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April 13, 2016

Alfred Herrera, IHE
ATTN: City Clerk
City of Austin
301 W. 2nd Street
Austin, Texas 78701

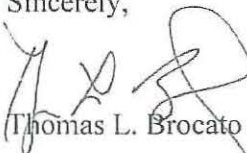
Re: *Austin Energy's Tariff Package: 2015 Cost of Service Study and Proposal to
Change Base Electric Rates*

Dear Examiner Herrera:

The purpose of this letter is to correct a statement that was contained in *Objections of Austin Energy to ICA's Third Request for Information* filed on March 31, 2016. Discovery question ICA 3-1 requested information related to Austin Energy's energy efficiency programs. Austin Energy objected to the question on the grounds that it sought information that is neither relevant to the issues presented in this matter nor is reasonably calculated to lead to the discovery of admissible evidence.¹ The deadline for filing a motion to compel has now passed and no such motion was filed.

Additionally, the objection states that "the direct program costs are collected through the Community Benefit Charge." Although the vast majority of direct costs associated with the relevant programs are collected through the Community Benefit Charge ("CBC"), it is inaccurate to imply that all of the costs are recovered in this manner. As noted previously, the costs for Energy Efficiency Services, such as energy efficiency rebates, solar rebates, and the Green Building program, are recovered through the CBC. The CBC is determined through the City of Austin's budget process. However, a comparatively small amount of costs for Data Analytics, Key Accounts, Emerging Technology and Customer Energy Services Corporate costs are collected in base rates. Employees in these areas split their time among various programs that may or may not be direct energy efficiency programs.

Sincerely,


Thomas L. Brocato

TLB:jbp
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cc: All parties

¹ Notwithstanding the objection, Austin Energy processed the question under the Texas Public Information Act, Tex. Gov't Code Ch. 552.

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