

Austin Energy Utility Oversight Committee Meeting Transcript – 06/19/2019

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Austin energy utility oversight committee. June 19 janitorial 2019 >> Welcome. Thanks for being here. We're going to get started and convene the Austin energy meeting. Some of you are here for the city council meeting, which will be graveled in as soon as we finish Austin energy. It shouldn't be a terribly long meeting. We don't have a quorum, we are going to get started anyway with our citizens communication. Our first few speakers with Steven stein followed by Alisa Lisa, Tim and Clifford. If you intended to sign up, please see our clerk. Stevenstein, you have three minutes. >> Good afternoon, I'm a business owner of a landscape construction

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company. My partners and I purchased this business, at the time located in dripping springs. Within a year we bought a piece of land in Austin and proudly relocated. We wanted our facility to be a beautiful addition to the neighborhood. In fact we maintain the W hotel just across the street. We're responsible neighbors, respectable employers and if we make a mistake with the customer we do what it takes to make it right. These are not differentiating factors. Acting on our beliefs should be a baseline for any company. In the process of developing our facility, our stiffest opponent was Austin energy. This company seemed to do everything in its power to prevent us from turning the lights on, and of course we had no alternative provider options. It took us ten months for us to get a pole and a while that was frustrating it's not the reason I'm here. I'm here because the pole Austin energy installed that we paid \$24,000 for was installed in the wrong place. Inconsistent with the design we waited months for and in a manner that does not comply with Austin energy's own design criteria. Ae notified us of their mistake but told us we would need to either restart the entire design process and pay them for a new pole and transformer or relocate all of our own infrastructure. We gave ae3 months to work with their sub directly and rectify this misstep unilaterally to no avail. In the end we paid an election \$16,000 to fix this

problem and while that may not be a lot of money to some businesses or relative to today's agenda, it is a lot for our business. I requested a refund from ae in November and this week they finally made us an offer of \$1,000. I understand this company is a monopoly and doesn't have to operate quickly or efficiently, but they have a responsibility to do business honorably, to take ownership for their marks. I'm not looking for a settlement or a negotiation. I have no choice but to do business with them and in a city as Progressive as Austin a company shouldn't be allowed to extort its customers with impunity. If it's happening to me it's happening to others who have

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already thrown in the towel. We've never asked ae for attorneys' fees or damages. We just want the \$16,591 it took to fix their mistake. That's it. I believe with six of your signatures this can be made right today. I'd be happy to discuss further in detail with any of you directly. Thank you very much for your time. >> Tovo: Thank you very next sup Alisa lacy, to be followed by Tim Arnt. >> Thank you, members of council for holding this meeting today. I wanted to say thank you for your support in the prior months in getting waters at bluff springs the residence in district 2 recognized as an affordable housing community. Our residents are very, very happy, seeing they're more comfortable in their units, air duct ceiling is going very well and already started seeing some significant changes in their electric bill. I just wanted to say thank you for all that you've done for us. >> Thank you very much. We appreciate you coming back and sharing that. Mr. Arnt. >> Committee members, my name is Tim Arnt, also here to thank you all for your work with Austin energy to help them to recognize affordable communities in Austin. One of the things I'd like for y'all to consider is the approval process that it takes to get a apartment complex approved. Waters at bluff springs started in October. There were some speed bumps along the way. But there are two affordable communities, one in district 5, 1 in district 1, both are going to be 120 to \$160,000. So it's gonna take 90 to 180 days to even get that approved, whereas if there was a way that you could

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maybe set aside a budget and approve at the beginning of the year, you know, whatever the budget is for low-income multi-family so that Austin energy wouldn't have to come before council on every rebate that is over \$61,000. I haven't seen a rebate that has been denied, but if there's a way that that approval process could, you know, be simplified, you'll have a waters at bluff springs on your agenda tomorrow as well. They're doing additional measures. And so they had to come back through the process again because it was over \$61,000. But so just something for y'all to think about. And thank you for your time. >> Tovo: Thank you, Mr. Arnt. Mike Clifford and last Shelly seli. >> Hello. My name is Mike Clifford, speaking on behalf of 350 Austin. 350 Austin is a local grass roots organization committed to solving the climate crisis through the elimination of fossil fuels and adoption of renewable energy. Today I'd like to talk briefly about shutting down the fayette coal plant that still provides almost 14th of Austin's power. We are interested in working with the city of Austin to make their commitment to shutting the plant a

reality. The Austin energy resource climate protection plan calls for the retilt of the fayette coal plant by the end of 2022, just over three years from now. Yet very little information has been made available to the public as to how this plan will be implement asked time is beginning to run out. 350 Austin would like to make certain that this polluting facility is not kept up and running beyond 2022. And is offering our help in that regard. As I speak here today, groundwater is being

