

Austin Energy Utility Oversight Committee Meeting

Transcript – 01/29/2020

Title: City of Austin

Channel: 6 - COAUS

Recorded On: 1/29/2020 6:00:00 AM

Original Air Date: 1/29/2020

Transcript Generated by SnapStream

=====

Please note that the following transcript is for reference purposes and does not constitute the official record of actions taken during the meeting. For the official record of actions of the meeting, please refer to the Approved Minutes.

[1:36:14 PM]

>> Tovo: Good afternoon. Kathie tovo. I serve as chair of this committee. Apologies for starting a bit late. It looks as if we don't still have a quorum. So I would apologize and invite my colleagues to join us down in the boards and commissions room.

[1:43:46 PM]

Received so we don't yet have a quorum but we're going to go ahead and get started and hear some of the non-voting items. And again, I would encourage my colleagues to come down and join us so we can take action on the items that we need to take action on. I am chair Kathie tovo. It is 143 and I'll call this meeting to order. I received word that councilmembers flan and harper-madison will not be joining us today or kitchen, so we cannot approve the minutes. We have no citizens signed up for citizens communication. We do? My apologize. So let me call to order -- citizens communications and I may need assistance in knowing who they are, but let's start with you, Mr. Robbins. It looks as if you are -- welcome. You have three minutes.

[1:44:52 PM]

>> Hello. >> Paul, could we just ask real quick are you here for citizens communication or are you going to speak on item 5? >> I'm here for citizens communication? >> Pool: Are you also going to speak on item 5? >> I'm not planning to at the moment. >> Pool: Okay. >> I could always be -- >> Tovo: There's a little confusion with the sign-up, but it looks like all of you on my screen appear to be under five, but in any case we're fine. Mr. Robbins? >> I could be persuaded to stay... [Laughter]. Council, since the Austin energy rate case in 2012, the utility has been stating that low income customers are not impacted by regressive rate structures. Using participants in the customer assistance program as a proxy for all low

[1:45:55 PM]

income customers will utility has repeatedly stated that the use of cap customers as compared to the average use of all customers is identical. However P not all low income customers are cap participants and not all cap participants are poor. Very few in fact are income verified. Let me show you why Austin energy is wrong. I took a dataset for 2014 Austin energy residential consumption by zip code and matched it with U.S. Census data of median family income. I divided it into your tiles ranging -- quartiles ranging from poor to low income. You can see it has the same percentage per household. However the third quartile and the fourth quartile is 40 percent more.

[1:46:56 PM]

The 2014 dataset also allows for analysis of consumption by building type, including single-family and multi-family structures. In 2014 census data for Travis county proved that families in owner-occupied homes had an income over twice as high as those in multi-family dwellings. Census data also showed 80% of single-family homes here were owner occupied while only seven percent of multi-family units were owner occupied. And so here's the bottom line. Single-family homes generally occupied by higher income customers consume 65% more than lower income customers in multi-family units. You can also see that the single-family homes in the wealthy Westlake zip code

[1:47:59 PM]

use 64% more than the average of all single-family homes and 10064 percent more than multi-family units. So council, consumption follows income. It is a fundamental rule of residential utility use. Please keep this in mind in the upcoming gas rate case. >> Thank you very much, Mr. Robbins. >> Tovo: Okay, we've now been joined by the mayor and councilmember Renteria, but we unfortunately still don't have a quorum. Mr. Kabaya, you are next. And our next speaker will be Shane Johnson. Welcome. >> Good afternoon, chair woman, vice-chair, committee members. I appreciate the opportunity to speak P I am here today to talk to you about the intersection of the Austin community climate plan update and the Austin energy

[1:49:02 PM]

generation resource planning process. And specifically what should be included in the climate planning process. I was involved in the creation of our current existing community climate plan and hopefully you're all familiar with it. It includes a large number of items that are specific to Austin energy. Specifically Austin energy programs that relate to energy efficiency, demand response and distributed and community solar. So it was kind of my expectation that those would be included in the update, but I have discovered that those -- all of those programs that I just mentioned have been designated as off topic for the climate plan update and specifically for the sustainable buildings advisory group that is focused, as the name implies, on things that affect buildings and specifically energy use in buildings. So I'm here because this

