



MEMORANDUM

TO: Mayor and City Council

CC: Marc A. Ott, City Manager

FROM: Larry Weis, General Manager *LW*

DATE: October 25, 2013

SUBJECT: Council Committee on Austin Energy – Roles of Commissions

At its upcoming meeting on October 31, the Council Committee on Austin Energy will be discussing the roles of the Council-appointed commissions which regularly deal with Austin Energy issues. Currently, Austin Energy is responsive to two seven-member commissions, the Electric Utility and Resource Management Commissions. Regarding the pending discussion, please find attached a related resolution adopted by the Electric Utility Commission (EUC) on February 28, 2011 and a related background paper supportive of the EUC's resolution.

Please let me know if you have any questions.



Roles of Commissions
Council Committee on Austin Energy
October 31, 2013

Background

Currently, Austin Energy is responsive to two seven-member commissions, the Electric Utility and Resource Management Commissions.

On January 27, 2011, the City Council directed the City Manager to work with the City Clerk to conduct a cost analysis of the City's Boards and Commissions system. In response to that directive, on February 28, 2011, the Electric Utility Commission (EUC) adopted a resolution that stated "having two non-sovereign commissions oversee Austin Energy is neither efficient nor effective," and therefore recommended "consolidating the review of Austin Energy to a single commission."

The Resource Management Commission (RMC) duplicates work being performed by the EUC (created in 1977) and the Water & Wastewater Commission (created in 1981) because it is a legacy commission from a time when the City had a separate Resource Management Department. A long-serving EUC member previously submitted to Council and Austin Energy staff a history of the RMC. That history indicates that the Resource Management Department and its accompanying commission were created by Council in the early 1980s. In 1989, the department was eliminated, with staff merging into the Environmental and Conservation Services Department; the RMC however, remained in existence.

Going forward, a single advisory commission could be created to review Austin Energy-related issues, with the structure, purpose and duties based on the EUC Bylaws. Having a single commission could help develop a deeper expertise on Austin Energy issues among a core group of representatives and would streamline the process of review and recommendation of policies and procurements. It would also reduce the administrative burden on Austin Energy and the Austin Water Utility. Such a reduction would be timely given that the newly-created Council Committee on Austin Energy also meets monthly and requires significant staff preparation and participation.

Resolution of the Electric Utility Commission

February 28, 2011

Cost Analysis of the City's Boards and Commissions

Whereas, on January 27, 2011 the City Council directed the City Manager to work with the City Clerk to conduct a cost analysis of the City's boards and commissions system;

Whereas, both the Electric Utility Commission (EUC) and the Resource Management Commission (RMC) oversee Austin Energy;

Whereas, both the EUC and the RMC are non-sovereign commissions comprised of volunteers who may, or may not, have specialized knowledge regarding the operation of an electric utility company;

Whereas, Austin Energy has revenues over \$1 Billion annually and engages in a wide variety of highly sophisticated activities;

Whereas, the EUC wishes to contribute its opinions and experiences to the City Manager's analysis;

Therefore, be it Resolved, the EUC believes that having two non sovereign commissions oversee Austin Energy is neither efficient nor effective, especially when those commissions are volunteers with no required experience in the utility industry;

Resolved, the City Manager should consider consolidating the review of Austin Energy to a single commission so as to eliminate the need to have city staff spend duplicative nights before two commissions.