

CIP BUDGET EXPENSE DETAIL

DATE OF COUNCIL CONSIDERATION:

5/23/13

CONTACT DEPARTMENT(S):

Austin Energy

SUBJECT Approve an ordinance amending the Fiscal Year 2012-2013 Capital Budget of Austin Energy (Ordinance No. 20120910-002) to increase appropriations by \$7,000,000 for the Holly Street Power Plant Decommissioning Project and amending the Fiscal Year 2012-2013 Operating Budget of Austin Energy (Ordinance No. 20120910-001) to increase the Transfers Out by \$7,000,000 for the Holly Street Power Plant decommissioning account and decrease the Austin Energy Operating Fund ending balance by \$7,000,000.

CURRENT YEAR IMPACT:

Project Name:	Holly Decommissioning RWIP
Project Authorization:	2012-2013 Capital Budget
Funding Source:	Non-Nuclear Decommissioning Funds
Fund/Dept/Unit:	3320-1107-7500

Current Budget	24,312,326
Unencumbered Balance	761,344
This Action	<u>7,000,000</u>
Estimated Available	<u>7,761,344</u>

ANALYSIS / ADDITIONAL INFORMATION: Austin Energy owns a 570 megawatt natural gas fired power plant, known as Holly Street Power Plant (Holly), which began operations between 1960 and 1974. Holly is sited near a neighborhood close to downtown Austin on Lady Bird Lake. Resolutions to close the plant were approved by Council in July 2002 and November 2003. In accordance with the resolutions, power production operations ceased at Holly Units 1 and 2 in October 2004 and Units 3 and 4 in September 2007. The plant's final decommissioning work or deconstruction began in mid 2011. This funding is needed for additional engineering services as well as environmental and soil remediation not in the original scope of the project.

