



ELECTRIC UTILITY COMMISSION
REGULAR MEETING MINUTES – Approved December 16, 2013
NOVEMBER 18, 2013

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

1. **CALL TO ORDER** – Chair Bernie Bernfeld called the meeting to order at 6:00 p.m. Commissioners in attendance: Bernie Bernfeld, Chair; Karen Hadden, Vice Chair; Shudde Fath, Dr. Varun Rai, and Linda Shaw. Clay Butler was absent. (There is one vacant position on the Commission.) Staff in attendance: Cheryl Mele, Ann Little, Debbie Kimberly, Mark Dreyfus, Elaina Ball, David Kutach, Pat Sweeney, Jeff Vice, Scott Jarman, Patricia Alofsin, Adrienne Brandt, Cathy Foster, Richard Morgan, Leslie Libby, Pat Alba, Barksdale English, Jamie Mitchell, Gerard MacCrossan, and Toye Goodson Collins of Austin Energy; Garrett Cox of the Contract Management Department; and Rosemary Ledesma of the Purchasing Department.

Chair Bernfeld thanked Austin Energy's Customer Energy Solutions staff, headed by Vice President Debbie Kimberly, for providing briefings on its energy efficiency programs and distributed energy services on November 8 to members of the Electric Utility Commission, Resource Management Commission, Community Development Commission, and the Weatherization Committee of the MBE/WBE & Small Business Procurement Program Advisory Committee.

2. **APPROVAL OF MINUTES** – **The motion to approve the minutes of the October 21, 2013 regular meeting, by Commissioner Fath and seconded by Vice Chair Hadden, passed on a vote of 5-0. The motion to approve the minutes of the October 21, 2013 special-called Joint meeting of the Electric Utility Commission and the Resource Management Commission, by Commissioner Fath and seconded by Commissioner Shaw, passed on a vote of 5-0.**
3. **CITIZEN COMMUNICATIONS:** Charlene Heydinger of Keeping PACE in Texas spoke regarding Item 22 regarding the Property Assessed Clean Energy (PACE) Act.

NEW BUSINESS – CONSENT ITEMS

Commissioners pulled Items 4, 5, 6, 9, 11, 14, and 15 for discussion and recommended approval of Items 7, 8, 10, 12, 13, 16, 17, and 18. The commission's votes are detailed below.

4. Authorize award, negotiation and execution of a 36-month requirements service contract with SMARTEBUILDING, for the purchase of software for multi-use online subscription and support services for a cloud-based Information Management System for Austin Energy, in an amount not to exceed \$1,060,000, with three 12-month extension options in an amount not to exceed \$353,333 per extension option, for a total contract amount not to exceed \$2,120,000. **The motion to recommend approval, by Chair Bernfeld and seconded by Vice Chair Hadden, passed on a vote of 5-0.**
5. Authorize negotiation and execution of a three-year agreement with ChargePoint, Inc., for subscription to its electric vehicle plug-in charging station software platform, network applications, and support services, in an estimated amount not to exceed \$210,540. **The motion to recommend approval, by Chair Bernfeld and seconded by Vice Chair Hadden, passed on a vote of 5-0.**
6. Authorize negotiation and execution of an agreement with 9900 Spectrum LLC, to provide a performance-based incentive for the generation of solar energy at its facility located at 9900

Spectrum Dr. Austin, Texas, for an estimated \$41,564 per year, for a total amount not to exceed \$415,640 over a 10-year period. **The motion to recommend approval, by Chair Bernfeld and seconded by Vice Chair Hadden, passed on a vote of 5-0.**

