

Austin Energy Base Rate Review Status and Process Update

Tammy Cooper, Sr. Vice President— Regulatory,
Communications, and Compliance

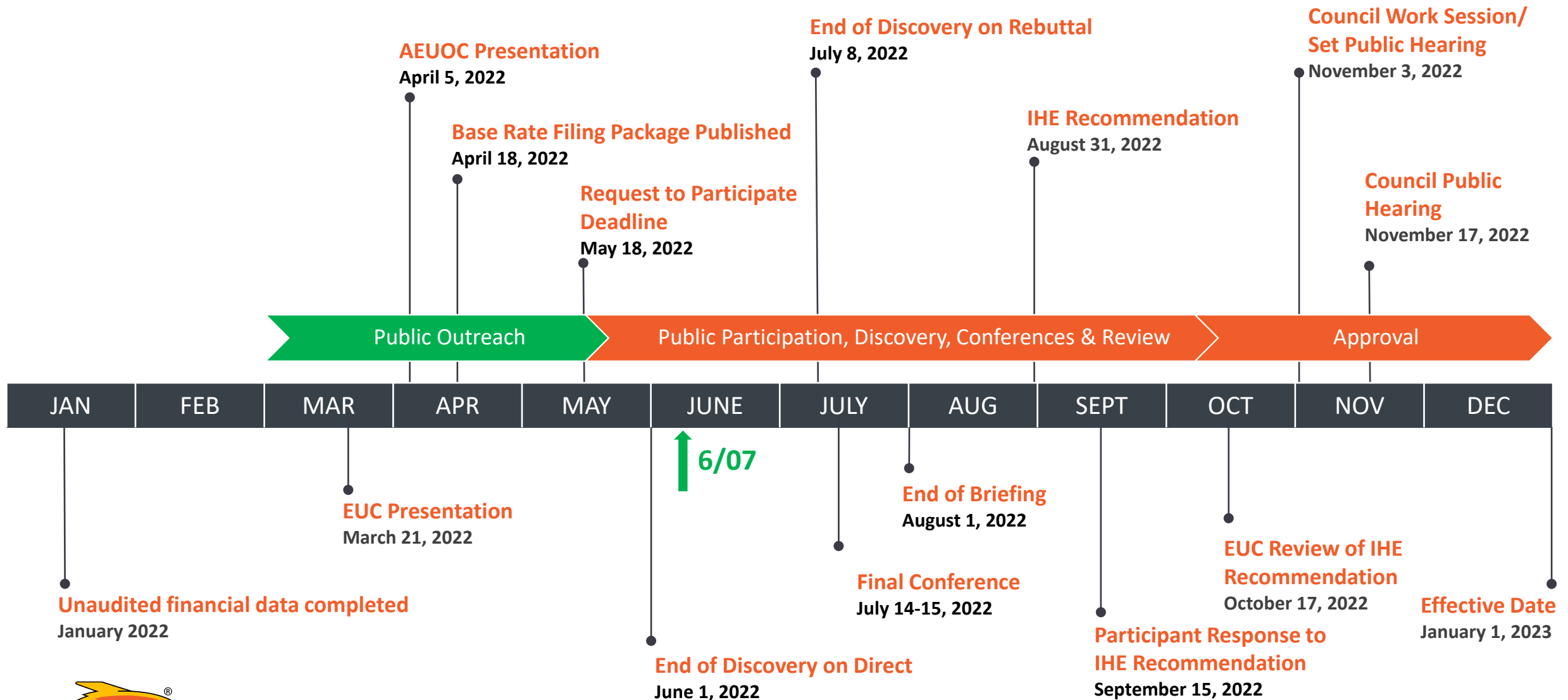


June 7, 2022

Process Timeline Update



Austin Energy Base Rate Review Timeline



Austin Energy Base Rate Review

Formal Participants

- Independent Consumer Advocate (ICA)
- Coalition for Clean Affordable and Reliable Energy (CCARE)
- Victor Martinez, Austin Energy Customer
- Paul Robbins
- Texas Industrial Energy Consumers (TIEC)
- NXP Semiconductor
- Homeowners United for Rate Fairness
- Data Foundry, LLC
- 2WR
- Austin Regional Manufacturers Association (ARMA)
- National Instruments
- Sierra Club and Public Citizen
- Solar United Neighbors (SUN)
- Solar and Storage Coalition



