



Annual Internal Review

This report covers the time period of 7/1/2015 to 6/30/2016

RESOURCE MANAGEMENT COMMISSION

The Resource Management Commission (RMC) mission statement per the City Code is:

- (A) Maintain an overview of all programs, studies and proposals concerning the efficient use of energy, alternate energy technologies, renewable energy resources, including solar and wind, and the conservation of energy, excluding the use of conventional coal, nuclear, natural gas, or petroleum technologies.
- (B) Serve as a liaison with other city commissions, including the Electric Utility Commission.
- (C) Receive citizen input on alternate energy technologies, renewable energy sources, and on energy conservation.
- (D) Review and analyze:
 - (1) energy conservation technologies and renewable energy sources as to their short-term and long-term feasibility in the city;
 - (2) energy conservation policies, alternate energy technologies, and renewable energy projects in other cities and states;
 - (3) water conservation policies, alternate technologies, and water conservation projects in other cities and states; and
 - (4) City Code to identify potential amendments that encourage the use of alternate energy technologies and renewable energy sources, and the conservation of energy.
- (E) Advise the City Council:
 - (1) in developing and reviewing city plans and programs in the area of alternate energy technologies, renewable energy sources, and energy conservation.
 - (2) as to available funding from private and public sources which are available to the city for alternate energy technologies and renewable energy, and for the conservation of energy;
 - (3) on energy conservation, on alternate energy technologies, and on renewable energy sources and report to City Council on the status of its activities at least annually;
 - (4) in developing and reviewing city plans and programs that encourage water conservation as it relates to water consumption from the tap to customer and within structures or building; and,
 - (5) regarding appropriate City Code amendments that encourage the use of alternate energy technologies and renewable energy sources, and the conservation of energy.

- (F) Encourage:
- (1) the conservation of energy, the use of alternate energy technologies and renewable energy sources in City-owned facilities; and
 - (2) the private and public sectors to develop and to use alternate energy technologies and renewable energy sources, and to conserve energy.

1. **Actions Supporting Mission Statement**

The Resource Management Commission met 13 times during reporting period, including one joint meeting with the Electric Utility Commission.

The RMC's mission-specific actions included:

- Reviewing and taking action on the following Recommendations for Council Action (RCAs) including:
 - 20 solar performance-based incentive agreements
 - 6 multi-family energy efficiency rebates
 - 8 commercial energy efficiency rebates
 - 1 institutional/ commercial/industrial water conservation rebate
 - contracting with Smart Charge Residential, Inc., to provide maintenance support for 220 existing electric vehicle charging stations
 - an interlocal agreement with the Clean Energy Incubator for mutual assistance in the clean energy field;
 - contracting with 1Energy Systems, Inc., for the purchase of an energy storage system for Austin Energy
 - adopting a plan of achieving 600 megawatts of utility-scale, solar generation capacity by 2017 (in addition to solar capacity currently existing or under contract), and to contract power purchase agreements for up to 350 megawatts of utility-scale, solar-generated electricity
 - contracting with Creative Consumer Research to provide quantitative and qualitative customer service-related studies of their needs, concerns, and opinions
 - contracting with vendors for participating in Power Partner Thermostat Program
 - contracting with Telvent US Holdings LLC for continued access to Energy Profiler Online, a proprietary web-based load profiling software
 - an ordinance amending Chapter 6-4 of City Code relating to water use management, providing for permanent once-per-week irrigation for automatic irrigation systems, adding flexibility for hose-end irrigation and home car washing, and limiting waivers for new landscape irrigation to drought tolerant landscapes; and revisions to the City's Drought Management Plan
 - a budget amendment to provide additional appropriations and related funding for Customer Assistance Program (CAP) low income weatherization expenses and Free Weatherization Program expenses not spent during Fiscal Year 2015
 - contracting with Pecan Street, Inc., to provide residential solar and energy storage implementation services
 - Austin Water Capital Improvement Projects located in the Drinking Water Protection Zone for inclusion in the utility's five-year capital spending plan as required by its financial policies.