[1:50:03 PM]

seems like an issue that you all may have to weigh in it. It is my hope that it will pflugerville a conversation that is happening tomorrow, but just want to make sure that you are all aware that the specifics of those programs is absolutely not included in the resource plan. The Austin energy resource plan does address high level goals for efficiency, namely a reduction in energy use and also demand response and efficiency, which is a reduction at peak energy use, and also solar -- local solar goals. However, it does not delve into the specific workings of any of those programs. And given that the climate plan is being, this update is really being structured around a theme of equity and making sure that not only are we reducing emissions on the timeline that is essential, but that everyone in our community can benefit from those actions and is able to participate.

[1:51:04 PM]

It's absolutely essential that we do include all of these programs that are actually providing financial assistance to all customers, but especially to lower insuring customers to be able to participate in upgrading their homes. So if we leave out all of these programs, then what is left? What is left is volunteer actions -- voluntary actions and the energy code. Those are important, but they're not tools that are going to move equity forward. And I would agree that even if Austin energy were to get to zero emissions for its power production, these programs are still essential from an equity perspective because reducing energy use for individuals will reduce costs and that is most important for our lower income customers. >> Tovo: Thank you very much. Okay. Our last speaker for today is Shane Johnson.

[1:52:19 PM]

Hi, everyone, my name is Shane Johnson. I'm a resident in district 3. And I am a clean energy orger for the clean energy lone star chapter and I'm currently speaking on behalf of them and also a co-chair of the Austin community climate plan update steering committee. And so I want to echo what ki Abe a was saying. While we understand that the resource plan update will arrive at the high level goals, renewable energy, percentages of our generation, things like that, we are concerned that these programs are currently designated as off films for the climate plan update, particularly given -- well, the policy side that they were in the previous climate plan update and then as an issue of equity.

[1:53:22 PM]

So the climate plan update has really centered equity as she previously mentioned. And this is particularly important for I would say Austin energy programs for several reasons. One is that I've heard in conversations and with other organizations that on several occasions community groups, organizations have been either unaware of Austin energy programming or raised concerns about it being inequitable, particularly access to solar. And some of those complaints resulted in the development of low income solar program that y'all approved funding for. And in the resource plan update process, Austin energy staff have voiced that they are finding it harder to reach low income households to continue to reach similar rates of penetration among low income households, communities of color. So given that the climate

[1:54:23 PM]

plan steering committee and the advisory as a whole can both be particularly effective resources for both providing equity best practices to the Austin energy programs and connecting these programs to the broader community. Given that the steering committee and the advisory groups reflect a broad range of the Austin community. And I would also like to say that if we really want to be able to even achieve our ultimate climate plan goals of going net zero, that can't be done without equity as being at the center stage. And then lastly, that as things stand there is no systematic or comprehensive equity tool or process for Austin energy programs ore even the resource plan and for me particularly as a person of color that is a great person. And I'll finish with this to clarify so I'm speaking on behalf of the Sierra club -- [buzzer sounds]

[1:55:24 PM]

-- And climate plan steering committee has -- we are still deciding whether or not for the action we're going to take, but we're going to meet with Austin energy leadership first as a body. >> Tovo: Great.

Thank you very much. Let's move now to the -- to our general manager's report. >> Good afternoon, chair, vice-chair and committee members. I'm Jackie Sargent, the general manager of Austin energy. Today following my update to you and my report, Charles Dickerson, our deputy general manager and chief operating officer, will provide for you an update on the decker workforce. First I'd like to brief the committee on a recent power outage that occurred on our downtown network on Thursday, January the 6th, a private contractor, not affiliated with the city, was working on the construction of a downtown office building and hit a

[1:56:25 PM]

marked 35kv network circuit. Thankfully and remarkably no one was injured. Ultimately three electric circuits were impacted and the general young area was from 11th street to mlk and Rio grande to red river. This included part of the capitol complex and many state offices, but not the capitol building itself. Austin energy crews were quickly dispatched and incident command was activated in order to respond to the severity of this situation. Within six hours, Austin energy was able to restore power to all but one customer, who was returned to service the following morning. Throughout the process we kept our process at the city, other city departments and the state of Texas informed. I'd like to take this opportunity to thank the Austin police department and the Texas department of public safety, who did an excellent job of ensuring the safety of both the public and Austin energy employees. This is an opportunity for the developer and construction community to

