



COUNCIL COMMITTEE REPORT

Austin Energy Utility Oversight Committee

Date: September 24, 2015

Agenda Item #: 3

Agenda Item: Discussion and possible action regarding negotiation and execution of a contract with 1ENERGY SYSTEMS INC. for the purchase of a 1.5- megawatt energy storage system to be installed at Austin Energy's Kingsbery Substation in an amount not to exceed \$3,030,000.

Vote: Recommended to City Council on a 6-1 vote with Council Member Zimmerman voting against; and Mayor Adler and Council Members Garza, Houston and Kitchen off the dais.

Sponsors/Department: Austin Energy

Summary of Discussion:

Committee members asked questions and engaged in discussion with Larry Weis, General Manager; and Khalil Shalabi, Vice President, Energy Market Operations & Resource Planning.

Questions and discussion included the following topics:

- Description of the pilot project and possible uses
- Collaboration with other utilities for research
- Financing the purchase as a capital project
- Analyzing all-in costs of these types of purchases

Public Comments:

There were no public comments made regarding the item.

Direction: The Committee recommended the item for approval by City Council.

Recommendation: A motion to recommend the item for approval by Council was approved on Vice Chair Pool's motion and seconded by Council Member Casar on a 6-1 vote. Council Member Zimmerman voted against. Mayor Adler and Council Members Garza, Houston and Kitchen were off the dais.