Community Outreach



Customer Outreach to Promote Community Meetings

- Websites:
 - ✓ Austinenergy.com
 - ✓ Speakupaustin.org in multiple languages
 - ✓ Banner on COA Utilities payment portal
- All-customer emails
- Social media:
 - ✓ NextDoor posts for each in-person meeting
 - ✓ Facebook and Twitter posts
- Posters at recreation centers
- Flyers, posters and paper feedback forms in libraries and Utility Customer Service Centers
- Utility News on-bill messaging
- Council office outreach
 - ✓ Office meetings
 - ✓ Content for electronic newsletters
- News release and news interviews in English and Spanish



Austin Energy Base Rate Review Email Samples



Dear Austin Energy Customers,

To ensure financial stability while delivering Customer Driven and Community Focused service, Austin Energy is looking to update base electric rates. You can learn more about this process at an upcoming community meeting.

2022 Base Rate Review

Austin Energy policy requires a regular review of the utility's costs and revenues so that customer charges accurately recover costs and reflect the community's priorities. A recent review found a growing gap between revenues and expenses, meaning Austin Energy's current rates and structures are not meeting the costs in serving the community. To balance these numbers, Austin Energy will go through a base rate review process.

On Monday, April 18, Austin Energy will propose base rate changes and launch a public and transparent base rate review. The base rate review will include only those costs that make up Austin Energy's base rates, such as financial obligations and utility operation and maintenance expenses.

2022 Base Rate Review Process

This is a transparent process with several guiding principles:

- Establish equitable and fair rates that support Austin Energy's financial stability.
- Ensure stable bills and simple rates.
- Protect vulnerable customers.
- Preserve energy efficiency and conservation.

The process is open to all Austin Energy customers, and our community has voice in the future of the utility. It features:

- An Impartial Hearing Examiner to examine all issues and make a recommendation on Austin Energy's base rate proposal.
- An Independent Consumer Advocate to represent residential and small business priorities.
- Community meetings running through May 18.
- Austin City Council setting new rates for Austin Energy, taking effect in 2023.

Here's How You Can Get Involved

- **Community Meetings** — Public involvement is essential. You can find online and in-person meetings to attend and ways to make your voice heard. Get community meeting details at speakupaustin.org/rates.

Austin Energy's Base Rate Review Community Meeting Schedule

Find a community meeting near you or attend anywhere you have an internet connection.

DATE	TIME	AUDIENCE	LOCATION
TUESDAY, APRIL 19, 2022	4:30 - 5:30 p.m.	BUSINESS	Virtual
THURSDAY, APRIL 21, 2022	7:00 - 8:00 p.m.	RESIDENTIAL	Virtual
TUESDAY, APRIL 26, 2022	6:00 - 7:00 p.m.	RESIDENTIAL	North Austin YMCA
THURSDAY, APRIL 28, 2022	Noon - 1:00 p.m.	RESIDENTIAL	Virtual
SATURDAY, APRIL 30, 2022	2:00 - 3:00 p.m.	RESIDENTIAL	Turner-Roberts Recreation Center
WEDNESDAY, MAY 4, 2022	11:00 a.m. - Noon	BUSINESS	Virtual
TUESDAY, MAY 10, 2022	6:30 - 7:30 p.m.	RESIDENTIAL	Virtual
THURSDAY, MAY 12, 2022	7:00 - 8:00 p.m.	RESIDENTIAL	Dove Springs Recreation Center

- **Formal Impartial Hearing Examiner Process** — To take part in the formal Impartial Hearing Examiner process as a Participant, you must be an Austin Energy customer and submit a request to participate. People who wish to participate through this process will need to submit a request between Monday, April 18 and Wednesday, May 18.

Visit austinenenergy.com/go/rates to learn more.



