



RESOURCE MANAGEMENT COMMISSION MEETING MINUTES TUESDAY, AUGUST 21, 2018

The Resource Management Commission convened a regular meeting on Tuesday, August 21, 2018 at Town Lake Center, 721 Barton Springs Road, in Austin, Texas.

Commissioners in Attendance: Leo Dielmann, Chair (District 7); Cyrus Reed, Vice Chair (District 9); James Babyak (District 6), Rebecca Brenneman (District 10), Scott Kohan (District 3), Tom “Smitty” Smith (District 5), and Kaiba White (District 2). Derrick Lesnau (District 1) was absent. The commission has three vacancies: Mayor, District 4, and District 8.

Staff in Attendance: Zach Baumer and Cavan Merski of the Office of Sustainability; Denise Kuehn, David Hood, and Toye Goodson of Austin Energy; and Larry Graham and Hayley Cunningham of Texas Gas Service.

1. CALL TO ORDER

Chair Dielmann called the meeting to order at 6:35 p.m.

2. CITIZEN COMMUNICATION: GENERAL

- Paul Robbins said that some Texas Gas Service conservation programs included in the proposed budget were not cost justified.
- Tim Arndt said there were many apartments in Austin in need of energy efficiency improvements and criticized reducing funds for multifamily programs in Austin Energy’s FY19 budget.
- Scott Johnson urged scrutiny of the efficacy of Austin Energy’s rebate programs and education outreach designed to entice customers to participate in the programs.

3. APPROVAL OF MINUTES – Motion by Chair Dielmann, seconded by Commissioner Kohan, to approve minutes of the July 17, 2018 meeting, passed on a 7-0 vote.

4. NEW BUSINESS (Consent)

- a. Recommend the issuance of a rebate to Austin Centre Unit Association, for performing energy efficiency improvements at its facility located at 701 Brazos St., in an amount not to exceed \$59,185.07. (District 9) **Motion by Chair Dielmann, second by Commissioner Babyak, to recommend approval, passed on a 7-0 vote.**
- b. Recommend the issuance of a rebate to SL Domain LP, for performing energy efficiency improvements at Domain Office Building located at 10721 Domain Drive, in an amount not to exceed \$78,741. (District 7) **Motion by Vice Chair Reed, second by Commissioner Babyak, to recommend approval, passed on a 7-0 vote.**
- c. Recommend the issuance of a rebate to Texas Facilities Commission, for performing energy efficiency improvements at William P. Clements Building located at 300 West 15th Street, in an amount not to exceed \$80,692.52. (District 9) **Motion by Commissioner Smith, second by Commissioner White, to recommend approval contingent upon placement of a placard recognizing Austin Energy’s role in funding the energy efficiency improvements, passed on a 7-0 vote.**

5. NEW BUSINESS (Non-Consent)

- a. Discussion and possible action regarding the proposed Fiscal Year 2019 Austin Energy Customer Energy Solutions Budget.
Denise Kuehn, Director, Customer Energy Solutions, and David Hood, Manager, Energy Efficiency Services, reviewed budget materials and answered questions.

Motion by Commissioner White, second by Commissioner Smith, to recommend approval of the proposed Austin Energy Customer Energy Solutions budget with the amendments listed below, failed on a 5-2 vote with Chair Dielmann and Commissioner Babyak voting against.

Amendment 1 by Vice Chair Reed and Commissioner White: increase the multifamily rebate and weatherization program budgets by a total of \$650,000 to match the FY 2018 budget of \$1,850,000; Amendment 2 by Commissioner White: allocate \$500,000 for the low income and multifamily solar programs to match the commitment in the 2018 budget; and Amendment 3 by Commissioner Kohan: engage with outside experts and stakeholders to increase participation in multifamily energy efficiency programs.

Vice Chair Reed clarified this was not a request for a budget increase, but a request to move money within the budget to increase funding for multifamily programs.

Chair Dielmann noted that the \$650,000 for multifamily rebate and weatherization program could come from reducing other energy efficiency program budgets to more closely reflect the 2018 budget; and the \$500,000 for low income and multifamily solar programs could come from the residential solar program budget. He also noted the \$500,000 was believed to be included in the proposed budget, but that the commission wanted a commitment to spend it.

Motion by Commissioner Kohan, second by Commissioner Babyak, to recommend approval of the Austin Energy Customer Energy Solutions budget for Fiscal Year 2019 and request that Austin Energy explore opportunities to increase and prioritize multifamily rebate and weatherization program funds as available throughout the fiscal year, passed on a 7-0 vote. (Recommendation 20180821-5a[1])

Motion by Commissioner White, second by Vice Chair Reed, to recommend the allocation of \$500,000 from Austin Energy's residential solar budget to the low income and multifamily solar programs to match the commitment made in the Fiscal Year 2018 budget, passed on a 7-0 vote. (Recommendation 20180821-5a[2])

- b. Discussion and possible action regarding proposed changes to the Texas Gas Service conservation tariff.
Speaker Paul Robbins said Texas Gas Service was spending \$1 million in conservation equipment to be installed in the wrong climate or rate class, and cutting rebates for cost effective measures such as attic insulation and weather stripping. He recommended the City have its own expert witness to review the cost effectiveness of the conservation program. Larry Graham and Hayley Cunningham of Texas Gas Service presented and explained the proposed conservation tariff and answered questions from commissioners.
Motion by Chair Dielmann, second by Commissioner Kohan, to recommend approval of Texas Gas Service's conservation tariff as proposed, passed on a 7-0 vote.

- c. Discussion and possible action regarding the proposed Fiscal Year 2019 Texas Gas Service Conservation Budget.
Larry Graham and Hayley Cunningham of Texas Gas Service discussed the proposed conservation budget and answered questions from commissioners. Commissioners deferred action on a budget recommendation for one month so that Texas Gas Service could provide the consultant's EM&V analysis.

6. STAFF BRIEFINGS

Update on emissions analysis related to natural gas and electric energy usage in residential properties by Zach Baumer and Cavan Merski, Office of Sustainability.

After the presentation, Larry Graham introduced Jason Ketchum, Vice President of Commercial Activity at ONE Gas, parent company of Texas Gas Service.

Mr. Ketchum commended Mr. Baumer's and Mr. Merski's collaboration in discussing their data. He said that natural gas will improve with technological advancements that decrease emissions. He suggested that the commission establish a stakeholder group to work towards that end. Commissioner Smith asked Mr. Ketchum to return with ideas on structuring a stakeholder group.

Commissioner White said she would talk to staff about a possible update to sections of the Energy Code relating to a requirement for residential developments with adjacent gas service.

7. FUTURE AGENDA ITEMS

The staff liaison listed upcoming agenda topics including: the Texas Gas Service conservation budget and transportation electrification in September; and Austin Water quarterly reporting and, as requested by Commissioner Smith, a presentation by Austin Water on tools used in plants to reduce energy.

8. **ADJOURN** – Chair Dielmann adjourned the meeting at 9:24 p.m. without objection.