

A G E N D A



Recommendation for Council Action

Austin City Council	Item ID	10755	Agenda Number	76.
Meeting Date:	11/10/2011		Department:	Austin Energy
Subject				
Set a public hearing to consider an ordinance amending the GreenChoice® Energy Rider in Ordinance No. 20110912-007 to extend the Batch 6 subscription expiration date to December 31, 2021. (Suggested date and time: December 8, 2011, 4:00 p.m. at Austin City Hall, 301 W. Second Street, Austin, TX).				
Amount and Source of Funding				
Fiscal Note				
There is no unanticipated fiscal impact. A fiscal note is not required.				
Purchasing Language:				
Prior Council Action:	August 20, 2009 - Approved Ordinance No. 20090820-062, amending the pricing of GreenChoice Batch 6. September 12, 2011 – Approved the Fiscal Year 2011-2012 Budget including the GreenChoice® Energy Rider.			
For More Information:	Karl R. Rábago, Vice President, Distributed Energy Services, 322-6098.			
Boards and Commission Action:				
MBE / WBE:				
Related Items:				
Additional Backup Information				

Austin Energy proposes to extend the expiration date for subscriptions to Batch 6 of GreenChoice® from December 31, 2014, to December 31, 2021.

In August 2009, GreenChoice® Batch 6 was reoffered at a lowered price of 5.7 cents per kilowatt-hour through December 31, 2014. Austin Energy now wants to offer Batch 6 subscribers comparable long-term benefits as was available to previous batches.

The value of extending the terms to 2021 is predicated on the reality of fuel price volatility, projected by many industry observers to be a critical issue over the near and long-term future with regard to energy supplies. GreenChoice® customers purchasing Batch 6, while currently paying a premium over the traditional fuel charge, are locking in the advantage of price certainty over the next 10 years. It is this benefit we propose to share with the City of Austin, and by extension, the region's citizens as well as current and future Batch 6 subscribers. This is one of the fundamental reasons GreenChoice® has been an attractive option for many of Austin Energy's customers, and the impetus behind the national success of the GreenChoice® program.

The GreenChoice® program offers Austin Energy's customers the opportunity to support the growth of the renewable energy industry in Texas and to share in the benefit of locked-in fuel prices for a long term. All customer rate classes may participate in GreenChoice® Batch 6, subject to supply availability and compliance with program offering requirements. Residential customers may sign up for GreenChoice® Batch 6 verbally through the City of Austin Call Center or in writing via email, printed application, or online application. Commercial customers must enter into a written agreement to enroll in Batch 6 of the GreenChoice® program.