



Council Committee on Austin Energy
Thursday, April 3, 2014

MEETING MINUTES

THE **COUNCIL COMMITTEE ON AUSTIN ENERGY** CONVENED ON THURSDAY, APRIL 3, 2014 AT 9:31 A.M. IN THE COUNCIL CHAMBER, CITY HALL, 301 W. SECOND STREET

The meeting was called to order at 9:31 a.m. by Mayor Leffingwell.

Agenda Item #1: Approval of minutes for the committee meeting held Tuesday, February 4, 2014.

The minutes of the February 4, 2014 meeting of the Council Committee on Austin Energy were approved on the motion from Council Member Morrison, seconded by Mayor Pro Tem Cole, with a 4-0 vote. Council Members Martinez, Spelman and Riley were off the dais.

Agenda Item #2: Briefing and discussion of Austin Energy's Quarterly Report.

Larry Weis, General Manager, provided an overview of the Quarterly Report, stating that it includes a close-out of Fiscal Year 2013 and highlighting a couple of recent items including an update of the risk policy and ongoing negotiations for the solar project.

Agenda Item #3: Briefing and discussion of a financial update from Austin Energy, including first year results under new rates and review of the cash reserve policy.

Ann Little, Chief Financial Officer, provided a timeline and details of the implementation of the new rates, including a breakdown of revenues and evaluation of the new rates. The briefing also included a review of the cash reserve policy, as well as the current status and forecast of the cash reserves.

Council Member Tovo asked questions regarding the waitlist for the Customer Assistance Program and if all eligible customers have been included. She also asked about the total amount for those businesses that were overbilled. Council Member Riley asked if an analysis of the new GreenChoice rates and the value of solar can come forward during budget discussions. Mayor Leffingwell asked for additional information regarding the negotiations with contract customers. Council Member Morrison asked if the decommissioning reserves include the actual costs of decommissioning the plants or to mitigate future rate increases when plants close. She also asked if there is any way to determine how much of the decrease in energy use in 2013 is due to the new tier structure that encourages conservation.

Agenda Item #4: Discussion of the role of advisory boards and commissions reviewing matters pertaining to Austin Energy.

Carol Biedrzycki, member of the Resource Management Commission spoke to the Committee regarding the role of commissions and stated that she is not sure eliminating a commission is the way to get a better result. She provided two alternatives to consider: commission members and Council members need to have another source to get information other than from the department and that a commission is needed to look at consumer issues across the utilities.

Tim Arndt, commercial energy consultant, stated that the Resource Management Commission allows an integration of conservation and rebate programs, and should not be disbanded. He stated that the Resource Management Commission could look at only the community benefit fund that Austin Energy collects for the customer assistance program. He stated there is a need for a board or commission that looks at conservation programs and the funds that go toward them.

Larry Weis, General Manager, provided some of the history of the Resource Management Commission and how energy efficiency programs and conservation efforts moved to the utility departments. He also stated that with the current system, there is some duplication of effort.

Council Member Morrison stated that she would like to see options from the Transition Task Force: one option if we keep the Resource Management Commission and improve how it is working now and other options if we do away with the Resource Management Commission and what does that look like.

Agenda Item #5: Discussion and possible action to set agenda items and dates for future committee meetings.

Council Member Tovo requested an update on the one day reconnection service, including how often it happens.

Agenda Item #6: The first five speakers signed up before the meeting is called to order will each be allowed three minutes to speak.

Citizens spoke at the time the item they signed up for was discussed.

Adjournment – Mayor Pro Tem Cole adjourned the meeting without objections at 11:21 a.m.