



Annual Internal Review

This report covers the time period of 1/1/2012 to 12/31/2012

(This report is due in the first quarter of each calendar year for the previous year.)

Electric Utility Commission **(Official Name of Board or Commission)**

The Board/Commission mission statement (per the City Code) is:

- (A) The commission shall review and analyze all policies and procedures of the electric utility, including the electric rate structure, fuel costs and charges, customer services, capital investments, new generation facilities, selection of types of fuel, budget, strategic planning, regulatory compliance, billing procedures, and the transfer of electric utility revenues from the utility fund to the general fund.
- (B) The commission shall advise the city council, the city manager, the electric utility, city departments, and city boards, commissions, and committees on policy matters relating to the electric utility. All advisory information given shall simultaneously be forwarded to the city manager.
- (C) The commission may review, study, and make recommendations to the Planning Commission on proposed electric utility projects for inclusion in the Capital Improvements Program.
- (D) The commission may request that the city council hire an outside consultant every five years to make a comprehensive review of the policies and procedures of the electric utility. The commission may initiate an external or internal review of the policies and procedures of the electric utility. If the commission initiates a review, it shall report its findings to the city council and the city manager.
- (E) The commission shall interpret the role of the electric utility to the public and the role of the public to the electric utility. The commission may hold a public hearing and briefing session every six months to explain new policies and to take citizens comments, suggestions, and complaints.
- (F) The commission may make recommendations to the city council before final council action on a policy or procedure of the electric utility.

- (G) The commission shall request from the city manager any information which it deems to pertain to the electric utility.
- (H) The commission shall, as a body, review customer complaint procedures, accept specific customer grievances and complaints, and make recommendations to the city council and city manager based on its findings. This duty does not supersede, replace, or substitute for the appeal procedures provided to customers in the City Utility Service Regulations.
- (I) The commission shall seek to promote close cooperation between the city council, other city boards, committees, and commissions, city departments and individuals, institutions and agencies concerned with the policies, procedures, and operations of the electric utility to the end that all similar activities within the City may be coordinated to secure the greatest public welfare.

1. Describe the board's actions supporting their mission during the previous calendar year. Address all elements of the board's mission statement as provided in the relevant sections of the City Code. (Reference all reports, recommendations, letters or resolutions presented to the City Council on mission-specific issues. If some of the elements of the mission statement were not acted on by the board in the past year, the report should explain why no action was taken.)

The EUC reviewed and analyzed the following policies and procedures of Austin Energy during the reporting period:

- Reviewed 164 Requests for Council Action (RCA's) in 2012 and made recommendations to City Council
- Received 32 staff briefings and reports on topics including the Austin Energy rate review process, monthly financial reports, Austin Energy's annual performance report, solar generation planning, development of a community solar program, Austin Energy's FY 2013 budget, future plans for Fayette Power Plant including possible replacement generation, and customer billing
- Forwarded to Council (and other parties) resolutions recommending that funding for the EGRSO Department be moved from Austin Energy's budget to the General Fund and recommending that any future RFP's to find replacement generation for Fayette Power Plant solicit a diversified portfolio of generation sources
- Heard from 39 members of the public, offering recommendations about agenda items, solar rebates and the utility's finances and also ratepayers who had a billing problem and a conflict with Austin Energy about a utility easement
- In response to Resolution 20120607-038, an EUC working group gathered information regarding a change of Austin Energy governance to an independent board, presented the information to the full EUC, which voted unanimously to recommend such a change to Council and other city departments
- In 2012, no electric utility projects were proposed which needed to be sent to the Planning Commission for inclusion in the Capital Improvements Program

- The EUC did not request that the City Council hire an outside consultant to make a comprehensive review of the policies and procedures of Austin Energy. This is not a mandatory annual purpose of the EUC and an extensive review of the Utility was done in 2011 as part of the Rate Review process to do another study would cost several million additional dollars.

2. **Determine if the board's actions throughout the year comply with the mission statement.** *(If any of the board's actions were outside the scope of the mission statement, the report should explain the non-compliance issues.)*

The actions of the EUC complied with the mission statement (bylaws) as outlined in the Ordinance throughout 2012.

3. **List the board's goals and objectives for the new calendar year.** *(Make sure the goals and objectives fall within the mission statement of the board/commission.)*

- Encourage public discussion and action on the future governance of Austin Energy
- Provide public oversight of Austin Energy's budget and efforts to reduce costs and provide reliable power
- Provide public oversight over long term planning regarding electric rates
- Continue public dialogue for long term solution to General Fund Transfer and other Austin Energy transfers to the COA
- Work to insure an orderly transition to an independent board of directors for Austin Energy