



Electric Utility Commission

June 15, 2015

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.

The meeting was called to order by Chair Osborne at 6:05 pm. Commissioners Fath, Hadden, Heidebrecht, Herbert, and Meijer were also in attendance. Commissioner Rai was absent.

1. **APPROVAL OF MINUTES** - Approve minutes of the May 18, 2015 regular meeting.
Motion to approve meeting minutes (Fath); seconded (Hadden); passed on a vote of 6-0, with Rai absent.
2. **CITIZEN COMMUNICATIONS:** *Carol Biedrzycki & Ruby Roa (Items 4 & 10, weatherization and utility deferred payment agreements); Kaiba White (Item 17, questions re: solar leasing); Dale Bulla & Richard Halpin (climate protection concerns); Beki Halpin (buy more solar); Glen Coleman (sponsor Commercial Solar Leasing Resolution), with time donated by Mrs. Bulla, and support from Kevin Opp and Blake Mendez (both not wishing to speak); Robert Murray (Items 5, 12 & 14, generation planning)*

NEW BUSINESS (RCAs Targeted for June 18 Council)

- Following discussion: Motion to recommend approval of Items 3, 4, 7 & 8 (Herbert); seconded (Fath); passed on a vote of 6-0. Motion (Herbert) to recommend approval of Item 5 by having Council select one of the top three proposers—PACE Global, Navigant Consulting or LCG, consistent with the generation plan; seconded (Heidebrecht); passed on a vote of 6-0. Motion to recommend approval of Item 6 (Fath); seconded (Hadden); passed on a vote of 6-0. Chair called for vote in favor of Item 9 (i.e., no motion/second); passed on a vote of 4-2, with Commissioners Meijer and Hadden voting “no.” Chair called for vote in favor of Item 11 (i.e., no motion/second); passed on a vote of 5-1, with Hadden voting “no.” Motion to recommend approval of Item 10 (Fath); seconded (Herbert); failed on a vote of 3-3, with Hadden, Meijer and Osborne voting “no.”**
3. Authorize award and execution of a 24-month construction services contract with BILFINGER TEPSCO for Chilled Water Piping Construction on Customer Distribution Sites (Rebid) in an amount not to exceed \$6,000,000, with three 12-month extension options in an amount not to exceed \$2,000,000 per extension option, for a total contract amount not to exceed \$12,000,000.
 4. Authorize award, negotiation and execution of a 12-month contract with 360 ENERGY SAVERS, LLC; RAM'S WEATHERIZATION and CONSTRUCTION, LLC; 1st CHOICE ENERGY, LLC; McCULLOUGH HEATING & A/C, INC; ENERGY GUYS; CITY CONSERVATION; AMERICAN CONSERVATION; VALDEZ REMODELING & WEATHERIZATION, INC.; AMERICAN YOUTHWORKS; CONSERVATION SPECIALISTS OF AUSTIN, LLC, and GREAT AMERICAN INSULATION, INC., or one of

the other qualified responders to Request For Proposal No. OPJ0116, for basic weatherization services in an amount not to exceed \$2,800,000 each and combined, with four 12-month extension options in an amount not to exceed \$2,800,000 each and combined, for a total contract amount not to exceed \$14,000,000 each and combined.