- Approving the following Recommendations:
 - 20150915-003c – regarding the execution of power purchase agreements with one or more qualified offerors for 200 to 275 megawatts of utility-scale, solar-generated electricity, in an estimated amount of \$22,500,000 to \$31,000,000 per year, and a total estimated amount of \$445,000,000 to \$620,000,000 with contract terms ranging between 15 and 25 years. (Attachment 1)
 - 20151012-001 – regarding contracting at least 101 MW and up to 312 MW of additional solar based on contracts described as “up to 350 additional MW of solar,” as long as the maximum expected PSA impact of all solar contracted in 2015 on all rate classes would be less than or equal to 1.01 percent in 2017. (Attachment 2)
 - 20160216-004 – regarding recommendations and revised recommendations from the Low Income Consumer Advisory Task Force Final Report, including:
 - Create a direct installation program that installs efficiency measures that have quick paybacks, including, but not limited to, LED lighting, low-flow showerheads, and aerators, using a neighborhood-by-neighborhood distribution strategy.
 - Establish a process to assess existing central air conditioners in low income residences and determine whether existing central air conditioning equipment that is not working can be repaired and cleaned at a reasonable costs, or whether an existing central air conditioning unit is 6 SEER less than is required by current federal standards. In those cases, Energy Star window unit air conditioners can be utilized as a standard energy efficiency improvement service option.
 - Prior to the recommendation, a Working Group composed of Leo Dielmann, Cyrus Reed, Susanne Vaughan, Kaiba White and Michael Wong was formed to review the Task Force recommendations and present findings to the RMC.
(Attachment 3)
 - 20160621-003 – regarding Drinking Water Protection Zone projects related to new water and wastewater plants, capital expansions, and growth-related projects to be included in the Austin Water Five-Year Capital Improvement Program with final approval by City Council during the annual budget approval process. (Attachment 4)
 - 20160621-005 – regarding a Solar-Ready Zone Amendment to the 2015 International Energy Conservation Code. Prior to the recommendation, a Working Group, composed of Jennifer Cregar, Cyrus Reed, Kaiba White, and Michael Wong, was formed to work with Austin Energy staff in drafting language for the solar-ready amendment for review by the RMC. (Attachment 5)
- The following additional items were acted upon:
 - Approved revised Bylaws recommended by City Council.
 - Scheduled monthly meetings to be held at 6:00 pm at Town Lake Center, adhering to all required protocol for meetings, agendas, and duties of officers.
 - Elected officers in July, with Leo Dielmann and Jennifer Cregar serving as Chair

and Vice Chair, respectively. In April 2016, Ms. Cregar resigned and in May 2016, Cyrus Reed was elected vice chair.

- Received citizen input on alternative energy technologies, renewable energy sources, and energy and water conservation at regular meetings.
- Reviewing and analyzing:
 - Energy conservation technologies and renewable energy sources as to their short-term and long-term feasibility in the city;
 - Energy conservation policies, alternate energy technologies and renewable energy projects in other cities and states;
 - Water conservation policies, alternate technologies, and water conservation projects in other cities and states; and
 - Energy and Building Codes to identify potential amendments to encourage alternate energy technologies, renewable energy sources, and the conservation of energy and water.
- Reviewing and making recommendations to Council on resolutions, city plans and programs, contracts for products and services, city code amendments and use of available funds from private or public sources (e.g., energy efficiency and solar rebates) to make services or programs more cost effective and/or more available to the citizens and businesses in Austin.
- Encouraging conservation of energy, the development and use of alternate energy technologies, and the development and use of renewable sources for City-owned facilities, as well as throughout the private and public sectors.
- Working with other City commissions, including the Electric Utility Commission.
 - On October 12, 2015, the RMC held a Joint Meeting with the Electric Utility Commission to consider a plan to achieve 600 megawatts of utility-scale, solar generation capacity by 2017 in addition to solar capacity currently existing or under contract, and to authorize negotiation and execution of power purchase agreements with qualified offerors for up to 350 megawatts of utility-scale, solar-generated electricity.
 - Cyrus Reed and Michael Wong were selected to serve on the Low Income Consumer Advisory Task Force. Kaiba White was selected to serve on the Joint Sustainability Committee.

2. **Compliance with Mission Statement**

All actions of the RMC during the reporting period were within the scope of and in compliance with its Code-mandated mission statement.

