

Austin Energy Utility Oversight Committee (AEUOC)

Transcript – 10/11/2022

Title: ATXN-1 (24hr)

Channel: 1 - ATXN-1

Recorded On: 10/11/2022 6:00:00 AM

Original Air Date: 10/11/2022

Transcript Generated by SnapStream

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>> Tovo: We are in the boards and commissions room and our first order of business is to approve the minutes from the August 30th, 2022 meeting. Mayor Adler moves approval, second by mayor pro tem. All in favor signal by saying aye. That is unanimous on the dais. We have council members harper-madison, pool, Renteria, vela, one other person. Kitchen off the dais. Welcome general manager. You're up next for your report, please. Oh, yes, thank you. Sorry, Mr. Robbins. We have one member of the public. Okay, very good. We'll start with you. You have three minutes. Welcome.

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>> Test? Not that presentation. Okay. Council, I've been working on energy related issues since 1977. I am again protesting the unaccountable way that Austin energy is hiding information relevant to the increase in fuel charges. I have been trying to find out what these fuel increases were for months and Austin energy has hidden information that was formerly public. Now, let me show you an example of what I mean. I have emailed this to you, but for the public watching this meeting this is from memos sent by the utilities former previous operating

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officer in 2012. It details the cost of each fuel as well as will percentage that each fuel made up of the total supply adjustment. And this is another part of the information. This was obviously nothing competitive about this, so why can't I see it today? How can I or any member of the public trust what the utility says if we cannot even see such basic information? I have stated before that Austin energy will

not even divulge information that is posted on a federal agency's website. When I accessed this website information I did indeed find documentation of increases in Austin's natural gas cause, but I could not reconcile these increases with the paltry and insufficient information

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the utility has provided to justify the increase they asked for. The utility's numbers may be entirely justifiable, but how can you reassure an inflation-weary public without basic information as proof. On a separate point I offer a suggestion on how you can lower fuel costs. It seems out of place, but the 10 year debt for the biomass plant is embedded in the fuel cost. If you extend the debt from 10 years to 15 years it will probably save about \$12 million a year, and this doubles if you look at times coverage. I recommended this during the rate case but has by its pattern ignored it. This is not the lion's share of the fuel cost increase,

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but it will help. In closing, I urge you to delay the psa until you can take up the rate case and I urge you to refer this fuel charge to the electric utility commission for review at their next meeting. Also, my friend and colleague Cyrus reed -- [buzzer]. Offered his suggestion that you only create a temporary psa increase for three months. >> Tovo: Thank you, Mr. Robbins. >> Appreciate your time. >> Thank you. Thank you for being here. We have one more speaker today and that is Stephanie Corte. Welcome. >> Good afternoon. Thank you so much. My name is Stephanie Corte and I'm with Texas climate jobs action. I represent a pro worker,

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pro union organization that is supporting the labor union of Texas but also families whether or not they are part of Austin on. We had about 70 people gather at Austin energy's headquarters on September 24th to say no to any rate increases. So I'm here to say that many people have told me unavoidable to have this pass-through rate go through, to have the increase happen, soften the blow by spreading it out a little bit and I'm here to argue that people who cannot be here today because they are out at their jobs, cannot speak for themselves. So we at climate tex jobs and the various unions and community groups that we represent say no to these increases, say no to the pass-through rate, say no to the base rate increase. We very well know here that this is a very expensive city so anything, even \$15 a month, \$20 a month, it's going to be a lot for

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working people. There has to be another way to be able to avoid this. There has to be an option three. We do not support the rate increase, we support people's utility platform that works for all people of this city, Austin energy belongs to the people. We are so unique and in that way that we can say, you know, people have -- should be able to have a say in their utility, should be able to have a say in their rates that they pay to live here. And so that is all I've come to say is I want to make sure that someone from the community, someone for the working people they're here to say they do not support this and there must be another way. Thank you. >> Chair, I have a quick question. >> Tovo: Thank you. >> Ellis: Thank you for your comments. I know there's been [inaudible] In passing option two that was presented this morning that would still be anywhere between a 15-dollar increase just on the psa rate, not

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counting the regulatory charge that's also included. But what kind of impact does that have on your members on our work? What does that mean when you have an additional \$15 per month that you have to pay? >> I would say that first of all it doesn't automatically mean that people have to start making tough choices. They're already making tough choices. They're already cutting corners when it comes to what do I feed my family? What can I buy for my kids this year? Can I make rent happen? Should I move in with another family in like a single-family home where they are already having people move in with multiple families. So added on top of that extreme amount of pressure and stress of maybe taking in another job, you add this and honestly it's just heartbreaking. It can really crush someone's soul and hope really of just being like I don't know if I can continue doing this.