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contaminated, nitrogen oxides and other pollutants discharged into the air and water and of course large amounts of carbon dioxide are being admitted exacerbating climate change. We would like to see a detailed updated report on fayette made available to the public and the council. With massive amounts of new west Texas solar energy coming online over the next few years to supplement our existing wind energy assets, there's no reason not to take immediate action in finalizing and implementing the fayette coal plant shutdown plan, thereby strengthening Austin's reputation as a green city leader. Thank you. >> Tovo: Thank you very much. Welcome. >> I'm also here with 350, and I'm very proud to live in a city that is actually talking about being carbon free in the future and is taking serious action. And I want to echo a lot of what Mike said. To make this an opportunity to make this transition from coal a model and something the city can be proud of. I'm a teacher and I was looking into this issue for curriculum purposes of what's going on locally, and these are the kinds of questions I would get from my students. What about testing on the pollutants and toxins from the ash? What's gonna be done about that? If there are plans, it's not easy to find on the Austin energy website. You know, how close are we to having those alternatives? Will this plant really be shut down in 2022? Is the alternative energy gonna be there? And then, also, what about plans for the transition in terms of workers? What plans does Austin lcra have for those workers and how are the workers being informed about it? So these are kinds of things -- questions teachers naturally get so I would love to see that -- more transparency in that area. Thank you. >> Tovo: Thank you very much. Yes. Councilmember pool.

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>> Pool: Thank you. I would like to acknowledge the questions that 350 Austin are making, and I know that they are shared by probably everybody who is paying attention to what is happening at the fayette power plant, and our staff is in negotiations on the typical, which is a lot of why specifics are not actually available to be discussed in the public. But to the extent that our staff is able to advise both the euc and the chair of the euc is here today, as well as this dais, we have asked pretty consistently for the staff to keep us apprised. So what I'd like to do maybe for our next agenda or future agenda is to have the general manager give us as much of an update on the status of the fayette plant as is possible to do in public, recognizing -- and I think y'all recognize that there are significant details that we are not able to bring into the public sphere at this point. And in hopes that will help both the students for your curriculum needs and also for general public understanding of the work that is ongoing because we, too, hope that we will achieve not only our carbon zero goals but to get that plant -- to get out of that plant

with all do Hayes. Haste. We hear you and I think what's missing at this point is having more specific public-facing specifics about it, a report from our general manager. So could we see about having that an on upcoming agenda? >> Tovo: Thank you. We now have a quorum. So I'll entertain a motion to approve the minutes. Mayor pro tem Garza moves approval. Anybody else? Second? Councilmember Ellis. All those in favor signal by saying aye. That's everyone on the dais. I'm forgetting who sits over

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there. Councilmember Casar, councilmember Renteria, councilmember harper-madison off the dais. Next up is our general manager report. >> Good afternoon, committee chair, vice chair, councilmembers, I'm Jackie sergeant, general manager of Austin energy. Today in addition to my report I will provide the decker workforce update and the update on the janitor services. Following my report deputy general manager will give a brief service update. Presentation? I'll go ahead and get started while they're pulling that up but I just want to point out that on today's council agenda there are three items for your consideration regarding energy efficiency rebates. On March 28, the council approved issuance of a I went to the waters at bluff springs to implement energy efficiency measures at the same property. Last month Austin energy introduces a new and enhanced rebate offerings for which the waters at bluff springs has applied. The rebate before you today covers 100% of the cost to install smart thermostats. The combined total of the previously approved rebates do not exceed the \$300,000 annual cap. Last month you received an update from vice president Erica on the summer outline for ERCOT, the statewide grid operator. This summer ERCOT is forecasting historically tight conditions on the today I'm following up on that presentation to explain emergent -- energy emergency alerts or EERs that may be issued by ERCOT to all utilities within its system. EERs are a series of measures to ensure system reliability when energy supply slightly exceed demand, allow ERCOT to bring additional resources. If these initial actions are not sufficient ERCOT may initiate rotating outages. The likelihood is dependent

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on many factors, including the weather, wind and solar output, the potential of unplanned power plant outages. For example, if we have a mild summer the chances of rotating outages is much less, but may not be eliminated. ERCOT has only initiated systemwide rotating outages three times in its history and the last time in February of 2011. Austin energy must comply with ERCOT orders in this ERCOT directs the amount of load shedding required based on statewide system needs which determines the duration and the number of outages. I want to reassure you that Austin energy has processes and procedures in place to respond. Areas with critical loads such as hospitals, downtown network, nursing homes are not subjects to rotating outages. Austin energy continues to coordinate with other key departments, including city PIO, homeland security, and emergency management to prepare in case an EER is called. I want to mention just a couple of words that Austin energy recently earned. Last year summer savings campaign recently earned the bronze award from the international association of business communities. This year's campaign is ongoing and will be going through September. I also want to highlight

that the smart electric power alliance has named Austin energy as one of the utilities that connected the most solar to the grid in 2018. Austin energy ranks number 7 nationally on a utility solar list out of 500 utilities across the country, with 193 megawatts of installed capacity. With that I'll pause and see if you have any questions. >> Tovo: Thank you, general manager. Congratulations on the awards. Are there any questions? >> The update on workforce planning related to the Decker Creek power station is that all impacted employees have finished the change management training. Four additional employees since we last reported for a total of 42 or 62% have