3. **Goals and Objectives for 2016-2017**

The RMC has adopted the following goals and objectives for the next year:

- a. Continue to provide: review of programs, studies and proposals; advice to City Council; and encouragement for the conservation of energy and water, use of emerging energy technologies and renewable sources in City facilities and departments, specifically highlighting departments that have accomplished goals toward this end.
- b. Encourage the use of emerging technologies, such as energy storage, and renewable energy sources, and the conservation of energy and water, specifically through the

- advancement of customer programs, policies, and education to enable greater adoption, and the use of sustainable building methods.
- c. Continue to work with the staff of Austin Energy, Austin Water, Texas Gas Service, the Office of Sustainability, and Fleet Services, specifically to see that they are meeting the City's goals in regard to greater adoption of conservation, the use of alternate technologies and renewable sources.
 - d. Continue to regard citizen input on these issues as important as any other source.
 - e. Support additional studies to evaluate energy efficiency and distributed generation, and to assist the staff in developing interim goals and new programs and policies.
 - f. Support Austin Water staff in the development of a comprehensive water conservation plan and annual reporting.
 - g. Support Austin Energy staff in the development of new energy conservation programs and policies, and renewable energy projects and policies, including community solar projects.
 - h. Continue to provide opportunities for City departments to highlight their successes in energy efficiency, water conservation, and sustainable practices.
 - i. Adopt the concepts of triple bottom-line sustainability in the RMC's decisions, recommendations, and advice to council, i.e., consider the balance between the environmental, economic, and societal equity impacts of our decisions, recommendations, and advice.
 - j. Monitor compliance with adopted policies such as the Energy Code and water restrictions.

Attachments:

Recommendations (5)

Date Approved: July 19, 2016

Vote: 8-0

Voting For: Leo Dielmann, Chair; Cyrus Reed, Vice Chair; Commissioners Gregory Santiago, Shane Saum, Suzanne Vaughan, Kaiba White, and Michael Wong.

Against: None.

Absent: Commissioners James Dwyer and Andrew Gill

Vacancies: 2



**RESOURCE MANAGEMENT COMMISSION
RECOMMENDATION 20150915-003c**

Date: September 15, 2015

Subject: Authorize execution of power purchase agreements with one or more qualified offerors for 200 to 275 megawatts of utility-scale, solar-generated electricity, in an estimated amount of \$22,500,000 to \$31,000,000 per year, and a total estimated amount of \$445,000,000 to \$620,000,000 with contract terms ranging between 15 and 25 years.

Motioned By: Jennifer Cregar

Seconded By: Leo Dielmann

Recommendation

The Resource Management Commission unanimously recommends approval of the power purchase agreements with two caveats.

Description of Recommendation to Council

The Resource Management Commission unanimously recommends approval of the power purchase agreements with the following notes:

1. Austin Energy should request confirmation from the Center for Resource Solutions, the organization who administers the Green-e program and that certifies Austin Energy's GreenChoice program, that the utility is allowed to use solar generated from this purchase in its GreenChoice program.
2. Support for this power purchase agreement does not preclude additional solar purchases that may result from the recent RFP.

Vote: 9-0

For: Leo Dielmann, Chair; Jennifer Cregar, Vice Chair; Commissioners James Dwyer, Andrew Gill, Cyrus Reed, Gregory Santiago, Suzanne Vaughan, Kaiba White and Michael Wong

Against: None

Abstain: None

Absent: Luke Metzger

Attest:

Toye Goodson, Staff Liaison



**RESOURCE MANAGEMENT COMMISSION
RECOMMENDATION 20151012-001**

Date: October 12, 2015 (Special-called Joint Meeting with the Electric Utility Commission)

Subject: Discussion and possible action regarding a recommendation to adopt a plan for achieving 600 megawatts of utility-scale, solar generation capacity by 2017 in addition to solar capacity currently existing or under contract, and to authorize negotiation and execution of power purchase agreements with qualified offerors for up to 350 megawatts of utility-scale, solar-generated electricity (for a total acquisition of approximately 600 megawatts of new solar capacity, if available and affordable) for terms of up to 25 years, for a combined estimated annual amount of \$44,000,000 and combined total of \$1,100,000,000.

Motioned By: Cyrus Reed

Seconded By: Luke Metzger

Recommendation:

Austin City Council should direct Austin Energy to contract at least 101 MW and up to 312 MW of additional solar based on the contracts described as “up to 350 additional MW of solar,” as long as the maximum expected PSA impact of all solar contracted in 2015 on all rate classes would be less than or equal to 1.01 percent in 2017. Furthermore, to the extent 600 MW of total solar is not contracted in 2015, Austin Energy should present an updated plan for acquiring or owning any additional solar to City Council no later than January 31, 2017.

Vote: 8-1

For: Leo Dielmann, Chair (D7); Jennifer Cregar, Vice Chair (Mayor); Commissioners Luke Metzger (D1), Michael Wong (D4), James Dwyer (D6), Suzanne Vaughan (D8), Cyrus Reed (D9) and Andrew Gill (D10)

Against: Kaiba White (D2)

Abstain: None

Absent: Gregory Santiago (D5)

Attest:

Toye Goodson, Staff Liaison



**RESOURCE MANAGEMENT COMMISSION
RECOMMENDATION NO. 20160216-004**

Date: February 16, 2016

Subject: Discussion and possible action on the Resource Management Commission Working Group report regarding recommendations of the Low Income Consumer Advisory Task Force, per Council Resolution No. 20151210-029.

