



Item 1

**JOINT SUSTAINABILITY COMMITTEE
MEETING MINUTES**

**REGULAR MEETING
October 26, 2022**

The Joint Sustainability Committee convened in a hybrid meeting on October 26, 2022 via videoconferencing and at City Hall, Council Chambers, 301 West 2nd Street, Austin, Texas

Chair Kaiba White called the Board Meeting to order at 6:10 pm.

Board Members in Attendance:

Kaiba White, Richard DePalma, Diana Wheeler, Melissa Rothrock, Haris Qureshi, Alberta Phillips, David Carroll, Frances Deviney, Kelsey Hitchingham, Karen Hadden

Board Members Absent: Fisayo Fadelu, Robert Schneider

City Staff in Attendance:

Rohan Lilauwala

CALL TO ORDER

PUBLIC COMMUNICATION

The speakers who registered in advance for public comment have three minutes each to address items on the agenda at this time.

N/A

1. APPROVAL OF MINUTES

June 22, 2022, meeting of the Joint Sustainability Committee

- Motion to approve (Rothrock), second (Wheeler). Record of the vote: 10 approved, 0 opposed, 0 abstained.

2. APPROVAL OF MINUTES

August 24, 2022 meeting of the Joint Sustainability Committee

- Motion to approve (Rothrock), second (Wheeler). Record of the vote: 10 approved, 0 opposed, 0 abstained.

4. AUSTIN TRANSPORTATION DEPARTMENT IMPLEMENTATION OF THE CLIMATE EQUITY PLAN – COLE KITTEN, AUSTIN TRANSPORTATION DEPARTMENT (DISCUSSION AND/OR POSSIBLE ACTION)

- Many transportation elements in Austin Strategic Mobility Plan are aligned with the Austin Climate Equity Plan.
- Common goals around mode shift (shift of 70% to target 50% of people driving alone to work) and equity (success should be centered on equity)
- Strategies in both plans are circularly referenced and supportive of each other's goals
- Presentation provided insights on ATD's implementation of strategies in the Climate Equity Plan, including work as part of Project Connect, Mobility Bond Funding, Walk Bike Roll,
- Rothrock: Kyle has a Boring Company tunnel proposal, has Austin considered this? State employees work downtown but don't have CapMetro passes and free parking
- DePalma: when do we see implementation of WalkBikeRoll initiatives
 - Kitten: Since 2016 bond, local mobility programs have annual implementation plans, presented to public for feedback. In 2020 bond, equity was centered. WalkBikeRoll = updates to plans, and updates to implementation. 2016 bond closing out in 2024, 2020 bond spending to last until 2027.

5. AUSTIN ENERGY RESIDENTIAL RATES AND VALUE OF SOLAR TARIFF (DISCUSSION AND/OR POSSIBLE ACTION)

- Base rate review – Mark Dombroski, CFO, Austin Energy
 - Everything relevant to base rate case available on AE website
 - Presentation covered history of base rate cases
 - Base rates used to cover fixed costs, not costs of electricity - supplies, tree trimming, employees, technology, etc.
 - Recovering fixed costs at variable energy rate is a challenge
 - Commercial customers subsidize residential customers (who cost more to service than they pay)
 - Compare to driving your car less – car payment (base cost) is fixed, but gas (power supply cost) is reduced
 - Energy efficiency and conservation and driving reductions in electricity use
 - No discernable effects around tiered pricing (i.e. people don't reduce consumption to avoid being in a higher tier)
 - Customer Assistance Plan (CAP) customers use more energy than non-CAP customers
 - Comparison made to other utilities without tiered rates

