



Electric Utility Commission

July 21, 2014

Minutes

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.

Meeting called to order by Chair Bernfeld at 6:01 p.m., followed by his resignation effective as of the close of this meeting. Commissioners Butler, Fath, Hadden, Heidebrecht, Rai and Shaw were also in attendance.

1. **APPROVAL OF MINUTES** - Approve minutes of the June 16, 2014 regular meeting.
Motion to approve regular meeting minutes (Fath); seconded (Shaw); passed on vote of 7-0.
2. **CITIZEN COMMUNICATIONS: GENERAL** – *Elliot Johnson (24&28), Rebecca Melancon (29), Scott Johnson (20&26), John Dorgan (29), Jeff Crunk (26), Susan Lippman (26), Dan Seif (28), Lanetta Cooper (4&26), Carol Biedrzycki (26), and Kaiba White (28).*

NEW BUSINESS – CONSENT ITEMS (Targeted Council Date)

- Motion to recommend approval of consent agenda Items 3, 6-9, 11-12, 14-18, 20-22 (Bernfeld); seconded (Fath); passed on vote of 7-0. Following discussion on individual Items 5, 10, 13 & 19, motion to recommend approval (Bernfeld); seconded (Rai); passed on a vote of 7-0. Following discussion on Item 4, motion for EUC to not issue recommendation (Fath); seconded (Hadden); failed on a vote of 2-5 (Fath and Hadden in favor). Motion to recommend approval as written (Bernfeld); seconded (Heidebrecht); passed on a vote of 6-0-1 (Fath abstaining).**
3. (8/7) Approve an ordinance amending the Fiscal Year 2013-2014 Austin Energy Operating Budget of Ordinance No. 20130909-001 to decrease the Austin Energy Operating Fund Ending Balance by \$600,000 and increase the operating expenses by \$600,000 to provide additional funding for the voluntary utility assistance Plus-One program.
 4. (8/7) Approve an ordinance amending the Austin Energy Strategic Reserve Fund of Ordinance No. 20130909-001 by increasing transfers in from the Austin Energy Operating Fund in the amount of \$30,000,000; and amending the Fiscal Year 2013-2014 Austin Energy Operating Budget of Ordinance No. 20130909-001 to increase transfers out to the Austin Energy Strategic Reserve Fund in the same amount to increase the Strategic Reserve Fund Contingency balance in order to move closer to financial policy compliance for reserves.
 5. (8/7) Authorize negotiation and execution of an agreement with AISD Performing Arts Center, to provide a performance-based incentive for the generation of solar energy at its facility located at 1500 Barbara Jordan Blvd in Austin, Texas, for an estimated \$9,077 per year, for a total amount not to exceed \$90,766 over a 10-year period.
 6. (8/7) Authorize negotiation and execution of an agreement with PSW, to provide a performance-based incentive for the generation of solar energy at its facility located at 2501

Thornton Rd in Austin, Texas, for an estimated \$26,914 per year, for a total amount not to exceed \$269,137 over a 10-year period.

7. (8/7) Authorize negotiation and execution of an agreement with Lakeway Floors, to provide a performance-based incentive for the generation of solar energy at its facility located at 911 RR 620 N in Austin, Texas, for an estimated \$11,449 per year, for a total amount not to exceed \$114,488 over a 10-year period.
8. (8/7) Authorize negotiation and execution of an agreement with GM IT Center, to provide a performance-based incentive for the generation of solar energy at its facility located at 717 E Parmer Ln in Austin, Texas, for an estimated \$38,054 per year, for a total amount not to exceed \$380,537 over a 10-year period.
9. (8/7) Authorize negotiation and execution of an agreement with GM Data Center, to provide a performance-based incentive for the generation of solar energy at its facility located at 7401 E Ben White Blvd Bldg 3 in Austin, Texas, for an estimated \$38,020 per year, for a total amount not to exceed \$380,202 over a 10-year period.
10. (8/7) Authorize negotiation and execution of a contract with OSISOFT, LLC, for the purchase and implementation of an enterprise wide process information software license in support and management of Austin Energy's critical systems in an amount not to exceed \$1,847,099 with 60 months maintenance and support services following implementation completion in an amount not to exceed \$1,652,900, for a total amount not to exceed \$3,499,999.
11. (8/7) Authorize award and execution of a 36-month supply contract with ALAMO DISTRIBUTION, LLC, for the purchase of steel reinforcing bar for Austin Energy in an amount not to exceed \$393,903, with three 12-month extension options in an amount not to exceed \$131,301 per extension option, for a total contract amount not to exceed \$787,806.
12. (8/7) Authorize negotiation and execution of 72-month service contracts with AFFILIATED POWER SERVICES LP, PRO SERV INDUSTRIAL CONTRACTORS, LLC, and TEI CONSTRUCTION SERVICES, INC., or another qualified offeror to RFP No. MLG0024REBID, for maintenance and repair services for the heat recovery steam generator at Austin Energy's Sand Hill Energy Center in an amount not to exceed \$8,000,000 each and combined.
13. (8/7) Authorize award and execution of Amendment No. 2 to a requirements service contract with POWER SYSTEMS MFG., LLC., for a long term maintenance agreement for Austin Energy's Sand Hill Energy Center's gas turbine and generator unit # 5 to increase the contract authorization in an amount not to exceed \$8,000,000, for a revised total contract amount not to exceed \$39,937,248.
14. (8/7) Authorize award and execution of a 24-month service contract with DRIESSEN WATER INC, for the purchase of chemical regeneration services of ion exchange resin for Austin Energy in an amount not to exceed \$83,200, with four 12-month extension options in an amount not to exceed \$41,600 per extension option, for a total contract amount not to exceed \$249,600.
15. (8/7) [SHARED] Authorize award and execution of two 36-month contracts for the rental of off-site storage units for various City departments with LAMAR STORAGE LTD in an amount

not to exceed \$211,980 with three 12-month extension options in an amount not to exceed \$70,660 per extension option, for a total contract amount not to exceed \$423,960; and with ALL MY SONS MOVING & STORAGE OF AUSTIN, INC., in an amount not to exceed \$76,800, with three 12-month extension options in an amount not to exceed \$25,600 each, for a total contract amount not to exceed \$153,600. The annual amount for all rentals of off-site storage units will be for a total each and combined amount not to exceed \$96,260.

