



**Electric Utility Commission
May 20, 2013 – 6:00 p.m.
Town Lake Center, Shudde Fath Conference Room
721 Barton Springs Road, Austin, Texas**

AGENDA

Members:

Bernie Bernfeld, Chair
Karen Hadden, Vice Chair
Shudde Fath

Phillip Schmandt
Linda Shaw

Stephen Smaha
Dr. Michael E. Webber

For more information, please visit: [City of Austin Boards and Commissions Information Center](http://www.austintexas.gov/euc)
(<http://www.austintexas.gov/euc>).

Reading and Action on Consent Agenda: Items 4-19 may be acted upon by one motion. No separate discussion or action on any of the items is necessary unless desired by a Commissioner.

1. CALL TO ORDER

2. APPROVAL OF MINUTES - Approve minutes of the April 15, 2013 regular meeting.

3. CITIZEN COMMUNICATIONS (*Please limit to three minutes per speaker.*)

NEW BUSINESS – CONSENT ITEMS

4. Authorize award and execution of a 24-month requirements service contract with SIEMENS INDUSTRY, INC., for wooden utility pole inspection services for Austin Energy in an estimated amount not to exceed \$517,440, with three 12-month extension options in an estimated amount not to exceed \$258,720 per extension option, for a total estimated contract amount not to exceed \$1,293,600.
5. Approve an ordinance amending City Code Chapter 15-9 regarding utility service, billing and adjustments, and administrative reviews and hearings.
6. Authorize award and execution of a contract with CHAMBERLIN ROOFING & WATERPROOFING LLC, for wet glazing and resealing of all exterior windows, trim and granite panels at Town Lake Center, in an amount not to exceed \$174,893.
7. Authorize use of the Design-Build method for design and construction services, in accordance with Government Code Chapter 2267 Subchapter G, for the development of an office building and parking structure for Austin Energy.
8. Authorize award and execution of a 12-month requirements service contract with CIRRO ENERGY SERVICES, INC., to provide peak load forecasting in an estimated amount not to exceed \$28,000, with four 12-month extension options in an estimated amount not to exceed \$28,000 per extension option, for a total estimated contract amount not to exceed \$140,000.

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9. Authorize negotiation and execution of an agreement with Seton Healthcare, to provide a performance-based incentive for the generation of solar energy at its facility located at 4900 Mueller Blvd., Austin, Texas 78723, for an estimated \$7,325 per year, for a total amount not to exceed \$73,250 over a 10-year period.
10. Authorize negotiation and execution of an agreement with St. David's Episcopal Church, to provide a performance-based incentive for the generation of solar energy at its facility located at 308 E. 8th St., Austin, Texas 78701, for an estimated \$26,969 per year, for a total amount not to exceed \$269,690 over a 10-year period.
11. Approve issuance of a rebate to Arts Apartments South Austin, LLC, for performing comprehensive energy efficiency upgrades at the Arts Apartments at South Austin located at 400 West St. Elmo Rd., Austin, Texas 78745, in an amount not to exceed \$99,000.
12. Approve issuance of a rebate to Arts Apartments at Turtle Creek, LLC, for performing comprehensive energy efficiency upgrades at the Arts Apartments at Turtle Creek located at 714 Turtle Creek Blvd., Austin, Texas 78745, in an amount not to exceed \$71,500.
13. Approve issuance of a rebate to H&H Texas Partners, LTD, for performing comprehensive energy efficiency upgrades at the Timbercreek Apartments located at 614 South 1st St., Austin, Texas 78704, in an amount not to exceed \$132,000.
14. Approve issuance of a rebate to Capri Capital, for performing duct diagnostics and improvements at the Stonegate Apartments located at 10505 South IH-35, Austin, Texas 78747, in an amount not to exceed \$146,974.
15. Authorize award and execution of a 12- month requirements service agreement through the Texas Multiple Award Schedule (TXMAS) with Johnson Controls, Austin, TX, for the preventative and corrective maintenance services and upgrades on 17 chillers in an estimated amount not to exceed \$415,774, with four 12-month extension options in estimated amounts not to exceed \$418,086 for the first extension option, \$433,599 for the second extension option, \$436,269 for the third extension option and \$438,995 for the fourth extension option, for a total estimated contract amount not to exceed \$2,142,723.
16. Authorize reimbursement of costs to Austin 18 Hotel, LLC, an Indiana Limited Liability Company, for the purchase of heat exchangers required to interconnect the JW Marriott Hotel to the Austin Energy District Cooling System, in an amount not to exceed \$295,000.
17. Approve an ordinance amending the Fiscal Year 2012-2013 Capital Budget of Austin Energy (Ordinance No. 20120910-002) to increase appropriations by \$7,000,000 for the Holly Street Power Plant Decommissioning Project and amending the Fiscal Year 2012-2013 Operating Budget of Austin Energy (Ordinance No. 20120910-001) to increase the Transfers Out by \$7,000,000 for the Holly Street Power Plant decommissioning account and decrease the Austin Energy Operating Fund ending balance by \$7,000,000. Related to Items 18 and 19.
18. Authorize award, negotiation, and execution of a 60-month requirements service contract with CLEAN HARBORS ENVIRONMENTAL SERVICES, GRUENE ENVIRONMENTAL COMPANIES, EFFECTIVE ENVIRONMENTAL, INC., WESTON SOLUTIONS, INC., and PROGRESSIVE ENVIRONMENTAL SERVICES

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dba SWS ENVIRONMENTAL SERVICES for soil remediation, equipment, and surface decontamination services for Austin Energy in an amount not to exceed \$7,500,000 combined. Related to Items 17 and 19.

