount not exceed \$292,401. **Motion to approve on consent by Commissioner Smaha, seconded by Commissioner Taylor, passed on a vote of 6-0.**
14. Recommend authorization to award, negotiate, and execute a 12-month contract with SOLAR TURBINES INC, Houston, TX for an annual maintenance agreement for the gas turbine at Mueller Energy Center in an amount not to exceed \$139,816, with four 12-month extension options in an estimated amount not to exceed \$121,096 per extension option, for a total estimated contract amount not to exceed \$624,200. **Motion to approve on consent by Commissioner Smaha, seconded by Commissioner Taylor, passed on a vote of 6-0.**

STAFF REPORTS AND BRIEFINGS

15. Monthly Financial Report by Steve Machicek, Director, Corporate Accounting and Rates.
16. Briefing on the Clean Energy Accelerator (U.S. Department of Energy "BetterBuildings" Program) by Karl Rabago, Vice President, Distributed Energy Services.
17. Monthly Update on the Rate Redesign Process by Larry Weis, General Manager; Mark Dreyfus, Director, Regulatory & Government Affairs; and Ann Little, Vice President, Finance & Corporate Services. Commissioners requested the list of motions made by the Commission in 1994 during the last rate review. Commissioners also requested recommendations from three entities—the Residential Rate Advisor, large commercial and industrial customers, and Austin Energy staff—before their deliberations on rates begin.
18. **FUTURE AGENDA ITEMS** – Commissioner Smaha asked whether state budget cuts in air quality funding would affect Austin Energy's air quality initiatives at power plants. Commissioner Taylor requested an update on the biomass and Webberville solar projects.
19. **ADJOURNMENT** – Chair Schmandt adjourned the meeting at 8:27 p.m. without objection.