[1:57:26 PM]

refocus on safety of its contractors. I remind everyone, please call before you dig by calling 811. And be sure to take the appropriate actions regarding marked infrastructure. I want to stress what an amazing job that our field crews did and our engineering staff on completing this complicated circuit restoration under some difficult circumstances. I thank them for serving our community safely and in a timely manner. >> Chair, may I ask a question? >> Tovo: Councilmember alter. >> Alter: Thank you. I appreciate the work of your staff to put this back online quickly and safely. I was just curious in a situation like this where it's clear it was a private contractor, that didn't follow proper procedures and created the need for a lot of additional work, who pays for that? >> So we immediately in these circumstances set up task numbers so that we can track all those expenses. And we'll be reaching out to

[1:58:27 PM]

the contractor to be reimbursed. They will be responsible for those costs. >> Alter: Thank you. I'm glad to hear that. >> Next, just a reminder since this is our first meeting of 2020, I typically brief this committee of items that will be coming for council approval at a later date. This provides the

opportunity for you to have discussion about those items in advance much your regular council meeting. So please feel free to stop me regarding the items I am sharing with you. We have several upcoming rca's for council to consider on February 6. These are recommended by the electric utility commission. The first is a five-year two-million-dollar contract for smart building information management systems. It provides customers an easy realtime view of their energy use so they can better manage other energy bills. The next item is for powerpoint asset management and cost recovery software. Power plant is a tool that

[1:59:29 PM]

represents by asset type. This is a contract for up to six million dollars. Next are contracts with Dell marketing and Sirius computer solutions. These are to implement Austin energy's I.T. Infrastructure transformation program. These will update our data center will cross site disastly recovery disabilities more efficiently and help us to better manage our risk. These 47 month contracts are for up to a combined \$34 million. The fourth item is an extension to an existing contract with Dell management and Austin energy. It will continue to provide hard webinar, software, maintenance and support for operations through the city. Austin energy's share is eight million dollars. The last item is a five-year contract for up to \$650,000 with Siemens industry for building automation and fire alarm system equipment for

[2:00:31 PM]

the combined transportation emergency and communications center or ctecc facility. These systems are necessary to ensure the reliability and initiate energy operations of the facility. Next I'll share information regarding Austin energy's innovations, events and awards. One innovation we're excited about is our digital self service energy management module for residential customers. We're always trying to get more information easily accessible, that's easily accessible to our customers. This program was launched in December on the customer care portal and it offers customized views and insights into personal customer use. You see monthly usage charted against average temperatures on this graph. Customers can then drill down to daily and 15-minute increments to help them understand usage patterns and find opportunities to

[2:01:31 PM]

save. There are also personalized tips on energy savings. For example, in this view we provide energy usage comparisons to similar homes and to similar energy efficient homes. This has been a soft launch, but we are starting outreach efforts to increase customer awareness of this great tool and I want to share this with you as you might be hearing about it. 2020 marks Austin energy's 125th anniversary with

the support of our city council, our organization has been working to power our community since 1895. We are developing events and outreach for customers and employees to recognize the contributions the city's electric utility has made to this region. Later this year with the help of local -- a local production company, we will complete a documentary film that highlights these contributions and right now I'd like to show you a preview.