16. (8/7) [SHARED] Authorize negotiation, execution and award of a 12-month requirements service contract with OCCUPATIONAL HEALTH CENTERS OF THE SOUTHWEST PA DBA CONCENTRA MEDICAL CENTERS, or the other qualified Offeror to RFQS No. OPJ0001, for Medical Surveillance Program for Austin Energy and Austin Resource Recovery in an amount not to exceed \$32,000, with four 12-month extension options in an amount not to exceed \$32,000 per extension option, for a total estimated contract amount not to exceed \$160,000.
17. (8/7) Authorize award and execution of a 24-month supply contract with WEIDMANN DIAGNOSTIC SOLUTIONS, for the purchase of insulating oil analysis for Austin Energy in an amount not to exceed \$35,776, with four 12-month extension options in an amount not to exceed \$17,888 per extension option, for a total contract amount not to exceed \$107,328.
18. (8/28) Authorize award and execution of a 36-month supply contract with PREISTER-MELL & NICHOLSON, INC., for the purchase of acrylic & polypropylene meter seals for Austin Energy in an amount not-to-exceed \$252,813, with three 12-month extension options in an amount not to exceed \$84,271 each, for a total contract amount not to exceed \$505,626.
19. (8/7) Authorize award, negotiation, and execution of a contract with DIRECTAPPS, INC. DBA DIRECT TECHNOLOGY, or another qualified offeror to RFP No. GAL0018, for the purchase and implementation of a new workflow automation software solution for Austin Energy's Customer Energy Solutions energy efficiency and solar rebate programs in an amount not to exceed \$798,000 with hosting and support services for one 24-month period in an amount not to exceed \$396,000 and three 12-month extension options in an amount not to exceed \$198,000 per extension option, for a total contract amount not to exceed \$1,788,000.
20. (8/7) Authorize negotiation and execution of an Interlocal Agreement between the City of Austin/Austin Energy and Austin Community College for collaboration on the Central Texas Fuel Independence Project under a Clean Cities – Implementation Initiatives to Advance Alternative Fuels Market grant from the Department of Energy, for an amount not to exceed \$100,000.
21. (8/7) Approve an ordinance authorizing acceptance of \$15,000 in funds from the American Public Power Association and amending the Fiscal Year 2013-2014 Austin Energy Operating Budget Special Revenue Fund (Ordinance No. 20130909-001) to appropriate the funds related to an educational research program supporting intern students seeking utility careers.
22. (8/7) Authorize award, negotiation, and execution of a 24-month requirements service contract with SIMGENICS CORPORATION or the other qualified offeror to RFP No. MEA0302, GP Strategies Corporation, for the purchase of power plant simulator training services for Austin Energy in an amount not to exceed \$384,000, with two 12-month extension options in an

amount not to exceed \$192,000 per extension option, for a total contract amount not to exceed \$768,000.

[Note: Bernfeld, using Chair's prerogative, took the remaining Items in the following order: 29, 28, 23, 24, 25 (postponed), 26, 27 & 30. For purpose of the Minutes, the Items are left in original agenda order.]

OLD BUSINESS – DISCUSSION ITEMS

23. Approval of the 2013 Austin Energy Performance Report
(Mark Dreyfus, VP Regulatory Affairs & Corporate Communications)
Motion to approve (Fath); seconded (Bernfeld); passed on vote of 6-0 (Butler off dais).

BRIEFINGS

24. FY 2015 Budget Work Session with EUC Discussion and Recommendation
(Ann Little, CFO and David Kutach, Director, Planning & Budget)
25. Briefing on Payment Arrangements, Arrearage Management and Hearings Process
Chair Bernfeld postponed item until August.
26. Update from the Austin Generation Resource Planning Task Force
(Michael Osborne, Task Force Chair)
27. Review and possible action regarding the Boards & Commissions Transition Task Force recommendations on changes to membership, purpose and processes referenced in Sections 2-4 of their report: <http://www.austintexas.gov/edims/document.cfm?id=209716>
(Jeff Vice, EUC Liaison) **Motion to accept the Transition Task Force recommendations (Bernfeld); seconded (Heidebrecht); passed on vote of 6-0 (Butler off dais).**

ITEMS from COMMISSION

28. Discussion and possible action regarding changes to the Residential Solar Tariff (Co-sponsors: Butler and Bernfeld) **Motion to approve (Bernfeld); seconded (Rai); passed on vote of 4-2-1 (Heidebrecht, Shaw – Nay; Fath - Abstain).**
29. Discussion and possible action regarding demand charge for small commercial customers (Co-sponsors: Fath and Bernfeld) **Discussion only.**
30. Discussion regarding potential future agenda items:
Elections; Item 25 above; Task Force Briefing with possible action and staff reaction.

ADJOURNMENT- Chair adjourned the meeting at 9:30 p.m.