This email was sent by: Austin Energy
4815 Mueller Blvd., Austin, TX, 78723 US



Content Across City of Austin Channels

Utility News

Monthly on-bill messaging

April 2022

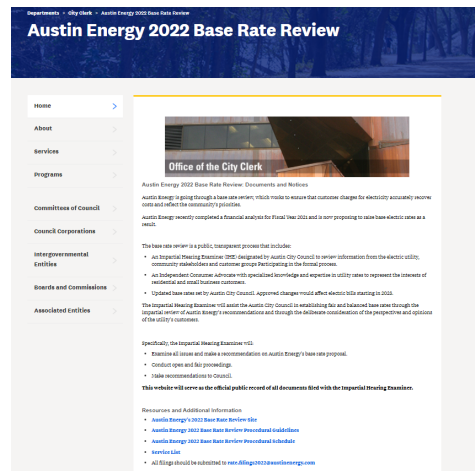
Austin Energy is preparing for a base rate review that will impact residential and business customers. Learn more starting April 5 at austinenenergy.com/go/rates.

May - July 2022

Austin Energy is proposing base rate changes through a base rate review that will impact residential and business customers. Learn more at austinenenergy.com/go/rates.

City Clerk Website

Official filing location



Austin Utilities Now

Monthly City of Austin Utilities newsletter



Austin Energy's 2022 base rate review

The City of Austin's municipally owned electric utility is proposing changes to its base rates and conducting a base rate review. Austin Energy needs a \$48 million revenue increase, based on a cost-of-service study looking at the utility's FY 2021 financial data. This would mean a 7.6 percent overall base rate increase, though actual bill impacts would vary depending on customer class and energy use.

Through the base rate review process, Austin Energy wants to bring its financials back into balance by:

- » Updating an outdated residential base rate structure, which does not accurately reflect customer costs.
- » Better recovering fixed costs by relying less on energy sales.
- » Adjusting for higher operation and maintenance costs.
- » Bringing customers closer to what it costs to serve them and establishing more equitable charges as the community continues to grow.

Some of the proposed changes include:

- » Reducing the number of residential tiers for inside-City of Austin customers from five tiers to three tiers.
 - Tier 1 (0-300 kWh) — 3.8 cents per kWh
 - Tier 2 (301-1,200 kWh) — 4.3 cents per kWh
 - Tier 3 (1,201+ kWh) — 4.8 cents per kWh
- » Increasing the residential customer charge from \$10 to \$25.
- » Bringing outside- and inside-City of Austin residential customers together in the new rates.

You can find all the proposed changes and the specific reasons behind them at austinenenergy.com/go/rates.

Because Austin Energy is owned by the City of Austin, the community has a voice in the future of the utility. Austin Energy's full proposal is going through a base rate review. This review is an open and transparent process that leads to a final approval by the Austin City Council. You can find more information and feedback opportunities for the 2022 base rate review at www.speakupaustin.org/rates.



Celebrate May — ride a bike!