[2:03:10 PM]

>> [Inaudible] The customers have the city of Austin have expectations of us. >> You meet so many different people, the customers from all different walks of life, from all over the world. >> It gives me a good feeling to the paying customers. They like the power company. >> We're a strong company, stable, bring innovation to the community and we're here to stay. >> What's usually considered the beginnings of Austin energy, when the dam was completed in 1893 people were delighted or didn't

[2:04:12 PM]

know [indiscernible] At all. And that was also the foundation of water and hydro powered utility. >> There were so few people here back when it started that know a utility from Dallas and Houston would come here and build an electric utility plant, so we did it ourselves. >> One is Austin of relatively few cities that has its own electric utilities. [Inaudible]. And had a sense that the people of Austin [inaudible]. >> I think Austin energy is a giant benefit to the city. Instead of sending is money to a third person they send it back to the customers that they provide. >> [Inaudible]. Practice of

[2:05:27 PM]

>> There were no street lights. They had these big towers. That was our town lighting. >> Austin stuck with the tower lights long after they became nostalgic. >> Over the years we started off with 31 towers. We're down to 17. They are registered as a Texas historical landmark. Now it's actual an actual piece that's being preserved. >> There's been a zilker tree on the moonlight tower for 50 years. The zilker 23 is 153 feet tall. The work starts months in advance. There are 3300 lights. >> But the genius was the man that figured out how to space -- especially the yellow, the bulbs moving up one side to where it was a spiral.

[2:06:30 PM]

Austin energy has been a leader in renewable energy. We have had solar and plug-in vehicles. >> The city of Austin is going more towards green power. There's always new technology and something new to learn everyday, for sure. >> We've been doing energy efficiency since the 1980s. People just want us to be out there on that cutting edge doing those things. >> The city has grown so much for the last I'd say probably 20 years. It's crazy. >> Austin is growing at such a high rate that we need to try to keep up with the power usage, give them what they need. >> Our employees are the pillar of this organization. We wouldn't be able to drive customer value to energy service without these dedicated employees. >> One thing I love about working at Austin energy is that they look out for -- not just the customer, but

[2:07:31 PM]

also the employees. >> These guys here are like family. We work with one another so many hours throughout the day that we have that relationship. >> Best job in the world. >> Austin energy is Austin's greatest asset. It's been publicly owned for 125 years. >> You go out about town and you ask somebody where their electric comes from, they don't know. They don't know who Austin energy is. [Applause]. >> Tovo: Thank you very much. That was really interesting and how fabulous to see not just staff and employees of ae, but also one of our finest community leaders in Shudde Fath. Any other questions or feedback questions? >> I can't wait to see the

[2:08:31 PM]

whole thing. And a great job that our team has been doing on that. We're also planning right now a public event in May that's going to hold -- showcase how the utility holds true to its promise of being customer driven and community focused and we hope that you all will be able to join us for that celebration, so please be on the lookout for an invitation and the details. Next slide. The second event that I want to tell you about is the annual Austin energy regional science festival, which is taking place February 20th through the 23rd at the Palmer Events Center. Science Fest will celebrate its 64th anniversary this year. It is Austin energy's largest annual community event helping to promote science, technology, engineering and math education. This year's festival is the largest -- will showcase the

[2:09:31 PM]

talent of more than 3,000 elementary through high school students from the greater Austin area. The top three in each category advance to the Texas science and engineering fair to be held at Texas A&M University. I'd like to acknowledge the support from our underwriters who are listed at sciencefest.org. Also I want to thank in advance the more than 600 judges and 180 volunteers who make this event possible. I sincerely appreciate councilmembers' participation in past science fest and I hope that you will be able to join us and participate again this year. My last item is an award, and I'm proud to

annoyance this past Monday at the consumer symposium in San Antonio, Austin energy's multi-family program received the smart energy best practices award for underserved markets. They received the award for the work they do to make it easier to install energy

[2:10:32 PM]

efficiency measures. In particular the hvac tuneup and smart thermostat programs are helping to reduce the bills for multi-family customers. Additional services include a bilingual door hanger with information to assist customers with their new thermostat and information regarding other city services available to them. This award recognizes our energy audit programs that prospective renters can use to compare energy consumption between different properties. And with that I'll pause and answer any other questions you may have. Seeing none, I'll turn it over to deputy general manager Dickerson to talk about the decker workforce. >> Tovo: Thank you very much. >> Good afternoon, members.