Motioned By: Cyrus Reed

Seconded By: Michael Wong

Recommendation:

Background: [Council Resolution No. 20151210-029](#) directed staff to ensure that the Electric Utility Commission and the Resource Management Commission were provided an opportunity to review the recommendations of the Low Income Consumer Advisory Task Force and the [Minority Report](#), with particular emphasis on those recommendations the Utility does not support and/or about which there was not consensus among the Task Force members, and to forward any additional comments to the Council.

Note: The Letter-Number combinations below (e.g., C-3, D1) refer to recommendations in the [Low Income Consumer Advisory Task Force Final Report](#) dated September 30, 2015; the number in parenthesis refers to recommendations in Austin Energy's response to the Task Force report included in a [memo to City Council](#) dated November 10, 2015.

Affirmed Recommendations:

- Recommendation C-3 (#6)
- Recommendation C-5 (#8)
- Recommendation C-8 (#7)
- Recommendation C-6 (#9)
- Recommendation D-1 (#17)

Revised Recommendations:

- **Recommendation A-1 (#22):** Establish a minimum energy savings annual target of one percent of total retail energy sales through all energy efficiency and demand reduction programs and annually report these savings. In future updates to the Austin Energy Generation Plan, assess this target, subject to future budgets, affordability, and other factors.
- **Recommendation A-2 (#23):** Set a current demand savings goal for Austin Energy's energy efficiency programs targeting low and low-moderate income customers of no less than 3 MW (5% of the utility's annual peak demand savings goal of 60 MW), with:
 - 1 MW coming from low income weatherization and direct installation programs, and
 - 2 MW coming from other programs that reach low and low-moderate income customers, including multifamily programs.
 Austin Energy should evaluate these goals as a part of its periodic planning process, including the feasibility of increasing the goal beyond 3 MW.
- **Recommendation A-3 (#13):** Austin Energy should develop a strategy to maximize the use of solar energy at multi-family properties, with an emphasis on properties with low and low-moderate income tenants.
- **Recommendation A-3 (#12):** Austin Energy should ensure that annual budgets enable it to at least achieve its overall and low and low-moderate income energy efficiency and demand savings goals and targets.

- **Recommendation C-4 (#14):** Make Energy Star window unit air conditioners a standard energy efficiency improvement services option in the low income weatherization program when central air conditioning is not present.
- **Recommendation C-4 (#15):** Once applicants with incomes at or below 200% of the federal poverty level have been served by the low income weatherization program, Austin Energy should consider serving customers with incomes at or below 250% of the federal poverty level.
- **Recommendation D-2 (#16):** Austin Energy should develop a list of multi-family properties that receive affordable housing subsidies from the federal, state, city or county government or properties where at least 30 percent of the rental units are occupied by Customer Assistance Program (CAP) customers or pay a portion of their rent with housing choice vouchers. Austin Energy should do direct outreach to those property managers and owners, as well as community partners, to encourage them to utilize energy efficiency and/or solar energy incentives.
- **Recommendation D-5 (#18):** Austin Energy should assess compliance with the entire Energy Conservation Audit Disclosure (ECAD) ordinance and develop options to enforce the ordinance, starting with those multi-family facilities whose electric cost is 150% of average electrical cost, and should present those options to the Electric Utility Commission, the Resource Management Commission and the City Council for consideration. Austin Energy should include a proposal for full enforcement of multi-family ECAD in its FY 2017 budget proposal.
- **Recommendation D-6 (#21):** The working group thinks this recommendation is generally a good one, but that it is outside the scope of the RMC.

Additional Recommendations:

- Create a direct installation program that installs efficiency measures that have quick paybacks, including, but not limited to, LED lighting, low-flow showerheads, and aerators, using a neighborhood-by-neighborhood distribution strategy.
- Establish a process to assess existing central air conditioners in low income residences and determine whether existing central air conditioning equipment that is not working can be repaired and cleaned at a reasonable costs, or whether an existing central air conditioning unit is 6 SEER less than is required by current federal standards. In those cases, Energy Star window unit air conditioners can be utilized as a standard energy efficiency improvement service option.

