

**AUSTIN ENERGY  
2022 BASE RATE REVIEW**

**§ BEFORE THE CITY OF AUSTIN  
§ HEARING EXAMINER  
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§**

**REQUEST OF SIERRA CLUB AND PUBLIC CITIZEN TO PARTICIPATE**

Pursuant to the 2022 Austin Energy Base Rate Review Procedural Guidelines, Section B.2.(b), Sierra Club and Public Citizen (the “Conservation Organizations”), as ratepayers and on behalf of their many Texas members who are also customers of Austin Energy, respectfully submit this Request to Participate in the above-captioned proceeding.

In support of the request, the Conservation Organizations state as follows:

1. On April 18, 2022, the City of Austin’s municipally owned electric utility, Austin Energy, made their Tariff Package available to the public, initiating the 2022 base rate review process. In its filing, Austin Energy proposes to increase base revenue by \$48 million through an overall base rate increase of 7.6%. Among other proposed changes, Austin Energy proposes to change its residential base rate structure by reducing the number of ratepayer tiers from five to three, and increasing the fixed Customer Charge from \$10 to \$25. Austin Energy has also proposed a series of changes to its “Value of Solar” credit, including updates to the societal benefits calculation, changes to the community benefits charge, and modifications to the avoided cost methodology. Moreover, Austin Energy seeks to continue recovery of certain capital and operations and maintenance costs at the Fayette coal plant.

2. Sierra Club requests to participate in this proceeding on behalf of itself as an

Austin Energy customer, and on behalf of its 8,296 members who live and purchase utility services in Travis or Williamson Counties, many of whom are residential customers of Austin Energy.

3. Sierra Club is a national, non-profit environmental and conservation organization dedicated to the protection of public health and the environment. One of Sierra Club's priority national campaigns involves promoting public utility policies and rate structures that reduce utility reliance on fossil fuel generation resources, thereby decreasing pollution and reducing overall system costs and ensuring rates that are reasonable, just, and fair to consumers. To that end, Sierra Club regularly participates in public utility commission electric rate proceedings, like this one, to advocate for energy and public utility commission policies that encourage economic renewable energy and energy efficiency investments that will produce safe and sustainable jobs, while also reducing electric system costs for both utilities and ratepayers and reducing emissions from fossil fuel energy sources.

4. Sierra Club maintains chapter offices in every state, including Texas. Sierra Club's Lonestar Chapter office purchases electric utility services from Austin Energy, and is located at 6406 North Interstate 35 Frontage Road, Suite 1805, Austin, Texas 78752. Because Sierra Club purchases electric service from Austin Energy, Sierra Club will be impacted by the Impartial Hearing Examiner's recommendation to Austin City Council as well as Austin City Council's final determination regarding rates. Moreover, Sierra Club has an organizational interest in Austin Energy's continued investments in fossil fuel generation and the utility's proposed changes to its fixed electric service charge, its tiered service rates, and its Value of Solar credit, each of which have the potential to discourage energy efficiency and distributed generation, thereby increasing customer demand and reliance on

fossil generation. Accordingly, Sierra Club has a justiciable interest in the outcome of this proceeding and requests that it be granted an opportunity to participate.

5. Public Citizen likewise requests to participate in this proceeding on behalf of itself as an Austin Energy customer, and on behalf of its 5,659 members and supporters who live and purchase utility services in Austin, many of whom are residential customers of Austin Energy.

6. Public Citizen is a national nonprofit consumer advocacy organization that was founded in 1971, and works to promote consumer rights, open government, corporate responsibility, clean energy, fair trade, environmental protection, and workplace safety. Public Citizen defends democracy, resists undue corporate power, and works to ensure that government works for the people. Public Citizen's Texas office, which has operated since 1984, works to protect the health and prosperity of our communities and families. The organization engages in statewide and local organizing and advocacy, including in Central Texas, Harris County, San Antonio and Dallas. Public Citizen also advocates for improved air quality regulations and enforcement, consumer-friendly energy policies, and affordable and equitable solutions to climate change—including energy efficiency, rooftop solar, and electrification of buildings, transportation and other equipment, among other issues. Finally, Public Citizen supports a rapid and equitable transition to clean energy that creates green jobs, living wages, and a strong economy.

7. Public Citizen's Austin office purchases electric utility services from Austin Energy, and is located at 309 East 11th Street, Suite 2, Austin, TX 78701. Because Public Citizen purchases electric service from Austin Energy, it will be impacted by Austin City Council's final determination regarding rates.

