AUSTIN ENERGY'S TARIFF PACKAGE: UPDATE OF THE 2009 COST OF SERVICE STUDY AND PROPOSAL TO CHANGE BASE ELECTRIC RATES

BEFORE THE CITY OF AUSTIN IMPARTIAL HEARING EXAMINER

OUSTIN ENERGY

Public Citizen's MOTION TO INTERVENE

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This Motion to Intervene ("Motion") is being filed by **Public Citizen** (the "Party"). The Party represents Austin Energy customers and is entitled to be an intervenor in this proceeding.

The Party has reviewed Austin Energy's Tariff Package and believes that the Impartial Hearing Examiner should address the following issues:

- (1) Review of the Cost-Allocation method ("12 CP") and consideration of other Cost-Allocation methods, including "BIP" which might be more reflective of true costs and equitable for the residential and small commercial classes.
- (2) Review of cost of service to residential customers within city limits compared to residential customers outside of city limits. Review of cost of service based on housing density, particularly the cost to serve multifamily residences compared to single family residences.
- (3) Review of revenue requirements, with a focus on reimbursements to the City of Austin to ensure costs are fairly allocated to the utility.
- (4) Residential rate design, including the proposal to "flatten" the energy price tiers and eliminate the seasonal rates, and consideration of a different proposal that would maintain the price differentials in the current five-tier rate system and two-season differential rates to provide incentives to rate payers to conserve energy.

- (5) Review of proposed reserve fiscal policy in general and non-nuclear decommissioning fund in particular, including obligations on bonds owed for the pollution control equipment at the Fayette Power Project. Can remaining debt obligations be paid from the non-nuclear decommissioning fund at the time of retirement of a plant? Is sufficient funding for debt obligations being factored into the revenue requirement? Sufficient funding for decommissioning of Austin Energy's portion of the Fayette Power Project no later than 2022 and the Decker Creek Power Station no later than 2019 and payment of any remaining debt associated with Austin Energy's portion of the Fayette Power Project should be included in revenue requirements.
- (6) Analysis of the proposed changes to the Community Benefit Charge in general and the specific changes to the Energy Efficiency Services Fee for different customer classes, and consideration on whether these changes are equitable and more closely align with the cost of running the demand-side management programs, and will lead to achievement of the long-term goals of the Austin Generation Plan. Examination of energy efficiency and solar energy incentives paid to any customers or customer classes and examination of the proposed Energy Efficiency Services Fee paid by any customers or customer classes under proposed rates.
- (7) Review of the Value of Solar Tariff and consideration of whether the tariff should apply to commercial customers with solar. Consider creation of a new Community Value of Solar Tariff. Establishment of floor values for the Value of Solar Tariff and Community Value of Solar Tariff, as per previous Council policy.
- (8) Review of proposal to eliminate thermal storage tariff and consideration of alternative tariffs to incent behind-the-meter thermal and electric storage devices, with values based on technology response times and other relevant value provided to the utility.

(9) Consideration of a demand response tariff.

(10) Review of proposed rate discounts for certain customer classes, including AISD,

state government, military bases, certain commercial customers, and residential customers

located outside of Austin city limits, and consider their impact on overall rates to other customer

classes.

All documents related to this proceeding should be emailed to the Party at the following

email address: kwhite@citizen.org.

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(Signature of Party or Party's Authorized Representative)

Kaiba White

(Printed Name of Party or Party's Authorized Representative)

(State Bar Number if Party or Party's Auth. Rep. is an attorney)

February 15, 2016

(Date Submitted)