7. Authorize negotiation and execution of an agreement with Austin Central/Texas Realty Information Service, to provide a performance-based incentive for the generation of solar energy at its facility located at 4800 Spicewood Springs Rd., Austin, Texas, for an estimated \$16,590 per year, for a total amount not to exceed \$165,900 over a 10-year period. **The motion to recommend approval on consent, by Chair Bernfeld and seconded by Commissioner Fath, passed on a vote of 5-0.**
8. Authorize negotiation and execution of an agreement with Expo 2 Partners, Ltd, to provide a performance-based incentive for the generation of solar energy at its facility located at 6411 Burleson Rd., Austin, Texas, for an estimated \$41,599 per year, for a total amount not to exceed \$415,990 over a 10-year period. **The motion to recommend approval on consent, by Chair Bernfeld and seconded by Commissioner Fath, passed on a vote of 5-0.**
9. Approve issuance of a rebate to HEB Grocery Company, LP, for the installation of energy efficient equipment, in an amount not to exceed \$67,901. **The motion to recommend approval, by Chair Bernfeld and seconded by Vice Chair Hadden, passed on a vote of 5-0.**
10. Approve issuance of a rebate to US Farathane Corporation, for the installation of energy efficient equipment, in an amount not to exceed \$70,498. **The motion to recommend approval on consent, by Chair Bernfeld and seconded by Commissioner Fath, passed on a vote of 5-0.**
11. Authorize award and execution of a supply contract with TBEA USA CORPORATION, for the purchase of 362kV voltage transformers to be installed at Austin Energy's Lost Pines Substation, in an amount not-to-exceed \$157,500. **The motion to recommend approval, by Chair Bernfeld and seconded by Vice Chair Hadden, passed on a vote of 5-0.**
12. Authorize award, negotiation, and execution of a 12-month requirements service contract with JB TEMPLETON CONSULTING or the other qualified offeror to RFP No. GAL0013, JIN SIM & ASSOCIATES, INC., for the purchase of power transformer engineering consulting services for Austin Energy, in an amount not to exceed \$50,000, with four 12-month extension options in an amount not to exceed \$50,000 per extension option, for a total contract amount not to exceed \$250,000. **The motion to recommend approval on consent, by Chair Bernfeld and seconded by Commissioner Fath, passed on a vote of 5-0.**
13. Authorize negotiation and execution of a professional services agreement with TRC ENGINEERS, INC., Austin, TX, or one of the other qualified responders to RFQ Solicitation No. CLMP134, to provide engineering services necessary for Telecom/Fiber Make-Ready Work, in an amount not to exceed \$2,500,000. **The motion to recommend approval on consent, by Chair Bernfeld and seconded by Commissioner Fath, passed on a vote of 5-0.**
14. Authorize execution of amendments to two existing contracts with ATMOS ENERGY CORPORATION, for natural gas pipeline transportation services for Austin Energy, to extend the contracts for 24 months for an estimated aggregate amount of \$2,000,000. **The motion to recommend approval, by Chair Bernfeld and seconded by Vice Chair Hadden, passed on a vote of 5-0.**

15. Authorize award, negotiation, and execution of a 24-month requirements contract with GENERATOR & MOTOR SERVICES OF PENNSYLVANIA or one of the other qualified offerors to RFP No. DKC0047, to provide aero-derivative generator maintenance services for Decker Creek Power Station and Sand Hill Energy Center, in an amount not to exceed \$3,000,000, with two 24-month extension options in an amount not to exceed \$2,000,000 per extension option, for a total contract amount not to exceed \$7,000,000. **The motion to recommend approval, by Chair Bernfeld and seconded by Vice Chair Hadden, passed on a vote of 5-0.**
16. Authorize award and execution of a purchase with 5 STAR FILTER for intake air filters for a combustion turbine at Austin Energy's Sand Hill Energy Center in an amount not-to-exceed \$69,687. **The motion to recommend approval on consent, by Chair Bernfeld and seconded by Commissioner Fath, passed on a vote of 5-0.**
17. Authorize award, negotiation and execution of a 36-month requirements service contract with TIBH INDUSTRIES, INC. for temporary personnel services in an amount not to exceed \$1,373,800, with three 12-month extension options in an amount not to exceed \$457,933 per extension option, for a total contract amount not to exceed \$2,747,600. (Note: This is a shared contract among several City departments; AE's estimated portion is \$50,000 over three years.) **The motion to recommend approval on consent, by Chair Bernfeld and seconded by Commissioner Fath, passed on a vote of 5-0.**
18. Authorize award and execution of five 24-month requirements supply agreements for the purchase of lighting supplies for Austin Energy with: BATTERIES PLUS #142 in an amount not to exceed \$59,706 with two 12-month extension options in an amount not to exceed \$29,853 per extension option, for a total contract amount not to exceed \$119,412; FACILITY SOLUTIONS GROUP in an amount not to exceed \$35,398 with two 12-month extension options in an amount not to exceed \$17,699 per extension option, for a total contract amount not to exceed \$70,796; POWER SUPPLY INC. in an amount not to exceed \$21,240, with two 12-month extension options in an amount not to exceed \$10,620 per extension option, for a total contract amount not to exceed \$42,480; TECHLINE INC. in an amount not to exceed \$12,160, with two 12-month extension options in an amount not to exceed \$6,080 per extension option, for a total contract amount not to exceed \$24,320 and with CRAWFORD ELECTRIC SUPPLY in an amount not to exceed \$6,976, with two 12-month extension options in an amount not to exceed \$3,488 per extension option, for a total contract amount not to exceed \$13,952. The amount for all lighting supplies required under these contracts will be for a total each and combined amount not to exceed \$67,740. **The motion to recommend approval on consent, by Chair Bernfeld and seconded by Commissioner Fath, passed on a vote of 5-0.**