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And for a lot of people it may seem like 15, \$20, but when you add that on top of everything people have suffered in two years, it becomes very, very disheartening to know that you just don't have the kind of lifestyle that you thought you could provide for your family by simply working a full-time job. That's just not possible anymore. So an increase like this would be extremely difficult for a lot of families. >> Ellis: Thank you for highlighting the real life impact this would have. >> Tovo: Thank you very much for being here with us. Do we have anyone else here today scheduled to speak or who would like to speak to us on public communications? Thank you. So we'll go to our general manager, general manager Sargent, thanks for being with us. >> Good afternoon, vice-chair, committee members. I'm Jackie sergeant, Austin energy general manager. And today we only have one report. The general manager's

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report. So if you will go to the next slide, please. Today I'm going to begin with eight upcoming requests for council action. The first item is to approve issuance of a five-year production-based incentive or pbi to pal Loma ridge owner LLC for the installation of solar electric systems on their facility in an amount not to exceed two million dollars. The purpose of the pbi program is to expand the customer solar for customers. It provides payments as a monthly billing adjustment based on the metered solar production for the first five years of operation. The next item is to authorize negotiation and execution of a five-year contract with Texas air systems LLC for modular heat exchanger skids for an amount not to exceed \$25 million. This equipment is used by Austin energy chilled water customers. The next item is to increase an existing contract with motorola solutions, inc., by two and a half million

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dollars and to extend it up to five years for customer service request system or the csr that's used by Austin 311. This amendment provides continuity of service while the city assesses future requirements and expansion of the csr system. Next slide, please. The next item is to authorize negotiation and execution of two contracts with Elgin engineering inc. And tdi power services inc. For power production maintenance each for a term of five years in an amount not to exceed \$20 million, divided between the contractors. These contracts provide specialized maintenance and repair services for sand hill energy center, the decker creek power station gas turbines and the district energy cooling locations. The next item is to authorize negotiation and execution of a six-year contract not to exceed \$2.5 million with train U.S. Inc. Or one of the other qualified offers to provide specialized maintenance and repair services for the inlet air chillers located

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at the sand hill energy center. These chillers cool the inlet air during a very hot summer days which allows the generators to reach full capacity. The next item is to authorize award of a five-year contract with kbs electrical distributors inc. In an amount not to exceed \$1.56 million to provide relays for switch gears and repair panels. These are installed on control panels and switch gear to protect high voltage transmission lines, substation equipment in Austin energy's distribution system. Next slide, please. The next item is to authorize award of a five-year contract with kbs electrical distributors inc. And pre-star mail, not to exceed six million dollars. It will provide circuit switchers on an as needed basis to support Austin energy operations. Circuit switchers protect substation lines, equipment and the distribution system. The final item is to increase an existing contract with Oracle

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America, inc. For \$1.9 million and to extend the term by 20 months for a revised total contract not to exceed \$3.4 million for continued technical cloud analytical services. The proposed amendment is for the continuation of Oracle's analytic insight tool that is used to protect against meter tampering, identify meter malfunctions, monitor meter performance and identify and prioritize billing exceptions. Next slide. And I'm pleased to I am pleased to announce that last week, Austin energy celebrated public power week, along with more than 2,000 other not for profit electric utilities that collectively provide electricity to over 49 million Americans. We kicked off the week long celebration with the opening of the Austin community connections room, which spotlights Austin energy and those we serve. And I hope that the next time you visit our Austin energy headquarters that you'll take time to visit this setup.

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Next slide, please. Now we'd like to share a short video about how Austin energy is proud to power Austin. >> Here at Austin energy, we're more than just a power company. As your community-owned electric utility, we're your friends and neighbors, and we're on a mission to deliver clean, affordable, reliable energy and excellent customer service. 24 hours a day, 365 days a year. So how exactly do we get power to you? Our service territory extends over 437 square miles and includes Austin as well as portions of Travis and Williamson counties. We maintain more than 12,000 miles of distribution and transmission power lines.

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>> Thank you. Next slide. As I wrap up, I would like to recognize the Austin energy employees who went to Florida to assist Jacksonville with repair and restoration due to the damage caused by hurricane Ian. Listed on the slide are the 17 city of Austin employees who made the trip. Austin energy received the request for mutual aid from the American public power association, and we have previously assisted Jacksonville electric authority with hurricane recovery. Crews left Austin on September 28th with six bucket trucks, three digging derricks. Austin energy crews made it safely back home over the weekend, and I'd like to take this opportunity to again convey my sincere appreciation to all of them and their families who made this possible. And with that, it concludes my presentation, and I'm happy to answer any questions you may

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have. >> Tovo: Thank you very much, and thank you to all of those staff members. It does take their own dedication, but also the support of their family to do that. So, thank you, I'm sure their assistance was very much appreciated. Colleagues, questions for our general manager? All right. Well, I think that is our last item of business. We did discuss the schedule for upcoming work sessions and public hearings

earlier this morning. I think there's more conversation to happen there, but I don't think that happens right now. Are there any suggestions of things to discuss at future meetings? I think we probably don't have much more than that, much more capacity to do than that. All right. Well, we stand adjourned then at 2:32. Thank you to all of our staff. >> Mayor Adler: All right. So, let's keep goin