



Electric Utility Commission

September 21, 2015

Minutes

The Electric Utility Commission (EUC) convened in a regular 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 6:04 pm. Commissioners Biedrzycki, Fath, Ferchill, Hadden, Heidebrecht, Mahmood, Norris, Roa, Stout and Wray were also in attendance.

CITIZEN COMMUNICATIONS: *Richard Halpin, Jere Locke, Al Braden, Bob Murray, and Beki Halpin (buy solar now); Ryan Hobbs (Item 8: representing Texas Disposal System, spoke against competitor's selection)*

1. **APPROVAL OF MINUTES** - Approve minutes of the August 17, 2015 regular meeting.
Motion to approve regular meeting minutes as amended (Biedrzycki); seconded (Heidebrecht); passed on a vote of 11-0.

NEW BUSINESS -- CONSENT

(__)=Target Council Meeting Date for Recommendations for Council Action (RCAs)

- Motion to recommend approval of Items 3, 4, 6 and 10 (Ferchill); seconded (Norris); passed on a vote of 11-0.**
2. (10/1) Approve issuance of a rebate to Clarion Partners for performing energy efficiency improvements at the Lantana Ridge Apartments located at 6636 W. William Cannon Dr., in an amount not to exceed \$94,989 (District 8).
Motion (Biedrzycki) that “in the future, Austin Energy provides EUC as backup the standard Energy Conservation and Audit Disclosure Form on multi-family energy efficiency rebate RCAs”; seconded (Hadden); passed on a vote of 11-0. Motion to recommend approval of Item 2 (Norris); seconded (Heidebrecht); passed on a vote of 11-0.
3. (10/1) Authorize execution of a 60-month lease renewal agreement with SWC Research & Ohlen, LP, for approximately 4,597 square feet of retail space located at 8716 Research Boulevard for the continued operation of an Austin Energy Customer Service Center, in an amount not to exceed \$688,890 (District 7).
4. (10/1) Authorize 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 \$3,000,000.

5. (10/1) Authorize execution of power purchase agreements with one or more qualified offerors for 200 to 300 megawatts of utility-scale, solar-generated electricity in an estimated amount of \$22,500,000 to \$33,200,000 per year, and a total estimated amount of \$445,000,000 to \$700,000,000 with contract terms ranging between 15 and 25 years.
Motion to recommend approval of Item 5 (Biedrzycki); seconded (Heidebrecht); passed on a vote of 10-1, with Commissioner Stout “against.”
6. (10/1) Authorize execution of a 24-month contract with TECHLINE INC. to provide vacuum interrupter switches for Austin Energy in an amount not to exceed \$1,619,150, with three 12-month extension options in an amount not to exceed \$809,575 per extension option, for a total contract amount not to exceed \$4,047,875.
7. (10/1) Authorize negotiation and execution of a contract with PA CONSULTING GROUP, INC. for professional services to train staff on operations modeling and support development of operational metrics for Austin Energy in an amount not to exceed \$217,000.
Motion to recommend approval of Item 7 (Biedrzycki); seconded (Ferchill); passed on a vote of 11-0.
8. (10/1) Authorize execution of a 12-month extension option with REPUBLIC SERVICES INC. for the management and disposal of industrial Class 2 non-hazardous waste for Austin Energy in an amount not to exceed \$264,820, for a total contract amount not to exceed \$794,460.
Motion to postpone Item 8 a month (Hadden); seconded (Wray); passed on a vote of 11-0.
9. (10/1) Authorize negotiation and execution of Amendment No. 2 to a contract with NEWGEN STRATEGIES AND SOLUTIONS, LLC, for regulatory consulting services for Austin Energy services in an amount not to exceed \$500,000, for the revised total contract amount not to exceed \$945,885.
Motion to recommend approval of Item 9 (Norris); seconded (Heidebrecht); failed on a vote of 4-5-2, with Commissioners Ferchill, Heidebrecht, Norris and Wray “for”; Biedrzycki, Hadden, Mahmood, Osborne and Roa “against”; Fath and Stout “abstain.”
10. (10/15) Authorize execution of a contract with PRIESTER-MELL & NICHOLSON INC. for the one-time purchase of 54 streetlight poles for Austin Energy in an amount not to exceed \$74,412.
11. (10/15) Authorize negotiation and execution of a contract with HERRERA & BOYLE, PLLC, or another qualified offeror to Request for Qualification Statements LAG0501, for impartial hearing examiner services for Austin Energy’s 2016 cost of service and rate review in an amount not to exceed \$350,000.
Motion to recommend approval of Item 11 (Biedrzycki); seconded (Roa); passed on a vote of 11-0.
12. (10/15) Approve an ordinance amending City Code Chapter 15-9 relating to meter totalization.
Motion to recommend approval of Item 12 (Biedrzycki); seconded (Norris); passed on a vote of 11-0.

BRIEFINGS

13. Briefing on assumptions used by Navigant Consulting in its analysis pertaining to the 2025 Generation Plan. **Dan Bradley, Director/Project Manager, Navigant Consulting**
14. Briefing on potential purchase of utility scale solar. **Pat Sweeney, Director, Energy & Market Operations**
15. Cost of Service Study update. **Mark Dreyfus, Vice President, Regulatory Affairs & Corporate Communications; will provide related schedule / timeline.**
16. Update on billing system and customer complaints. **Elaine Kelly-Diaz, Vice President, Customer Account Management; will provide response to questions/requests for info.**

OLD BUSINESS

17. Discussion and possible action regarding the Austin Energy Resource, Generation and Climate Protection Plan, including the 600 MW solar RFP.
Motion (Hadden) to “recommend that City Council execute an RCA for 300 to 400 MW of additional PPAs or other arrangements to achieve a total of 600 MW of cost effective utility-scale solar”; seconded (Biedrzycki); failed on a vote of 2-9, with Commissioners Hadden and Osborne “for”; Biedrzycki, Fath, Ferchill, Heidebrecht, Mahmood, Norris, Roa, Stout and Wray “against.”
18. Discussion and possible action regarding demand charges for commercial customers under 20 kilowatts. **Mark Dombroski, CFO**
19. Discussion of Austin Energy performance measures and how they can be measured at the district level. **Item 19 postponed / to be a report from staff in October.**
20. Amend the Bylaws as necessary to reflect changes associated with the 10-1 City Council structure. **Item 20 postponed to October.**

ITEMS FROM COMMISSIONERS

21. Invited presentation regarding community neighborhood meeting initiatives. – Dave Cortez, Sierra Club (Roa, Osborne) **No presentation; did not attend.**
22. Discussion and possible action regarding inputs and assumptions and EUC role regarding Navigant gap study. (Hadden, Osborne) **Generation Planning Working Group to meet with Navigant.**
23. Staff responses to Commissioner’s questions submitted regarding July 20, 2015 staff presentation. (Roa, Osborne) **Item 23 postponed to October.**
24. Discussion and possible action on billing issues and customer service. (Norris, Mahmood)

OTHER BUSINESS

25. Elect representative to the Joint Sustainability Committee. **Motion to nominate Commissioner Norris (Heidebrecht); seconded (Roa); passed on a vote of 11-0.**
26. Discussion regarding potential future agenda items.

ADJOURNMENT: Chair adjourned the meeting at 9:50 pm.