## Late Backup

## COMPARISON OF CITY OWNED UTILITIES LOW-INCOME PROGRAM AND CUSTOMER PROTECTION MATRIX

PREPARED BY: CAROL BIEDRZYCKI TEXAS ROSE (RATEPAYERS' ORGANIZATION TO SAVE ENERGY)

UTILITY NAME	RR	BPA	Wz	СС	EW	DP	ВВ
Austin Energy	<u> </u>	X	X	X	X	X	X
Brownsville Public Utilities Board				,			<del>                                     </del>
CPS Energy	X <sup>1</sup>	X	X	X	X	X	X
Colorado Springs Utilities <sup>2</sup>		X	X	X	X	X	X
Jacksonville Electric Authority		X					
Los Angeles Department of Water & Power <sup>3</sup>	X	X		X		X	X
Nashville Electric System		X					X
Orlando Utilities Commission		X					
Seattle City Light <sup>4</sup>	X	X		X	X	X	X
Tacoma Public Utilities	X	X	X	X	X	X	X

RR Reduced Rate BP Bill Payment Assistance WZ Weatherization BB Levelized and /or Average Billing CC Critical Care Seriously Ill EW Extreme Weather DP Deferred Payment Plans

<sup>&</sup>lt;sup>1</sup> CPS low-income discount is minimal. Waives customer charge and allows longer payment periods and provides a greater benefit for limited low-income populations.

<sup>&</sup>lt;sup>2</sup> The Council is the Board that governs the Colorado Springs Utility. See Response to Resolution 20130321-041 Comparison Report of Municipal Utility Performance, April 2013, p 2.

<sup>&</sup>lt;sup>3</sup> State law mandates low--income programs. Municipal "utilities must spend at least 2.85 percent of their 1994 revenues on public goods programs which must include: "services provided for low-income electricity customers, including but not limited to, targeted energy efficiency service and rate discounts." <a href="http://www.liheap.ncat.org/dereg/states/california.htm">http://www.liheap.ncat.org/dereg/states/california.htm</a>

<sup>&</sup>lt;sup>4</sup> Austin Energy and Seattle City Light, are governed by City Councils. See Response to Resolution 20130321-041 Comparison Report of Municipal Utility Performance, April 2013, p 2.

## TALKING POINTS AUSTIN ENERGY INDEPENDENT BOARD Carol Biedrzycki TEXAS ROSE (RATEPAYERS' ORGANIZATION TO SAVE ENERGY)

Agenda Item 11. Approve first reading of an ordinance relating to the creation of an independent board of trustees to govern Austin Energy and the creation of an advisory panel to advise the board and council on matters concerning Austin Energy.

- The Austin Energy comparison study provides no compelling data for making the change to an independent board.
- The proposed ordinance allows but does not require City Council to approve rates. The board can approve annual rate increases of up to 2 percent without conducting a rate review. (§15-13-42 Rate Adjustments)
- My own study of low-income programs and customer protection indicates that residential and low-income consumers will be better off under the current system.
- The resolution calls for creating a hearing process to review rates that includes a consumer counsel. This change is needed. Making these changes, however, does not require a change to an independent board.
- An earlier proposal suggested that the independent board members be paid \$43,500 per year and be able to hire attorneys and technical experts. The resolution calls for compensation to be determined in a separate ordinance. (§15-13-41 (H) Comprehensive Rate Review)
- With the independent board, consumers have to go to the advisory panel, the independent board or both before going to council. This additional layer of procedure makes it easier for big commercial and industrial customers to delay or prevent council from acting to protect consumers. For consumers it requires greater resources to work through the system.
- The council retains "full investigative power to inquire into the official conduct" of the board under the City Charter. It appears that City Council has limited authority to remove board members, probably after bad press turns up big problems that harm individuals and waste a lot of money.
- The resolution calls to have an independent board in place by January 1, 2014. There is no need to rush.