



**Council Committee on Austin Energy
Monday, June 23, 2014**

MEETING MINUTES

THE **COUNCIL COMMITTEE ON AUSTIN ENERGY** CONVENED ON MONDAY, JUNE 23, 2014 AT 9:36 A.M. IN THE BOARDS AND COMMISSIONS ROOM, CITY HALL, 301 W. SECOND STREET

The meeting was called to order at 9:36 a.m. by Council Member Spelman.

Agenda Item #1: Approval of minutes for the committee meeting held Thursday, May 29, 2014.

The minutes of the May 29, 2014 meeting of the Council Committee on Austin Energy were approved on the motion from Council Member Morrison, seconded by Council Member Martinez, with a 6-0 vote. Mayor Leffingwell was absent.

Agenda Item #2: Briefing and discussion regarding changes to the Power Supply Adjustment and other rates and fees for Fiscal Year 2014-2015 and to solar incentives.

Larry Weis, General Manager, and Ann Little, Chief Financial Officer, provided an overview of the power supply adjustment (PSA) and other rate and fee changes for the proposed Fiscal Year 2015 budget. Elaina Ball, Vice President of Power Production, and Debbie Kimberly, Vice President of Customer Energy Solutions also responded to questions. Other rate changes presented included the regulatory charge, community benefit charge, GreenChoice® and the value of solar. General Manager Weis stated that the PSA rate would be updated with May-July costs and presented in August.

Council Member Tovo asked about ERCOT charges for the previous year. Council Member Morrison asked for a more detailed explanation of how the market affects the value of solar calculation and the effect on solar customers.

Two citizens addressed the Committee regarding this agenda item. Elliot Johnson stated his support of Austin Energy moving toward a credit for the value of solar, but stated his concerns with how it was calculated the previous and current year. Lanetta Cooper stated that the energy efficiency budget is not transparent, the energy efficiency rate should be reduced, the budget should be amended so that available money is applied to low and moderate income efficiency programs, and a task force should be created.

Agenda Item #3: Briefing and discussion regarding utility customer debt.

Elaine Hart, City of Austin Chief Financial Officer, Elaine Kelly-Diaz, Vice President of Customer Account Management, and Kerry Overton, Deputy General Manager, provided an overview of utility customer debt, including a description of the current status of bad debt expense and what is planned to address it.

Two citizens addressed the Committee regarding this agenda item. Carol Biedrzycki stated that there should not be a waiting list for the CAP program since there has been an over-collection of \$7 million, performance of the weatherization program is still low and the budget is not enough to meet community needs, and she was expecting recommendations from the Low Income Consumer Advocacy Working Group to be provided at today's meeting. Bob Batlan, member of Austin Interfaith, stated the process the Working Group has taken to develop recommendations to amend collection processes.

Agenda Item #4: Briefing and discussion regarding the proposed construction of a new Austin Energy office building and parking structure on East Riverside Drive.

Larry Weis gave an overview of the current status of Austin Energy facility needs, an analysis of building versus leasing, and potential benefits of building at the East Riverside location. Vince McGlone, Austin Energy Facilities Manager, also answered questions.

Agenda Item #5: Briefing and discussion regarding the electric demand charge on commercial customers having a summer peak demand of between 10 and 20 kilowatts.

This item was not discussed.

Agenda Item #6: Discussion and possible action to set agenda items for future committee meetings.

This item was not discussed.

Agenda Item #7: Citizens Communications - The first five speakers signed up before the meeting is called to order will each be allowed three minutes to speak.

Citizens spoke at the time the item they signed up for was discussed.

Adjournment – Mayor Pro Tem Cole adjourned the meeting without objections at 11:55 a.m.