[2:11:33 PM]

Is this on? Am I hot? Okay. Good afternoon, members, chair and vice-chair, members of the council. Charles Dickerson, deputy general manager and chief operating officer. I'm here to provide the routine update on the decker powerpoint. There were no changes in the members of the decker team participating in the three interviewing and job assessment programs we have done since the last report. Currently we're supplying training for applying for city jobs, interviewing skills and practice in interviewing. The last class we held in November, the 8th of last year, five people attended. We held a class for applying for city jobs in January and no one attended. We have classes coming up beginning next month. We also have a communications plan and meeting starting in March. Beginning through February we're going to have nine more career shops we're going to hold, ones that will be three more for plant facility jobs, three more

[2:12:33 PM]

for interviewing skills and three more for practicing interviewing techniques. After decker one shuts down, we have committed we're not going to release anyone even though we won't need all the extra support. We'll keep all the team members on so they can happy in other types of training. We're going to provide technical training so those people can do training during the normal workday. They don't have to did it work a day and be training at night. So the time that they would have normally spent at work, since there will be far more people than necessary to run the remaining plant, they will be able to go through training, but that won't be until after the plant is not operational. >> Tovo: Any questions for Mr. Dickerson? I have a couple. Sir, you mentioned a communications plan later in the spring. Can you

give us a little sense of what -- I think if I heard you correctly you mentioned something about a communications plan? >> Just in March. We're going to continue to let the people at the plant

[2:13:34 PM]

know what the status of the shut down is going to be. We're going to continue to let them know what training opportunities are going to come you O it's continual, we're communicating with them. It's nothing new that -- we just continue to. >> Tovo: Do you have a since of what the -- sense of what the attrition has been like at the plant and how many of the employees have found employment within the city? >> At the top right now no. I don't believe any of them have found employment within the city just yet. The vast majority of those employees still work at decker. >> Tovo: Thank you. Thanks for that continued update. >> Yes. Councilmember Renteria. >> Renteria: And how many employees are there and going to be surplus or whatever, how you count them? The ones that haven't -- haven't found a job yet and might be -- have to be retrained? >> So the total number of people who could be

[2:14:34 PM]

disaffected would be 40 split between the plant and the engineering groups. The vast number will be at the plants because the engineering groups support both power plants. >> Renteria: Thank you. >> Some of those can be and have signaled when we announced their intent to retire. Some other ones still want to work and all of them are being provided training and basically job search, job attainment training and we'll go into the more formal skills based training later on. >> Renteria: It sounds like the ones that are engineers won't have a problem finding a job there at all. >> I'm sorry? >> Renteria: Are these the professional people, engineers you've said? >> They're professional and craft people. The vast majority are craft people. >> Renteria: Okay, thank you. >> Tovo: Okay. Thank you so much for that

[2:15:35 PM]

update. Colleagues, we now have a quorum. I would suggest that we approve -- I'll entertain a motion to approve the minutes, number 1? Councilmember alter moves approval. The mayor seconds it. All in favor? That's unanimous with those on the dais? I'm going to suggest that we -- with regard to the committee schedule, that we continue to hold our meeting on February 26th. Between now and our next council work session, I think that we need to as a council evaluate how frequently we're going to be -- this committee continues to have trouble reaching quorum at the time the meeting starts. I think we're -- we have had very short agendas lately. I think there's a utility of potentially merging our meetings and meeting just every other month and we can talk more about this at the work session. But you know, it was a very high priority, I believe, for the city to establish this committee and to continue to immerse ourselves in Austin energy

[2:16:35 PM]

issues, in part to respond to some of the legislature's claims that we weren't providing enough oversight as the city council. So I think it's critically important that we keep this committee, but in my mind it's probably not the best use of our Austin energy staff time to come and then wait awhile for us to meet and then sometimes, you know, we're struggling to reach a quorum by the time we start. So that's going to be my proposal that we stick with, with regard to number 2 that we not revise the committee schedule at this point, except to stick with February 26th when we'll come back together and I'll do a little work on this calendar and figure out, given the other commitments we have throughout the year, what are the better months to stick with. But I'm going to suggest to the full council that we switch to a bimonthly, if that makes sense. Anybody have any thoughts about that at this point? Okay. Any subjects people want to discuss at our next meeting? In particular?

[2:17:39 PM]

All right. Well, seeing no feedback, thanks, y'all. We stand adjourned at 2:17.