- New proposed rates outlined – higher customer charge, fewer tiers with price adjustments within them
- New proposal encourages efficiency, means that customers who use more energy will see higher bills, and low-income customers on CAP will be protected from base rate increases
- Independent Consumer Advocate presentation – John Coffman
 - ICA recommendation that revenue increase should be 6.5 million vs AE 35.7 million, impartial judge mostly agreed with AE
 - ICA proposed allocation more favorable to residential consumers
 - ICA proposes keeping customer charge at \$10 or increase it no more than the overall increase, with 4 tiers
 - AE proposal will lead to rate shock, ICA proposal spreads increase across multiple classes
 - Fixed customer charges much lower at comparable utilities
- Discussion
 - White: What is the effect of tiered rates on conservation?
 - Coffman: Agree with Dombroski, impacts are small if any; still value in encouraging conservation
 - Qureshi – How do larger utilities liked Dallas, Houston compare?
 - Dombroski: Saving money on electricity translates to reduced revenue for AE without reduced cost; future direction for AE to try and price when you use power rather than how much power is used. Generally, AE has some of the lowest bills in Texas (combination of low rates and low consumption)
 - Phillips: How does rate base compare inside/outside the city, how do costs compare
 - Dombroski: 15% of customers outside city; customer charge is the same inside/outside the city. Outside the city has 3 tiers. It costs more inside the city if you're in the higher tiers than outside.
 - Coffman: Variety of sources that lead to revenue increase (probably subject to interpretation). This rate increase would lead to higher increases on ratepayers inside the city. Would make rates lower outside city limits
 - Dombroski: that's because inside the city uses less energy, they are charged below cost of service. Trying to right-size rates
 - Phillips: What is general fund transfer amount?
 - Dombroski – 12% general fund transfer, in lieu of property taxes, sales taxes, etc.; decision is made by city council
- Value of Solar Tariff – Tim Harvey, Austin Energy
 - AE has value of solar rate that has replaced net metering
 - Proposed approach looks at actual costs/savings to AE
 - AE proposed realigning costs
 - 2021 value would be slightly higher, but there is variance year over year

- New approach, value is averaged over 5 years; wouldn't be changed more than every 3 years
- Phillips: Is there a difference between energy consumed on site vs pushed to the grid
- Harvey: Customer gets same value for both

a. Resolution on Residential Rates (No. 20221018-004B)

- White: affects longer-term investments people make in their homes around efficiency
- Motion to Approve (Phillips), seconded (White)
- Wheeler to abstain as AE employee
- Postponed until November meeting

b. Resolution on Value of Solar Tariff (No. 20221018-004A)

- Postponed until November meeting

7. RESOLUTION ON TEXAS GAS SERVICE CONSERVATION PROGRAMS FROM RESOURCE MANAGEMENT COMMISSION ([NO. 20220816-005](#))

Motion to approve (De Palma), Second (Deviney)

Record of the vote: 10 approved, 0 opposed, 0 abstained – motion passes

6. UPDATE ON AUSTIN CLIMATE EQUITY PLAN IMPLEMENTATION –ZACH BAUMER, OFFICE OF SUSTAINABILITY (DISCUSSION AND/OR POSSIBLE ACTION)

- Broad updates related to Climate Equity Plan implementation.
- [Dashboard](#) is now live, featuring over 100 responses from departments o
 - 70% of strategies are already Underway or Starting Soon
 - Second cohort of Climate Ambassadors has begun and have started working on Community Action Projects
 - Community Task Force – Sustainability staff working on concept for a clearly defined group with scope, tasks, final product all agreed upon so we can work together, build trust, solve problems / issues and move this work forward
 - Sustainability staff, EDI/equity office staff, JSC members, former steering committee members, community members
- JSC members can directly contact Zach if they're interested in participating or developing this concept further.

3. 2023 MEETING SCHEDULE

- Motion to approve (De Palma), Second (Rothrock)
- Record of the vote: 9 approved, 0 opposed, 1 abstained (Phillips off dais) – motion passes

8. COMMISSION MEMBERS REPORT BACK ON ANY RELEVANT DISCUSSIONS FROM THEIR RESPECTIVE BOARDS AND COMMISSIONS – (DISCUSSION AND/OR POSSIBLE ACTION)

- Deviney: Food policy board strategic planning session; one area of focus was connecting food policy to recommendations in Climate Equity Plan; how to align with that work
- Qureshi – Environmental Commission passed resolutions to streamline missing middle housing; there are concerns around limiting public input. Resolution passed, asking for modifications around public input process.

Motion to adjourn (Rothrock)

Meeting adjourns at 9:04 pm

ADJOURNMENT

The City of Austin is committed to compliance with the American with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request. Meeting locations are planned with wheelchair access. If requiring Sign Language Interpreters or alternative formats, please give notice at least 2 days (48 hours) before the meeting date. Please call Zach Baumer with the Office of Sustainability at 512-974-2836, for additional information; TTY users route through Relay Texas at 711.

For more information on the Joint Sustainability Committee, please contact Zach Baumer at (zach.baumer@[austintexas.gov](mailto:zach.baumer@austintexas.gov) or 512-974-2836).