19. Authorize execution of a supplemental amendment #7 to the professional services agreement with WESTON SOLUTIONS, INC., Austin, TX, for completion of Phase 3 construction services and Phase 4 remediation services for the Holly Street Power Plant Decommissioning Project in an amount not to exceed \$3,800,000 for a total contract amount not to exceed \$10,807,626.30. Related to Items 17 and 18.

BRIEFINGS & REPORTS

20. GreenChoice® Program Report
21. Presentation of Austin Energy's Five-Year Financial Forecast

NEW BUSINESS

22. Discussion and possible action on a proposed Council resolution directing the City Manager to collect data on multi-family units participating in Austin Energy's Multi-Family Energy Efficiency Program.
23. Discussion and possible action on a resolution recommending that the City Council request the City Manager to develop a plan to return Austin Energy to compliance with all City Council mandated finance and reserve policies or provide recommendations to revise those finance and reserve policies. The plan should include a current assessment of all City Council mandated finance and reserve policies that are not being observed by Austin Energy. (Sponsors: Commissioners Schmandt, Smaha, Webber)
24. Discussion and possible action on a resolution recommending that the City Council request the City Manager to develop a plan to eliminate coal from Austin Energy's portfolio by the end of 2013, with the plan to be presented to City Council no later than July 1 2013. (Sponsors: Commissioners Schmandt, Smaha, Webber)
25. Discussion and possible action on a resolution asking the City Council to require the City Manager to produce a list of all transfers or payments from Austin Energy to the City of Austin, including costs absorbed by Austin Energy for the benefit of the City, whether absorbed entirely or disproportionately by Austin Energy, and develop a recommendation as to whether it is appropriate or not to have such costs paid by rate payers. This report should include an analysis of whether using utility bills to pay for such costs is a regressive form of raising revenues inconsistent with this Community's notions of fairness and fair play and whether eliminating those transfers would allow Austin Energy to return to historic policies of charging out of city customers the same rates as in city residents. (Sponsors: Commissioners Schmandt, Smaha, Webber)
26. Discussion and possible action on a resolution recommending that the City Council request the City Manager to evaluate whether the Austin Energy hedging program should be discontinued or altered in light of possible new stability in natural gas prices, including an evaluation of the costs of the hedging program versus the expected ongoing benefits of the hedging program. (Sponsors: Commissioners Schmandt, Smaha, Webber)
27. Discussion and possible action on a resolution recommending that City Council ask the City Manager to develop a plan to increase the non-nuclear decommissioning reserve of

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Austin Energy, which is currently at zero despite the fact that Decker power plant is 40 years old and Fayette is 30 years old, including an analysis on the impact on future ratepayers if the decommissioning must take place without any money in the reserve fund. (Sponsors: Commissioners Schmandt, Smaha, Webber)

28. Discussion and possible action on a resolution recommending the City Council ask the City Manager to develop a plan to address the impact of distributed energy on Austin Energy including an analysis of who should pay the fixed costs of serving distributed energy customers. The plan should determine the actual cost borne by Austin Energy in serving distributed energy customers, the amount of that cost that is paid by the distributed energy customer and the amount of that customer's costs that are being subsidized by other rate payers. The plan should analyze whether not requiring the distributed energy customers to pay their actual costs amounts to a subsidy of wealthier Austin Energy customers by other lower income customers in a manner that is inconsistent with this Community's notions of fairness and fair play. The plan should also address projected rates of adoption of distributed generation and the expected impact on the utility and its non distributed energy rate payers in the future. (Sponsors: Commissioners Schmandt, Smaha, Webber)
29. Discussion and possible action on a resolution recommending that the City Manager develop an analysis of the feasibility of installing combined cycle natural gas generators on the land at the Decker facility that is not now currently used and was formerly used for oil storage tanks. (Sponsors: Commissioners Schmandt, Smaha, Webber)
30. Discussion and possible action on a resolution recommending that the City Manager develop an analysis on the impact on Austin Energy's goal of saving 800 MW of energy by 2020 that will be caused by out of city customers being exempted from the two highest tiers of rates and to develop a plan to return the city to a policy of charging all customers the same rates. (Sponsors: Commissioners Schmandt, Smaha, Webber)
31. Discussion and possible action on a resolution recommending that City Council direct the City Manager to allow the Electric Utility Commission (EUC) to resume meeting in executive session in accordance with the Texas Open Meetings Act and direct Austin Energy management to coordinate such sessions as requested by the EUC as has historically been done since its inception. This resolution is put forward in order for the EUC to properly perform its role of advising City Council on competitive and other matters that should be evaluated in executive session under the Texas Open Meetings Act. (Sponsors: Chair Bernfeld and Commissioner Schmandt)

FUTURE AGENDA ITEMS

32. Request agenda items, including information related to the Upcoming Procurements Report

ADJOURN