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**From:** Paul Robbins <paul\_robbins@greenbuilder.com>  
**Sent:** Friday, July 8, 2022 11:57 AM  
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**Cc:** Trey Salinas; Hughes, Chris; hbaggett@3pointpartners.com; pistorin@gmail.com; Clarence Johnson; Coleman, Katie; Hubbard, John R.; OMM eservice; a.gausepohl@samsung.com; Reeder, Chris; Faconti, Maria; Zermeno, Alaina; tkimbrough@balch.com; slbennett@balch.com; lreyes@switch.com; cooperlmcooper@outlook.com; Dru Spiller; Matthew Miller; eric@ericwintersgoff.com; hmtchell@solarunitedneighbors.org; cathy.works@ni.com; ed@arma-tx.org; John Coffman; Joshua Smith; Hallmark, Ben; Andy.Perny@austintexas.gov; Thomas Brocato  
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Please consider this cross timely filed.

Paul Robbins

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### **Cross to Jerry Galvan from Paul Robbins**

Mr. Galvan states that the Customer Assistance Program is not part of this rate case because CAP is funded with as a pass-through cost.

However, CAP administration is funded through base rates. So any proportion of CAP that is found to be imprudent can be applied to the base rate portion of CAP administration.

Austin Energy cannot have it both ways. If it wanted to sever CAP admin from the rate case, it should have recommended that CAP admin be funded as a pass-through cost in its rate filing. Even then, the issue would be relevant until the severance was approved.

Given the utility's choice not to place CAP admin in pass-through costs, when will Austin Energy provide me with access to CAP participant names and service addresses (with privacy protected under a non-disclosure agreement) so that I can determine imprudence is CAP admin? (E.g., if 10% of CAP customers are questionable, 10% of CAP admin would be imprudent and deducted from AE's profit, otherwise known as the General Fund Transfer.)

## **Cross to Mark Dombrowski**

1. On page 12 of his testimony, Mr. Dombrowski stated that the new Radical Residential Rate Restructuring (4R) proposal would not be onerous to low-income ratepayers because CAP customers consume more than non-CAP customers.

He ignores:

A. that rate increases will still occur to many CAP customers; and

B. using CAP as a surrogate for all low-income ratepayers is extremely simplistic.

Austin Energy tracks Residential consumption by zip code and housing type. When I matched this information provided in discovery to Census income levels, I found that income tracks consumption. The worksheet for these calculations was sent to Austin Energy upon the utility's request, but there is no acknowledgement or accurate criticism of it provided in his testimony.

Using CAP is also flawed because, as I proved repeatedly over a long period of years, CAP is enrolling some customers with proven levels of high property wealth. Exactly how many is now obscured because Austin Energy is using a new state law as pretense to hide relevant information.

It is also a standard trend in the utility and commodity industries for low-income customers to have lower rates of consumption because they simply cannot afford higher rates of consumption.

And yes, there is a question here. Why didn't Austin Energy use a different methodology to look at the rate impact over the entire customer base?

2. On page 21 of his testimony, Mr. Dombrowski stated that the biomass plant was not an issue in the rate case and therefore ways to bring its costs down are not a relevant matter. Since transferring the plant to fuel costs is not a determined outcome yet, I argue that the biomass issue is quite relevant to the case.

The criticism is correct that I did not make specific recommendations. I can do so when I present my case. It would help my presentation, however, if Austin Energy will answer my discovery question about the costs it has paid to local governments in the plant's region. I have asked for this information under the Texas Public Information Act, but it would be more appropriate if Austin Energy would provide the information directly.

3. The 4R proposal by Austin Energy will raise costs to some low-income consumers to drastic levels.

3.1 Has Austin Energy estimated, or will it estimate, how many customers will lose service due to its 4R proposal?

3.2 Was universal access to service even considered when the 4R proposal was created?

4. On p. 19 of Dombrowski's proposal, he stated that I provided no evidence of

If I am understanding Figure 7.21 and Table 4.B correctly, a substantial percentage of the rate increase is driven by growth-related expenses that City Council ordinance No. 20140612-057 (passed in 2014) was meant to eliminate.

I am asking that Mr. Dombrowski cite evidence previously provided by Austin Energy that details and itemizes these growth-related expenses. If no such evidence was provided, then please do so.

5. I take issue with the statement made on p. 10.

"These Participants fail to acknowledge the reality of the changing consumption patterns occurring within Austin Energy's service area."

I went to great lengths to understand the patterns that were alluded to here, evaluating the evidence that AE provided to me, and found it lacking.

Again, for the record, I restate my criticisms.

*There are several problems with this analysis, however.*

*A. The analysis does not account for customers who have their HVAC needs met with a central system, such as downtown condos.*

*B. The study does not consider that customers in older dwellings will also become more efficient over time. While a new home has its appliances (e.g., HVAC, refrigerators) immediately installed to national appliance standards, older homes will install appliances with higher standards when their older machines are replaced.*

*C. Austin Energy has not discussed how consumption in rental units in the study might be influenced by consumption through the customers enrolled in the Continuous Service Program.*