



Texas Impact was established by Texas religious leaders in 1973 to be a voice in the Texas legislative process for the shared religious social concerns of Texas' faith communities. Texas Impact is supported by more than two-dozen Christian, Jewish and Muslim denominational bodies, hundreds of local congregations, ministerial alliances and interfaith networks, and thousands of people of faith throughout Texas.

Three Recommendations for Austin's Rate Design

1. Houses of Worship

- Currently: Austin congregations choose residential or commercial class
- Proposal: Forces churches into commercial class, then adds a new demand charge
- Analysis:
 - An 80% increase on worship facilities as a class. Other small commercial customers are only 21%. Medium and Large Commercial Customers are 8%, and 5% respectively.
 - Houses of Worship are "off-peak" primarily using electricity on Sundays and Saturdays.
 - Austin Energy's cost allocation is flawed and does not account for off-peak demand.
 - There is no rationale for off-peak demand charges for off-peak customers.
 - Congregations provide a community benefit often assisting with disadvantaged ratepayers' bills and other social services.
- Recommendation:
 - Allow congregations to self-select residential or commercial class;
 - Measure demand only Mon-Fri and completely exempt under 30 kw; or
 - Create a separate rate class that accounts for the off-peak facilities;
 - Bottom line: The increase must be comparable to other customer classes.

2. Customer Assistance Program (CAP)

- Currently: Exemption from the customer charge and reduced rate for the fuel charge.
- Proposal: Creates a \$1/month charge. Doubles the number of program participants.
- Analysis: Currently there are fewer than 10,000 current participants. One in 5 people in Austin live below poverty. Austin Energy has 368,000 residential customers. Possibly up to 70,000 households below poverty. Over 50,000 households on SNAP (food stamp program).
- Recommendation:
 - Maintain CAP participant exemption for ALL flat, fixed fees
 - Fund CAP with enough to cover the need in Austin.
 - Assure CAP fees won't be used for other purposes like the state's System Benefit Fund.

3. Low-Income Weatherization

- Currently: Austin has used ARRA funds to do low-income weatherization.
- Proposal: Raises \$28 million for efficiency. No mention of how EE charge will be used.
- Analysis: The Legislature requires deregulated utilities to expend 10% (and investor owned utilities typically budget 15-25%) for low income ratepayers to ensure that low-income ratepayers are not subsidizing EE and solar rebates only for wealthy homes.
- Recommendation: Of the \$28 million, guarantee 20% for low-income ratepayer programs, and another 20% for ratepayers among the working poor at 200-400% of poverty.