



## Electric Utility Commission

October 19, 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 6:03 pm. Commissioners Fath, Ferchill, Hadden, Mahmood, Norris and Stout were also in attendance. Commissioners Biedrzycki, Heidebrecht, Roa, and Wray were absent.

**CITIZEN COMMUNICATIONS:** *Adam Gregory & Ryan Hobbs (Item 9: representing Texas Disposal System, spoke against competitor's selection); Mark Kapner (create alternative Power Supply Adjustment); Bob Murray (consider Pacific NW Power Planning Council generation planning); Beki Halpin (thanks for service, especially extra meeting); Dale Bulla (concern re climate change); Richard Halpin (put back charts in annual performance report); Al Braden (thanks for service)*

1. **APPROVAL OF MINUTES** - Approve minutes of the September 21, 2015 regular meeting and the October 12, 2015 special-called joint meeting with the Resource Management Commission.

**Motion to approve regular meeting minutes (Hadden); seconded (Norris); passed on a vote of 7-0. Motion to approve special-called meeting minutes (Fath); seconded (Norris); passed on a vote of 6-0-1, with Mahmood abstaining and with motion (Ferchill) for friendly amendment to approve EUC portion only; seconded (Fath); passed on a vote of 6-0-1, with Mahmood abstaining.**

### NEW BUSINESS -- CONSENT

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

**Motion to recommend approval of Items 4, 5, 7 and 8 (Ferchill); seconded (Mahmood); passed on a vote of 7-0.**

2. (11/12) Authorize execution of an agreement with HEB to provide a performance-based incentive for the generation of solar energy at 15 facilities, for an estimated \$155,712 per year, for a total amount not to exceed \$1,557,120 over a 10-year period.
3. (11/12) Authorize execution of an agreement with Strictly Pediatrics to provide a performance-based incentive for the generation of solar energy at their facility located at 4900 Mueller Boulevard, for an estimated \$37,514 per year, for a total amount not to exceed \$375,140 over a 10-year period.

**Motion to recommend approval of Items 2 & 3 (Ferchill); seconded (Norris); passed on a vote of 7-0.**

4. (11/19) Authorize negotiation, and execution of two 24-month contracts with PRO SERV INDUSTRIAL CONTRACTORS, LLC and THIELSCH ENGINEERING, INC. to provide power plant and chiller maintenance services for Austin Energy in amount not to exceed \$5,400,000 each and combined, with two 24-month extension options in an amount not to exceed \$5,400,000 each and combined per extension option, for a total contract amount not to exceed \$16,200,000 each and combined.
5. (11/19) Authorize negotiation and execution of a contract with GRAY MATTER SYSTEMS SOUTH LLC for the replacement of the human-machine interfaces for Turbine units 6 and 7 at Austin Energy's Sand Hill Energy Center in an amount not to exceed \$91,308.
6. (11/19) Authorize negotiation and execution of a 24-month contract with MASTEC NORTH AMERICA INC., or another qualified offeror to Request for Proposals GAL0022, for underground transmission and distribution electrical construction services for Austin Energy in an amount not to exceed \$20,000,000 with four 12-month extension options in an amount not to exceed \$10,000,000 per extension option, for a total contract amount not to exceed \$60,000,000.

**Motion to recommend approval of Item 6 (Osborne); seconded (Ferchill); passed on a vote of 7-0.**

7. (11/19) Authorize award, negotiation and execution of an amendment to the contract with ORCOM SOLUTIONS LLC DBA VERTEX for electronic customer information system data archive services to one 60-month extension option in an amount not to exceed \$1,260,500, for a total contract amount not to exceed \$2,213,420.
8. (11/19) Authorize negotiation and execution of a professional services agreement with the following three staff-recommended firms or (other qualified responders) to Request for Qualifications Solicitation No. CLMP183: JACOBS ENGINEERING GROUP, INC.; HDR ENGINEERING, INC.; and STANLEY CONSULTANTS, INC. for an engineering services rotation list for Austin Energy's chilled water piping projects in the right-of-way, plants and distribution systems, for an estimated period of two years or until financial authorization is expended, with a total amount not to exceed \$4,500,000 divided among the three firms.
9. (11/19) Authorize execution of a 12-month extension of the contract 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 recommend approval of Item 9 (Norris); seconded (Ferchill); failed on a vote of 5-2, with Commissioners Hadden and Mahmood voting against.**

## **BRIEFINGS**

10. Update regarding Navigant Consulting's report pertaining to the 2025 Generation Plan.  
**Jeff Vice, Director, Local Government Relations**
11. Briefing on Austin Energy performance measures and possible district-level measurement.  
**Backup material provided; Item 11 postponed to November.**

## **OLD BUSINESS**

12. Discussion and possible action regarding the Austin Energy Resource, Generation and Climate Protection Plan, including the 600 MW solar RFP.
13. Staff responses to Commissioner's questions regarding July 20, 2015 staff presentation.  
**Backup material provided; Item 13 postponed to November.**

14. Amend the Bylaws as necessary to reflect changes associated with the 10-1 Council structure. **Commissioners reviewed clerk's redlined bylaws, stated concern with Article 7's "O," regarding citizen communications on briefings, and recommended removing Article 8's "B-H." Liaison will bring version with clerk's recommendations tailored to EUC-specific bylaws for consideration at November meeting.**

#### **ITEMS FROM COMMISSIONERS**

15. Discussion regarding Austin Energy Third-Quarter Report. (Osborne, Hadden)  
**Chair Osborne noted that in the 2<sup>nd</sup> and 3<sup>rd</sup> Quarter Reports, the nuclear power supply was 38 percent and 32 percent respectively, appearing to indicate that AE had added a 200 megawatt power purchase agreement for nuclear. Chair Osborne asked why/how did AE move from a typical amount of 22 percent nuclear to about 36 percent as depicted in the 2<sup>nd</sup> and 3<sup>rd</sup> Quarter Reports. Answer to be provided/Item 15 postponed to November.**
16. Discussion and possible action regarding Austin Energy Performance Review. (Osborne, Hadden)  
**Vice Chair Hadden requested all or most charts that had been removed from report should be updated and included as supplement or appendix to the report, and that further editing should be conducted on the report prior to posting on-line. Motion to recommend approval for online posting of Performance Review (Norris); seconded (Stout); failed on a vote of 5-2, with Commissioners Hadden and Osborne voting against. Backup material provided; Item 16 postponed to November.**

#### **OTHER BUSINESS**

17. Discussion regarding potential future agenda items. **Next meeting November 16.; Fath: Please provide Cost of Service timeline; review AAS Oct 5 article regarding out-of-city customers paying library fines and confirm that prior policy (if AE customer, then free library card) still in place.**

**ADJOURNMENT: Chair adjourned the meeting at 7:42 pm.**