8. The Conservation Organizations request to participate in this proceeding on their own behalf, and on behalf of their many Texas members who purchase electric utility service from Austin Energy. In accordance with Section B.2.(b)(2), the Conservation Organizations state that Jordan Iglesias is a residential customer of Austin Energy and an individual member of Sierra Club; Kaiba White is also a residential customer of Austin Energy and an individual member of Public Citizen. As Austin Energy ratepayers, Ms. Iglesias and Ms. White have direct, justiciable interests in Austin Energy's request to increase residential rates. The Conservation Organizations seeks to participate in this proceeding on behalf of its many individual members, including Ms. Jordan Iglesias and Ms. Kaiba White, who live in the Austin area and purchase utilities services from Austin Energy.<sup>1</sup>

9. The Conservation Organizations have reviewed Austin Energy's Base Rate Filing Package and pursuant to the Procedural Guidelines Section B.2.(b)(1)(E), believe the Impartial Hearing Examiner should address the questions, among others:

- a. Are the rates proposed by Austin Energy just and reasonable?
- b. Is Austin Energy proposing a reasonable methodology for allocating those costs among different types of classes of customers?
- c. Are the rate class tiers that Austin Energy has proposed reasonable?
- d. Is Austin Energy's proposed increase to the fixed Customer Charge reasonable, and does it appropriately incentivize energy efficiency, demand side management, and distributed generation measures as a means

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<sup>1</sup> The Conservation Organizations recognize that the 2022 Austin Energy Base Rate Review Procedural Guidelines, Section B.2.(b)(2) requires associational intervenors to provide a list of the members being represented through the respective organization. As noted, Sierra Club and Public Citizen each have thousands of members and supporters who are Austin Energy customers. To protect the privacy and associational freedom of its individual members, Sierra Club and Public Citizen do not disclose their membership lists in public proceedings unless specifically compelled to do so.

to reducing overall system costs and reducing reliance on fossil generation while also supporting system reliability and resilience?

- e. Are Austin Energy's proposed changes to its Value of Solar credit mechanism reasonable, adequately supported, and appropriate to further the City of Austin's climate and energy goals.
- f. Are Austin Energy's continued capital and operations and maintenance investments at the Fayette Coal plant prudent and reasonable, and is the continued operation of the plant the least-cost means of meeting customer energy and reliability needs while also avoiding unnecessary pollution?
- g. How will Austin Energy assure that the components of the Customer Benefit Charge, including the fee related to Energy Efficiency, will continue to meet the needs and goals of the Austin Energy Resource Plan?
- h. How will Austin Energy continue to meet the demand reduction and local solar goals through a combination of the use of the Customer Benefit Charge and special available tariffs for customers charging electric vehicles, and those with time of use rates or special load management programs like chilling stations?
- i. The Conservation Organizations reserve the right to raise additional questions and issues after further review and investigation of Austin Energy's application and discovery filed in this proceeding.

10. The Conservation Organizations' authorized representatives in this matter

are:

Joshua Smith  
Sierra Club Environmental Law Program  
2101 Webster St., Suite 1300  
Oakland, CA 94612  
Tel: 415-977-5560  
Email: [joshua.smith@sierraclub.org](mailto:joshua.smith@sierraclub.org)  
Ore. Bar No. 071757  
Fla. Bar No. 0096844

Matthew E. Miller  
Sierra Club Environmental Law Program  
1536 Wynkoop Street, Suite 200  
Denver, CO 80202  
Tel: 303-454-3344  
Email: [matthew.miller@sierraclub.org](mailto:matthew.miller@sierraclub.org)  
Cal. Bar No 281255

Colo. Bar No. 57195  
D.C. Bar No. 1015222

Dru Spiller  
Sierra Club Environmental Law Program  
2101 Webster St. Suite 1300  
Oakland, CA 94612  
Tel: 415-977-5696  
Email: [dru.spiller@sierraclub.org](mailto:dru.spiller@sierraclub.org)  
D.C. Bar No. 1736750

The Conservation Organizations requests that all pleadings and other documents filed in the above captioned docket be served upon their Authorized Representatives.

For the reasons discussed above, Sierra Club and Public Citizen respectfully request that the Impartial Hearing Examiner grant this Request to Participate, and admit Sierra Club and Public Citizen as participants in this proceeding as a full party of record and allow it to participate fully in this docket for all purposes.

Dated this 18th day of May, 2022.

Respectfully submitted,



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Joshua Smith  
Sierra Club Environmental Law Program  
2101 Webster St., Suite 1300  
Oakland, CA 94612  
415-977-5560  
[joshua.smith@sierraclub.org](mailto:joshua.smith@sierraclub.org)

### **CERTIFICATE OF SERVICE**

I, Joshua Smith, certify that a copy of the foregoing Sierra Club submission was served upon all parties of record in this proceeding on May 18, 2022, by electronic mail, as permitted by the presiding officer.



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Joshua Smith  
Sierra Club Environmental Law Program