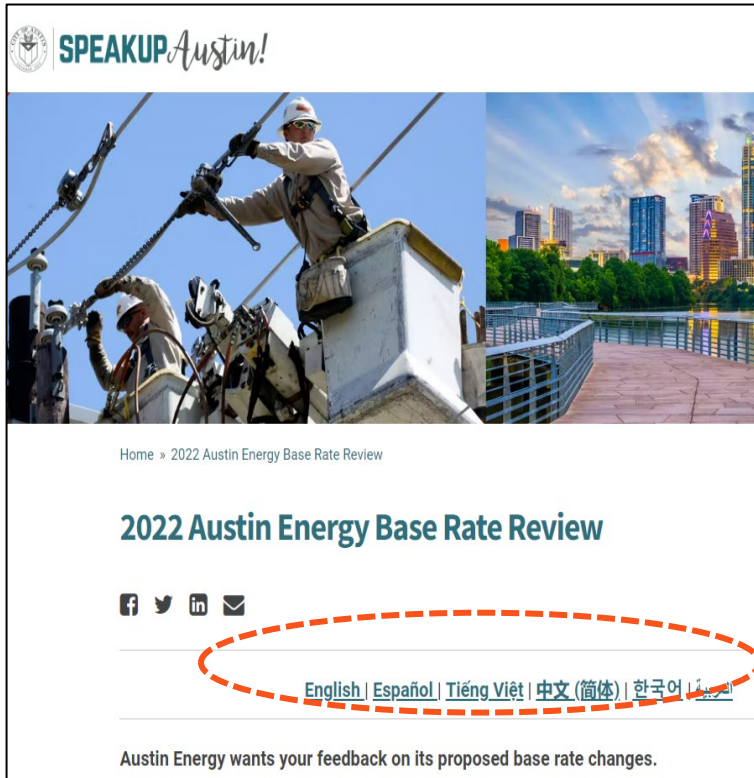
May is Bike Month, and Austin Transportation is here to help you find the perfect route to wherever you need to go on two wheels. The 2022 Austin Bike Map provides bike routes coded by comfort level and includes a range of options, from "high comfort" to "helpful sidewalks" to "rough trails." You can also find tips on how to ride in traffic, how to say/sign "bicycle" in some of Austin's most common languages, how to be a Bicycle-Friendly Driver and more.

The Austin Bike Map can be found as a regularly updated online, interactive version and a large, printed version that folds into a pocket-sized map. The bike map is free and available at bike shops, some libraries and recreation centers. Check out the map at: austintexas.gov/bikemap.



May 2022 issue shown here;
more articles to follow

Community Language Access



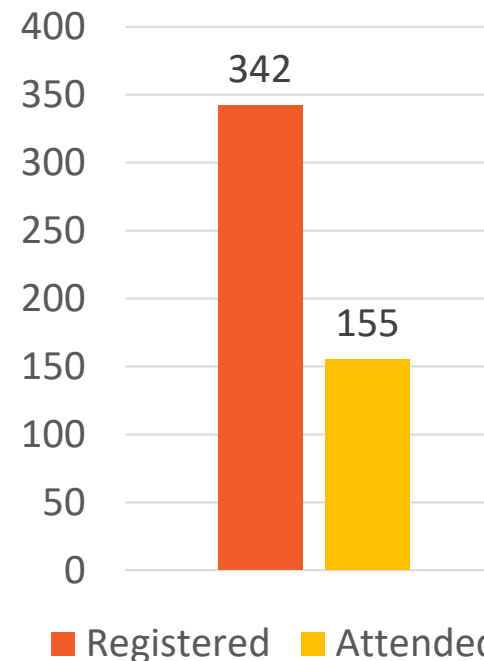
- SpeakUp webpages translated into six languages
- Interpreters available at each virtual and in-person community meeting
 - ✓ English
 - ✓ Spanish
 - ✓ Simplified Chinese
 - ✓ Arabic
 - ✓ Vietnamese
 - ✓ Korean

2022 Base Rate Review Community Meetings

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Overall Attendance



Feedback Form Engagement as of May 18

1,258

Views

306

Commentors

Feedback forms will be provided to the Impartial Hearing Examiner and the Independent Consumer Advocate.



Customers can submit feedback on the Base Rate Review through July 1st via SpeakUp Austin

Additional Outreach



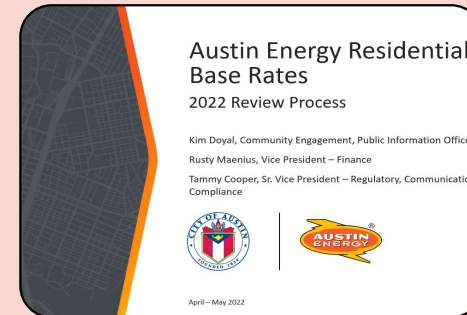
Shareable Videos



Video
(English)



Video
(Spanish)



Zoom
Recording of
Meeting
Presentation

More questions or
comments?

Email:
rates2022@austinenenergy.com

Fill out a feedback form:
speakupaustin.org/rates



**Customer Driven.
Community Focused.SM**

