



AUSTIN ENERGY UTILITY OVERSIGHT COMMITTEE MINUTES

**REGULAR MEETING
JANUARY 30, 2017**

The Austin Energy Utility Oversight Committee convened in a regular meeting on Wednesday, January 30, 2017 at 301 W. 2nd Street in Austin, Texas.

Vice Chair Leslie Pool called the committee meeting to order at 9:40 a.m.

Committee Members in attendance:

Vice Chair Leslie Pool
Mayor Steve Adler
Mayor Pro Tem Kathie Tovo
Council Member Alison Alter
Council Member Gregorio Casar
Council Member Jimmy Flannigan
Council Member Delia Garza
Council Member Ora Houston
Council Member Ann Kitchen
Council Member Sabino "Pio" Renteria
Council Member Ellen Troxclair

APPROVAL OF MINUTES

- 1. Approve the minutes of the Austin Energy Utility Oversight Committee meeting of November 30, 2016.**

The minutes of the November 30, 2016 meeting were approved on Council Member Troxclair's motion, and Council Member Flannigan's second, on a 6-0 vote. Mayor Adler, and Council Members Alter, Garza, Houston and Renteria were off the dais.

CITIZEN COMMUNICATION: GENERAL

- 2. The first five speakers signed up before the meeting is called to order will each be allowed three minutes to speak on items not on the agenda.**

There were seven speakers:

- Beki Halpin said that the solar request for proposal needs to be issued as soon as possible.
- Carol Biedrzycki stated that City Council had previously directed staff to create an arrearage management program, and everyone needs to come together to remove the barriers to creating it.
- Richard Halpin said that the City Council should move forward with solar quickly, and utility staff are working on some very innovative projects.
- Dale Bulla stated that electric vehicles are an affordable transportation option, and the City of Austin should move aggressively to electrify its fleet and add more charging stations.

- Susan Lippman said that some electric buses are coming in cheaper than those that use fossil fuels, and the City Council should move forward with the solar request for proposal.
- Jere Locke stated the urgency of the current climate situation, citing research that the nation needs to be off fossil fuels by 2033, and the gas plants need to be closed.
- Robert Matlock stated that the City Council should move forward with the additional 150 MW of solar.

A request was made for an item at a future meeting regarding the proposed arrearage management program.

DISCUSSION AND POSSIBLE ACTION

3. General Manager's report:

- **"Set Your Due Date" program update;**
- **assessment of energy efficiency programs (Resolution 20160811-033)**
- **Weatherization Assistance Program update**
- **upcoming procurements: padmount switchgear, network transformers, water treatment services, budgeting services, cyber liability insurance.**

(Notes: SPONSOR: Council Member Leslie Pool, CO 1: Mayor Steve Adler, CO 2: Mayor Pro Tem Kathie Tovo)

Jackie Sargent, General Manager provided the update. Discussion included specific details regarding the zero-based budgeting services.

4. Discussion of the Financial Health section of the Austin Energy Monthly Performance Measure Dashboard.

(Notes: SPONSOR: Council Member Leslie Pool, CO 1: Mayor Steve Adler, CO 2: Mayor Pro Tem Kathie Tovo)

Mark Dombroski, Deputy General Manager and Chief Financial and Risk Officer, provided the presentation. Discussion included a comparison of the amount included in Austin Energy's general fund transfer compared to other utilities.

5. Discussion regarding updating the Austin Energy Resource, Generation, and Climate Protection Plan to 2025, including scenarios, assumptions, and possible renewable energy additions.

(Notes: SPONSOR: Council Member Leslie Pool, CO 1: Mayor Steve Adler, CO 2: Mayor Pro Tem Kathie Tovo)

Khalil Shalabi, Vice President of Energy Market Operations and Resource Planning, and Jackie Sargent provided the briefing.

There were four speakers:

- Dale Bulla stated there are benefits to reducing the carbon footprint, and they should be included in any analysis in addition to costs.
- Kaiba White stated that City Council needs to ensure the project for additional solar stays on the timeline proposed by staff, and Austin should be a leader on climate issues.
- Susan Lippman stated City Council should move forward with the solar project, and shared her concerns about the effects of gas plants on certain parts of the community.
- Al Braden stated his concerns with pollutants from the Fayette plant, and the utility shouldn't build any more plants that increase carbon usage.

Discussion included specific information regarding the inputs that are used in the modeling scenarios, how the model works, and how the ERCOT market functions. A request was made for an organization-wide list of ways the City could reduce its carbon load, including the cost and benefits of each.

6. Update regarding plans for the Fayette Power Project.

(Notes: SPONSOR: Council Member Leslie Pool, CO 1: Mayor Steve Adler, CO 2: Mayor Pro Tem Kathie Tovo)

Pat Sweeney, Acting Vice President of Power Production, provided the briefing. A request was made to have a future item in case members have questions regarding the memo provided under separate cover.

7. Update regarding the District Cooling Program business model and potential future expansions.

(Notes: SPONSOR: Council Member Leslie Pool, CO 1: Mayor Steve Adler, CO 2: Mayor Pro Tem Kathie Tovo)

Jim Collins, Director, On-site Energy Resources, provided the briefing.

There was one speaker:

Carol Biedrzycki spoke regarding her concerns with the interlocal agreement with Austin Community College (ACC) without knowing more about the project's finances.

Discussion included the frequency of capital purchases for the district cooling system, coordination with other utilities regarding construction in the right of way, and the timeline of negotiations with ACC regarding the interlocal agreement.

FUTURE ITEMS

8. Discussion of future agenda items.

A request was made for an item regarding the demand charge threshold for small commercial customers.

ADJOURN

Vice Chair Pool adjourned the meeting at 12:08 p.m. without objection.

The minutes were approved on this the 27th day of February 2017 on Council Member Kitchen's motion, Council Member Flannigan's second on an 8-0 vote. Mayor Adler and Council Members Casar and Renteria were off the dais.