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completed the assessments. That leaves 25, most of those are operators so we're working with them as they work through their schedules. We cannot make employees take this assessment, but we are making it available to everyone and our workforce development group is throughout and available and we are encouraging them to participate. Next steps after the assessments are done will be to review those with the employees and this work will begin this fall after the summer peak season. Going forward, we plan on the deputy general manager, Charles Dickerson, to provide updates regarding our work in this area on a quarterly basis and include those with his quarterly operations report. The update with regard to the janitorial service is that we are working with building services, the city of Austin's building services, to analyze the cost for them to take over the provision of janitorial services for Austin energy. Building services is working to identify the cost to provide the same service levels we currently receive under the existing contracts that we have. Building services is also working to identify the level of service we could expect for a level of funding equivalent to the current annual contracted amount of \$1 million. And that concludes the updates that I have. >> Tovo: Questions for our general manager? I have a couple questions for you. Did I hear you say that the Decker -- we had asked that the Decker report happen every month even if it's a very brief one. Did I understand there's a proposed change to that some? >> That's correct. We had some discussion at the last -- after the last UOC meeting and we felt there weren't significant changes. We have a lot going on right now with the summer season, and that as we get into that we'll have more relevant information to share with you, probably more detailed if we move to that to a quarterly. We have, you know -- we're not going to be wrapping up operations at that facility until the end of 2021, and so to report on that

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basically every month I think might be excessive. >> Tovo: We can talk about it I think outside the meeting, but that has been the request both from council but also from outside stakeholders, even if it's -- even if it's just a couple lines as you did today, I think it's a good thing to have a regular check-in on that with more detailed reports at the quarterly. Then would you mind repeating those numbers? I didn't quite capture the numbers of the individuals who had gone through the assessment. >> We now have a total of 42, so that includes the power plant and the engineering services group. That's approximately 62% of the total workforce that's impacted. That means that we have 25 people left to

get through the assessments. >> Tovo: You said those were primarily operators? >> Those are primarily
>> Tovo: Thank you. We had put the -- or my office along with another sponsor had put the janitorial
contract on as we've talked about in this setting and in others, we've been a small group of us has been
analyzing the different contracts and using this one [indiscernible] [No audio] -- We had hoped to have
it on this week's agenda but it was getting too bulky but we will have one in the -- in August for you all
to consider. One of the interesting things we learned about this contract as we started to dig into the
details is that the turnover rate, as was reported back for the outside contractor, is 40%

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compared to the city's building services turnover rate for similar jobs of 9%. So I think that we'll be able
to present you with the information that really suggests that it's a big value for the city in many ways to
bring those contracts in house. So thank you for the work that you're doing and we'll look forward to
hearing back, but know that we're probably going to be moving forward in that, in providing some
direction in that area. >> All right. >> Tovo: Thank you. >> Turn it over to our deputy general manager,
Kerry Overton. >> Good afternoon. Kerry Overton, deputy general manager at Austin energy. This
evening I'm presenting a very brief presentation on the customer collaborations, the summer outreach
initiatives that we have. When I speak to these initiatives, I am speaking to the collective utilities that
are part of the utility services and utility bill, Austin water, Austin resource recovery, public works,
Austin code, watershed protection, and Austin energy. That's part of that entire experience. We often
bring you presentations on our summer preparedness -- on our system's reliability. This customer
service presentation is really focused on the outreach that we do associated with summer customer
preparedness. When we have extreme heat. Two of the areas I wanted to focus on of what we do and
extend to our customers, not only do we coordinate with all of the city departments and city services to
help in heat emergency management, we play a role into that and it's led by the homeland security and
emergency management and public health. Austin energy participates in that, but two of the

