



MEMORANDUM

TO: Low Income Consumer Advisory Task Force

FROM: Liz Jambor, EdD, Manager

DATE: 01/07/2015

SUBJECT: Relationship between Austin Energy and Texas Gas

In the December 10th meeting, a question was raised concerning the relationship between Austin Energy and Texas Gas in terms of weatherization efforts, specifically regarding red-tagged gas appliances. Denise Kuehn and her team met with Julie Hatfield to discuss the process for reporting these appliances to Texas Gas. It was a very fruitful meeting that resulted in an update of procedures and the ongoing communication between Austin Energy and Texas Gas.

The attached memo provides evidence of that meeting and the continuing relationship between the two utilities in the service of our low income customers.

December 19, 2014
Ms. Julie Hatfield
Manager, Texas Gas Service
Conservation/Energy Efficiency Program
1301 S Mopac, Suite 400
Austin, TX 78746
Re: Austin Energy and Texas Gas Joint Effort

Dear Ms. Hatfield:

Thank you for taking time to meet with me on Tuesday, December 16, 2014. The meeting was productive with Austin Energy and Texas Gas Service reviewing the process for the reporting of red-tagged appliances in our joint effort to serve low-income households.

Recently, while performing assessments for the AE Low Income Weatherization Program, some homes contained gas equipment that had been 'red-tagged' by the City of Austin (COA) Inspection Department. A 'red-tag' is used for a variety of items including age of equipment, code violation, gas leak or failed CO test. The City Inspectors tag the equipment and place it in the COA permitting database where the appropriate parties along with the home owner can address the issue. In the past, when AE has found 'red-tagged' items, we have contacted Texas Gas as an additional notification. Contractors can also contact Texas Gas directly when they find a 'red-tag' item.

In the December 2014 Low Income Consumer Advisory Task Force (LICATF) meeting, two contractors had referenced two homes that were being inspected for the Weatherization program. These two homes had 'red-tags'. The two contractors shared in the meeting that neither they nor AE had contacted Texas Gas as an additional notification which has been the practice. According to our inspectors and the contractors accessing the homes, the two units did not present an immediate concern. Had these two issues been life-threatening situations, the City Inspector would have informed the proper parties immediately. The City Inspector followed proper procedures when the red tag was placed on the equipment and the information entered into the COA permitting database.

As we discussed, the concerns about additionally notifying Texas Gas about 'red-tag' items that was discussed during the LICATF meeting had not been mentioned by the contractors to AE management prior. We will continue to improve communication with our contractors. As we agreed, in order to assist Texas Gas Service (TGS) with addressing these situations, the AE Weatherization program when performing assessments will provide referrals on gas equipment with a 'red-tag' or if additional concerns are found such as a gas leak, high CO reading or if the equipment appears to be extremely old. These referrals will be sent via e-mail to Tony Estrada. TGS will assume responsibility for checking the referred equipment and will use its own contractors to address the appliances that are determined eligible.

Through our discussion, AE and TGS will continue to partner in achieving our common goal of providing a healthy and safe environment to all the customers we serve.

Sincerely,
Joe Guerrero