5. Authorize award, negotiation and execution of a contract with PACE GLOBAL, a wholly-owned subsidiary of SIEMENS INDUSTRY, INC., or another qualified offeror to Request For Proposal No. GAL0021, for an independent review of Austin Energy's Resource, Generation and Climate Protection Plan, in an amount not to exceed \$300,000.
6. Authorize award and execution of Amendment No. 9 to the contract with MASTEC NORTH AMERICA, INC., for underground transmission and distribution construction and maintenance services to increase the contract authorization for the current contract period in an amount not to exceed \$5,000,000, for a revised total contract amount not to exceed \$41,488,840.
7. Authorize award, negotiation and execution of a contract with JOHNSON CONTROLS INC., or another qualified offeror to Request For Proposal No. OPJ0114, for the purchase and installation of a 2500 ton chiller to be installed at Austin Energy's Domain District Cooling Plant in an amount not to exceed \$3,075,554.
8. Authorize award contract with THE VALLEY GROUP, or another qualified offeror to Request For Proposal No. NST0405, for the purchase of dynamic line rating equipment in an amount not to exceed \$169,000.
9. Authorize award and execution of a 24-month supply contract with SMITH MOUNTAIN INVESTMENTS, LLC to provide inspection and treatment services of distribution wood poles for Austin Energy in an amount not to exceed \$807,678, with three 12-month extension options in an amount not to exceed \$403,839/extension, for a total contract amount not to exceed \$2,019,195.
10. Approve an ordinance amending City Code Chapter 15-9 regarding utility deferred payment agreements.
11. [Various Departments] Authorize award and execution of five contracts through the Texas Local Government Purchasing Cooperative (Buyboard) for light duty vehicles and equipment with CALDWELL COUNTRY CHEVROLET DBA BABY JACK II AUTOMOTIVE, LTD. in an amount not to exceed \$915,979, DEERE & COMPANY in an amount not to exceed \$106,717, GRAPEVINE DODGE CHRYSLER JEEP, LLC DBA GRAPEVINE DCJ, LLC in an amount not to exceed \$3,029,838, SILSBEE FORD, INC. in an amount not to exceed \$2,756,457, and WIRTGEN AMERICA in an amount not to exceed \$458,301, for total contracts amount not to exceed \$8,267,292. [AE's portion \$1,456,089]

In addition to the vote on the item noted above, motion (Meijer) to approve an amended Recommendation to Council brought by Meijer regarding future fleet purchases; seconded (Herbert); passed on a vote of 5-1, with Heidebrecht voting "no." The recommendation states that the Austin City Council require all city departments, including Austin Energy to only purchase vehicles without greenhouse emissions (carbon neutral fleet), and, if not available in that vehicle class, with a fuel efficiency that conforms to the average CAFE standards for the relevant vehicle class (sooner than later).

BRIEFINGS

12. Update regarding Solar RFP

Pat Sweeney, Director, Energy Market Operations

OLD BUSINESS

13. Discussion and possible action regarding the Power Supply Adjustment and Fuel Adjustment Clause

14. Discussion and possible action regarding the Austin Energy Resource, Generation and Climate Protection Plan including EUC working group report and RFP addendum

15. Discussion and possible action regarding 4th quarter report and year-end report

16. Discussion regarding staff responses to requests for information regarding a) backcast simulations for solar, wind, and gas generation and b) recent wind additions and losses

ITEMS FROM COMMISSIONERS

17. Discussion and possible action regarding Solar Leasing Resolution (Osborne; Heidebrecht)

Debbie Kimberly, Vice President, Customer Energy Solutions; Danielle Murray, Manager, Solar Program. Motion to recommend postponing consideration of the Solar Leasing Resolution brought by Glen Coleman (Fath); seconded (Hadden); passed on a vote of 6-0.

18. Discussion and possible action regarding Demand Charges for Small Commercial Customers (Osborne; Fath)

19. Discussion and possible action regarding Austin Energy's responsiveness to the Electric Utility Commission's requests for information and clarification (Osborne; Meijer)

20. Discussion and possible action regarding upcoming cost of service process including expected schedule (Osborne; Hadden)

Motion (Meijer) to approve a Recommendation to Council stating "We urge the City Council to include the EUC in the upcoming Cost of Service process"; seconded (Herbert); passed on a vote of 6-0.

21. Discussion of financial forecast presented at May EUC meeting with requested back up materials (Hadden/ Heidebrecht)

22. Discussion and possible action on 2nd quarter report (Osborne/Meijer)

OTHER BUSINESS

23. Discussion regarding potential future agenda items: Solar RFP; Demand Charges

ADJOURNMENT: Chair adjourned the meeting at 9:25 pm.