

**AUSTIN CITY COUNCIL
MINUTES****WORK SPECIAL CALLED MEETING
WEDNESDAY, DECEMBER 14, 2011**

The City Council of Austin, Texas convened in a Council Special Called Meeting on Wednesday, December 14, 2011, at Austin City Hall, 301 W. 2nd Street, Austin, Texas.

Mayor Leffingwell called the meeting to order at 9:05 a.m.

Mayor Leffingwell recessed the Council meeting to move the meeting from the Boards and Commission to Council Chambers at 9:10 a.m.

Mayor Leffingwell called the Council meeting back to order at 9:18 a.m.

Morning Briefings

A.1 Austin Energy's recommendations on electric rates.

The presentation was made by representatives from Austin Energy including Larry Weis, General Manager; Elaine Hart, Senior Vice President and Chief Financial Officer; Ann Little, Vice President of Finance and Corporate Services; Mark Dreyfus, Director Regulatory and Government Affairs; and Joseph Mancinelli of SAIC.

Mayor Leffingwell recessed the Council meeting at 11:28 a.m.

Mayor Leffingwell called the Council meeting back to order at 1:30 p.m.

Morning Briefings Continued

A.1 Austin Energy's recommendations on electric rates (Continued)

Council Members asked questions or provided direction to staff as follows:

- What percentage of revenues and consumption are attributed to worship facilities?
- With regards to the transition rates for current commercial customers not billed demand that will be billed demand under the proposed new rates, including worship facilities, which phase is reflected in the bill impact results?
- Provide more detail on the Public Utility Commission of Texas (PUC) ruling in the recent El Paso rate case regarding worship facility electric rates.
- Direction was given to staff to consider how the goal of energy conservation is achieved with apartment dwellers.
- Direction was given to staff to assist Council in understanding the true impacts on worship facilities.
- What are other methods for applying a demand charge besides a rolling demand charge?
- Does a demand charge always yield the highest charge to a customer?

- What is the difference between the proposed 10 percent public schools discount and the 80 percent cost of service request the public schools (AISD) have made?
- Did the Electric Utility Commission (EUC) make recommendations on school districts and worship facilities?
- Direction was given to staff to help provide guidance on how innovative programs can be developed in connection with the rate case.
- What can we do to make sure that people currently eligible for the Customer Assistance Program are getting the assistance they need?
- What would the impact be of expanding eligibility requirements to include people that are on the SNAP, WIC, and MAP programs?
- Direction was given to staff to have a discussion on automatic enrollment for the Customer Assistance Program.
- What is the impact on the Customer Assistance Program charge for residential customers when the number of enrolled or eligible CAP participants increases. Be prepared to discuss when the public hearings are held.
- Regarding case management for the Customer Assistance Program, develop a program and collaborate with an organization that is already doing case management.
- Who is currently eligible for the Customer Assistance Program and how is it determined?
- How many currently eligible customers for the Customer Assistance Program are not enrolled in the program?
- Was there a recent change in the Budget Bill (levelized billing) Program that caused a system-wide impact for these customers?
- Is the proposed electric delivery charge attributed to costs associated with new customers or existing customers?
- Is there potential for additional revenue through a revised line extension policy?
- When will Time-of-Use (TOU) rates be approved?
- Can Austin Energy estimate how many customers will enroll in TOU and what that impact could be on revenues?

Austin Energy provided responses to some questions during the work session and will respond to the remaining questions in writing to the City Council.

Council Member Martinez adjourned the meeting at 3:06 p.m. without objection.

The minutes for the special called meeting of December 14, 2011 were approved on this the 12th day of January 2012 on Council Member Morrison's motion, Council Member Riley's second on a 7-0 vote.