



Electric Utility Commission

December 14, 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. Meeting was called to order by Chair Osborne at 6:02 pm. Commissioners Biedrzycki, Fath, Ferchill, Hadden, Heidebrecht, Norris, Roa, Stout and Wray were also in attendance. Commissioner Mahmood was absent.

EUC and Staff commemorated Commissioner Shudde Fath's upcoming 100th birthday.

CITIZEN COMMUNICATIONS: *Roger Wood (Item 8: representing CCARE, follow PUC procedural rules for rate process; provide info in native format); Cyrus Reed (Item 10: representing Sierra Club, support Navigant Study recommendations re 1) increase solar (done), 2) increase Demand Response/Demand Side Mgmt programs, and 3) consider quick-starting generation sources); Al Braden & Dale Bulla (thanks to Austin delegation at Paris climate talk); Lanetta Cooper (Spoke when Item 9 considered: supportive of LICTF recommendations)*

2. GENERAL MANAGER'S REPORT – Larry Weis provided departing comments.

- 1. APPROVAL OF MINUTES -** Approve minutes of the November 16, 2015 regular meeting.
Motion to approve minutes (Biedrzycki); seconded (Fath); passed on a vote of 10-0.
- 3. TRAINING –** Procurement processes and rules, including the Anti-Lobbying Ordinance. James Scarboro, City Purchasing Officer and Mark Walsh, Deputy Purchasing Officer, walked Commissioners through City procurement processes, emphasizing prohibited actions that must be avoided by anyone associated with the City to assure fair access to opportunities to contract for City business. Prior to training, Chair Osborne read a statement into the record previously provided to the press regarding his role in the City's disqualification of proposed consumer advocate, Oxford Advisors, LLC. At meeting's end, staff liaison Vice reiterated aspects of the training for commissioners' consideration.

NEW BUSINESS -- CONSENT

Motion to recommend approval of Items 4-7 (Ferchill); seconded (Fath); passed on a vote of 10-0, with Commissioner Mahmood absent.

- 4.** (12/17) Authorize execution of a construction contract with, PIATRA INC., for the Austin Energy St. Elmo Storage Addition Project, in the amount of \$379,925 plus a \$37,992.50 contingency, for a total contract amount not to exceed \$417,917.50.
- 5.** (12/17) Authorize award and execution of an amendment to the contract with PIKE ELECTRIC, LLC. to provide transmission and distribution construction and maintenance services to increase the contract authorization for the current contract period in an amount not to exceed \$2,000,000, for a revised total contract amount not to exceed \$41,000,000.
- 6.** (12/17) Authorize negotiation and execution of a 24-month contract with PIKE ELECTRIC, LLC., or one of the other qualified offerors to Request for Proposal LAG0105, to provide transmission and

distribution electrical services in an amount not to exceed \$30,000,000, with three 12-month extension options in an amount not to exceed \$15,000,000 per extension option, for a total contract amount not to exceed \$75,000,000.

7. (1/28) Authorize execution of an agreement with Apple Inc. to provide a second performance-based incentive for the generation of solar energy at its facilities at 12535, 12545, 12555 and 12565 Riata Vista Circle, for an estimated additional \$49,102.15 per year and \$491,021.48 over a 10-year period, and a combined total with the previous estimated incentive of \$83,345.56 per year and \$833,455.60 over a 10-year period. (District 6)

BRIEFINGS

8. Briefing on preliminary results from Austin Energy's Cost of Service study; update on rate review process and timeline; and briefing from Herrera & Boyle, PLLC, Impartial Hearing Examiner.

Mark Dombroski, CFO; Mark Dreyfus, Vice President, Regulatory Affairs & Corporate Communications; Alfred "Freddy" Herrera, Impartial Hearings Examiner

OLD BUSINESS

9. Discussion and possible action regarding recommendations included in the Low Income Consumer Advisory Task Force Report and Minority Report, with emphasis on recommendations not supported by Austin Energy, and/or recommendations about which there was not consensus among Task Force members, per Resolution No. 20151210-029.

Backup material provided by Commissioner Biedrzycki and citizen Lanetta Cooper.

10. Discussion and possible action regarding the Austin Energy Resource, Generation and Climate Protection Plan, including the 600 MW solar RFP.

Chair Osborne requested name of 3rd vendor for recent solar PPA.

ITEMS FROM COMMISSIONERS

11. Discussion regarding Austin Energy Third and Fourth-Quarter Reports. (Osborne, Hadden)

Staff provided explanatory memo; Chair Osborne requested item remain next meeting.

12. Discussion and possible action regarding Navigant Consulting's report. (Osborne, Hadden)

Chair postponed item to next meeting.

13. Presentation and discussion regarding climate change discussions at COP 21. (Osborne, Hadden)

Chair Osborne provided brief description, with emphasis on co-located Mayors' meeting.

OTHER BUSINESS

14. Discussion and possible action regarding a special-called EUC meeting for Monday, January 11, 2016 at 6:00P for "Discussion and possible action regarding Austin Energy's Rate Design Recommendation."

After EUC discussion, Chair Osborne declined to set special-called meeting.

15. Discussion regarding potential future agenda items.

Hadden – Request charts and graphs deleted from Annual Performance Report.

ADJOURNMENT: Chair adjourned the meeting at 9:31 pm.