NEW BUSINESS

19. Adoption of a meeting schedule for 2014 - **The motion to approve the proposed 2014 meeting schedule, by Commissioner Fath and seconded by Commissioner Rai, passed on a vote of 5-0.**

OLD BUSINESS

20. Discussion and possible action regarding Austin Energy's Line Extension Policy – **Commissioner Fath read the following draft resolution and moved approval. Commissioner Shaw seconded the motion.**

“Whereas, the City Council voted unanimously on October 24, 2013 for a \$5400 impact fee effective January 1, 2014 to extend water lines and for a \$2200 impact

fee effective January 1, 2014 to extend wastewater lines in order to recover those costs for new growth; and whereas, in contrast, Austin Energy has proposed to start a five-year program on October 1, 2014 to recover 75% of the cost for extending electric lines to relieve Austin Energy ratepayers partially of new growth costs; now therefore, be it resolved by the Electric Utility Commission: We recommend to the City Council that it vote for an earlier recovery of 100% of electric line extension costs effective as soon as Austin Energy is able to accomplish the task, possibly by using a stakeholder group similar to the water and wastewater fee increase process.”

Following discussion, Chair Bernfeld offered the following friendly amendment which was accepted by Commissioner Fath:

“Be it further resolved: The Electric Utility Commission also recommends that City Council consider exemptions for new housing projects in low-to-moderate income neighborhoods and for other affordable housing projects.”

Commissioners approved the amended resolution on a vote of 5-0.

STAFF BRIEFINGS & REPORTS

21. Presentation of Austin Energy’s Quarterly Financial Report – by Ann Little, Chief Operating Officer; David Kutach, Director, Financial Planning & Budget; and Cathy Foster, Director, Corporate Accounting & Rates.
22. Update on the Property Assessed Clean Energy (PACE) Act also known as SB 385, in response to Council Resolution 20130627-071, directing staff to provide an analysis of the Act and develop elements of a local program – by Debbie Kimberly, Vice President, Customer Energy Solutions; and Scott Jarman, Consulting Engineer, Energy Efficiency Services.
23. Briefing on resource adequacy wholesale market designs and how each would affect Austin Energy – by Mark Dreyfus, Vice President, Regulatory Affairs and Corporate Communications; and Adrienne Brandt, Utility Regulatory Policy Analyst.

FUTURE AGENDA ITEMS

24. Request agenda items, including information related to the Upcoming Procurements Report – Chair Bernfeld requested a fuel hedging presentation. He also requested a briefing on franchise fees, however, he withdrew his request after Commissioner Fath informed him of the distribution of a Law Department memo on the issue. Commissioner Fath requested a discussion on climate protection in reference to the CO2 goals in the generation plan and the disposition of the Fayette Power Project. Cheryl Mele, Chief Operating Officer, suggested that discussion coincide with the update of the Resource, Generation and Climate Protection Plan to begin in the Spring of 2014. Fath agreed. Commissioner Rai requested a briefing on the electric vehicle program.

ADJOURN – Chair Bernfeld adjourned the meeting at 8:35 p.m. without objection.