Vote: 9-1-1

For: Leo Dielmann, Chair (D7); Jennifer Cregar, Vice Chair (Mayor); Commissioners Luke Metzger (D1), Kaiba White (D2), Michael Wong (D4), Gregory Santiago (D5), Suzanne Vaughan (D8), Cyrus Reed (D9) and Andrew Gill (D10)

Against: James Dwyer (D6)

Off the dais: Shane Saum (D3)

Abstain: None

Absent: None

Attest:



Toye Goodson, Staff Liaison



**RESOURCE MANAGEMENT COMMISSION
RECOMMENDATION 20160621-003**

Date: June 21, 2016

Subject: Discussion and action regarding Austin Water Capital Improvement Projects located in the Drinking Water Protection Zone for inclusion in the utility's five-year capital spending plan as required by its financial policies.

Motioned By: Leo Dielmann, Chair

Seconded By: James Dwyer

Recommendation: Recommend approval of the Drinking Water Protection Zone projects related to new water and wastewater plants, capital expansions, and growth-related projects to be included in the Austin Water Five-Year Capital Improvement Program with final approval by City Council during the annual budget approval process.

Vote: 8-0

For: Leo Dielmann, Chair; Cyrus Reed, Vice Chair; James Dwyer, Andrew Gill, Greg Santiago, Shane Saum, Kaiba White, and Michael Wong

Against: 0

Abstain: 0

Absent: 1

Vacancies: 2

Attest:

A handwritten signature in black ink, appearing to read "Toye Goodson", written over a horizontal line.

Toye Goodson, Staff Liaison



BOARD/COMMISSION RECOMMENDATION

RESOURCE MANAGEMENT COMMISSION

Recommendation No. 20160621-005:

Solar-Ready Zone Amendment to the 2015 International Energy Conservation Code

WHEREAS, Austin Energy and the City of Austin have been a leader in the country on sustainable building codes designed to encourage energy efficient and sustainable building design; and

WHEREAS, Austin Energy and the City of Austin set a Zero Energy Capable Homes Initiative (Council Resolution No. 20071018-036) for new single-family homes constructed under the 2015 Energy Code; and

WHEREAS, Austin Energy and the City of Austin have a Green Building Program to foster the design and construction of sustainable and efficient buildings; and

WHEREAS, Austin Energy and the City of Austin recently proposed new building energy codes based on the 2015 International Energy Conservation Code (IECC) and the American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) 2013-90.1 scheduled for a public hearing by the City Council on June 23, 2016; and

WHEREAS, Austin Energy and the City of Austin have set long-term goals for energy efficiency, demand reduction, and local solar, including a minimum of 200 MW of local solar by 2025, as approved by the City Council on December 14, 2014; and

WHEREAS, the existing 2015 IECC includes an appendix called Appendix RB, or a Solar-Ready Zone appendix that allows local jurisdictions to require local builders to make new homes “solar-ready;” and

WHEREAS, the proposed Solar-Ready Zone amendments have been shared with commercial and residential builders, architects, the members of the Electric Utility Commission, the Resource Management Commission and the Development Services Department at the City of Austin; and

WHEREAS, the proposed Solar-Ready Zone amendments are limited to design changes to encourage adequate space for future solar PV systems and electrical panels, but do not require that any equipment be installed; and

WHEREAS, the proposed Solar-Ready Zone amendments includes exceptions for smaller homes and smaller commercial buildings, homes and commercial buildings that are already

incorporating renewable systems into their building design, or buildings that are shaded by trees or other buildings; and

WHEREAS, adoption of the Solar-Ready Zone amendments would help encourage compliance with both the City of Austin's Zero Energy Capable Homes Initiative and with Austin Energy's 2025 local solar goal.

NOW, THEREFORE, BE IT RESOLVED, the Resource Management Commission recommends that:

1. The Austin City Council adopt a commercial and residential Solar-Ready Zone amendment to the Residential and Commercial Energy Codes that would go into effect six months after adoption by the City Council; and
2. The Solar-Ready Zone amendments be included as part of the adoption of the technical codes being developed by the Development Services Department, by the end of the year.

Date of Approval: June 21, 2016

Record of the vote: Unanimously approved on an 8-0 vote by the following Commissioners:

Leo Dielmann, Chair (District 7)
Cyrus Reed, Vice Chair (District 9)
Kaiba White (District 2)
Shane Saum (District 3)
Michael Wong (District 4)
Gregory Santiago (District 5)
James Dwyer (District 6)
Andrew Gill (District 10)

Attest: 

Toye Goodson, Staff Liaison