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larger areas that we do is to help our customers through the extreme weather moratorium that is
regulated when we do suspend disconnections for nonpayment and that was governed by city
regulations. We also help our customers through financial assistance, and primarily that comes through
payment arrangements and then a very special program that we have, where we had some low-income
customers who had high debt where we developed the arrearage management program. As you can
see, this material had been provided in your package. Working with these customers, what we really do
is for those that have qualified, we do a lot of homesite visits and educations around preparedness and
to manage the debt. We also make sure that these customers are aware and fully engaged in and
enrolled in all of our programs, including weatherization, and we do a case management where we have
our case managers in our office partnering with the community social service agencies and all of the
agency that's help us in partnership to provide services to these customers. And that -- those customers

specifically, we work with about 56 agencies throughout the community. And one of the first things that we do is to provide all of these services that are listed here on the slide not only do we meet with our partners on a monthly basis, but every year on an annual basis we have the affordable energy summit, and that's coming up on July 24. This one is invasional only. The council, your office are invited but this is not open to the public. This is pretty much the 56 agencies that are providing services. This is to help with the education in the program, to also make sure we're aware of changes in the -- in their programs, the way they deliver services, but we take that information and rely on them to go out to their clients and into the community and expand the

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outreach of what's talked about in those discussions to make sure that their clients are receiving the information that they need. What is open to the public, we do an extensive outreach throughout the entire summer, through our summer savings campaign, and we're partnering with Austin water and even the fire department. This is as the general manager mentioned, last year we had a great success. This is our second year in rolling this program out. What we do is we take different sites across the city, primarily we look at the council district map, and we also look at where we're receiving the greatest number of requests for customers who need additional assistance, whether that's through the payment arrangement programs or money -- financial assistance or they're being case managed. So we look at these areas, try to find a good location, and we have four programs that we're gonna put on this year, and as you can see, the real emphasis here is to make sure that our customers are looking at energy savings tips. We are also looking at water conservations. We actually have staff on-site to show them how to analyze their bill, take a look at their bill, look at ways in which they can consume and save. We make sure that they know even for example, looking ahead, when the water waste averaging is going to go into effect. We also walk them through all of the plastics and apps -- applications and apps that we have that can help the customers keep up with usage and understand savings tips they can deploy. We make sure customers who participate in these programs know exactly how to reach our office and get additional resources beyond what we do at this program and on an ongoing basis. Our outreach to the community does not end through that summer. We also have an additional community connections, which is an annual resource fair that we provide to the -- to

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the entire community. As I said, the summer savings program and the community connections program is free. There's no charge. They're all of the resources our customers would need. This program in October is -- there's a little bit more information there. It goes beyond just the utility services. This is a connection with many community providers that would provide for certain communities, for example, that do not have opportunity or access to health screening and other programs. Those are offered through the community. We also, when we picked this location as well, we do the same thing. We look across the city. Last year we were in the rundberg area, right off of this year we'll be in the Lanier high

school area, and, again, this area is selected by information that we receive from our community partners. In each of these programs will be heavily advertised and marketed. We will use all of the print ad campaigns that we would use, the "Austin american-statesman," many of the local communities. Papers. We also will use TV and other advertisement and radio to make sure that customers are fully aware of each of these programs. We also will provide outreach to those customers that we're doing case management. We do outbound calls and direct contact with those customers to make sure that they know this resource opportunities are available. Let me stop there and see if there are any questions that you may have of me. >> Tovo: Questions about these programs? I have one quick question. Can you go back to the last slide of the slide deck? The community connections car, is that an Austin energy vehicle? >> That vehicle, I don't know if that's -- is that Austin or is that the coa's,

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city of Austin? I don't think that that's the Austin energy. I think it's part of the city of Austin's fleet. >> Tovo: Do you have a sense of whether it has any -- anything inside it that is signing people up for things or any kind of amenities that are within it? I ask because of the conversation we're having about the proposed trailer. >> Well, when that vehicle or any of the vehicles that we have on-site we're usually there to have staff providing that information. I don't know -- there's nothing directly inside of the vehicle itself that's outfitted to provide additional information. >> Tovo: Got it. Thank you. >> Okay. >> Tovo: Anything else? All right. Well, I think that takes us through our agenda for today. I know we touched on all of these issues much more quickly than probably the staff and management and council would have liked to, janitorial services, I know we were hoping to really dig into details on that but given the fact we're now backing into the council meeting it didn't seem like the right timing. Councilmember pool, did you have something to -- >> Pool: Just as far as if we're looking at items for our next agenda, just to reiterate that I'd like to get -- even if it's a high level report on fayette, whatever we can release to the public. >> Tovo: Briefing on fayette. Anybody else want to suggest any topics for next month or rather August? Okay. >> Alter: I'm not sure we'll be ready for August but I think we need to have a discussion about the connections between Austin energy and wildfire risk. Pg&e has been held liable for wildfires in California. >> Tovo: Okay. Anybody else want to suggest a topic? My guess is that that is likely an executive session associated with Austin energy rather than an open session item, councilmember alter, but we can revisit that in August. Okay.

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Seeing no other business before our committee we stand adjourned at 2:03. >>