

AUSTIN ENERGY'S TARIFF PACKAGE: §
2015 COST OF SERVICE §
STUDY AND PROPOSAL TO CHANGE §
BASE ELECTRIC RATES §

BEFORE THE CITY OF AUSTIN
IMPARTIAL HEARING EXAMINER

**AUSTIN ENERGY'S RESPONSE TO BETHANY UNITED METHODIST
CHURCH'S SECOND REQUEST FOR INFORMATION**

Austin Energy ("AE") files this Response to Bethany United Methodist Church's Second Request for Information submitted on April 11, 2016. Pursuant to the City of Austin Procedural Rules for the Initial Review of Austin Energy's Rates § 7.3(c)(1), this Response is timely filed.

Respectfully submitted,

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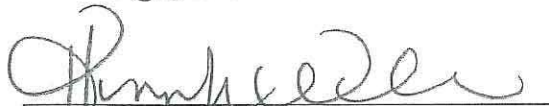
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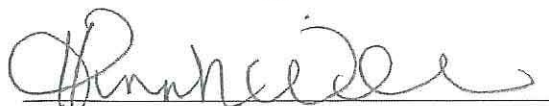
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ATTORNEYS FOR AUSTIN ENERGY

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of this pleading has been served on all parties and the Impartial Hearing Examiner on this 21st day of April, 2016, in accordance with the City of Austin Procedural Rules for the Initial Review of Austin Energy's Rates.



HANNAH M. WILCHAR

AUSTIN ENERGY
2016 APR 21 AM 10:02

Austin Energy's Response to Bethany United Methodist Church's 2nd RFI

Bethany Church 2-1. It is our understanding Austin Energy promised a study of the HOW rates between rate cases in 2012. Has the study been completed and can we review it? How did you involve HOW's when you did this study? Was the study agreed to be completed before this new rate case? If so and it is not completed, why has the study not been completed? How was this proposed study connected to the HOW discount?

ANSWER:

Austin Energy is not aware of any promise to conduct a study of HOW rates. Austin Energy did not conduct a study of HOW rates between 2012 and the current rate review.

Prepared by: MKD
Sponsored by: Mark Dreyfus

Austin Energy's Response to Bethany United Methodist Church's 2nd RFI

Bethany Church 2-2. Referring to ICA 1-10 and ICA 3-26, Attachment 1: Houses of Worship Discount Summary, provide the number of HOW's by rate Class Sanctuary Si (<10KW), Sanctuary S2 (>10KW<50KW), Sanctuary S3 (>50KW. For each Class provide the number of HOW's, KWH Used, Calculated Income \$\$ and the Discount \$\$ credited. Provide this for your FY 2014 and FY 2015. Of the S3's how many had average demands >200KW and <300KW? What were their values from the ones requested above?

ANSWER:

Please refer to tables below.

FY: 2014				
Description	Bills	kWh	Total Revenue	Discounts
Secondary Voltage < 10 KW	744	238,853	32,991	-7,453
Secondary Voltage 10 - 49 KW	2,446	5,454,719	730,480	-356,911
Secondary Voltage ≥ 50 KW	1,318	17,062,238	2,240,416	-575,785
Totals	4,508	22,755,810	\$3,003,887	-\$940,149
Sec Volt ≥ 50 KW. 200 - 300 KW.	78	2,235,800	296,418	-51,635

FY: 2015				
Description	Bills	kWh	Total Revenue	Discounts
Secondary Voltage < 10 KW	695	188,557	24,634	-9,932
Secondary Voltage 10 - 49 KW	2,885	5,781,933	792,268	-377,543
Secondary Voltage ≥ 50 KW	1,657	19,605,047	2,637,220	-694,003
Totals	5,237	25,575,537	\$3,454,123	-\$1,081,478
Sec Volt ≥ 50 KW. 200 - 300 KW.	58	1,994,700	267,624	-37,134

In FY 2014, of the 1,318 S3 (Secondary Voltage ≥ 50 KW) bills, a total of 78 bills were on accounts where the summer average demand was between 200 and 300 KW.

In FY 2015, of the 1,657 S3 (Secondary Voltage ≥ 50 KW) bills, a total of 58 bills were on accounts where the summer average demand was between 200 and 300 KW.

Please note that the 'Total Revenue' shown above includes all billed charges net of the discount given to House of Worship accounts.

Prepared by: JL
Sponsored by: Mark Dombroski

Bethany Church 2-3. How many HOW's have solar power? How does having solar power affect their HOW billing? How will the HOW bills with Solar be affected in the proposed rates?

ANSWER:

- A. Currently, there are two House of Worship (HOW) discount eligible sanctuary accounts with solar installed. Any HOW account may install solar.
- B. Solar power delivered to the sanctuary reduces the amount of energy delivered from the distribution grid. This results in a reduction in the energy charges, which in turns reduces the overall bill.
- C. The impact of the proposed rates to HOW customers with solar will be same as any other commercial account with solar.

Prepared by: JL
Sponsored by: Mark Dombroski

Bethany Church 2-4. One of the stated goals of Austin Energy as directed by the City Council was to not exceed increases in costs to consumers over 2%. The rate increase to HOW's from the 2012 Rate increase was double digit. For Bethany United Methodist Church who I represent, the total increase for all our electric accounts was 10.8%, 2015 versus 2012. This increase was mostly due to adding demand charges which make up 50 to 60% of our bills. By your own examples you suggest the increases to HOW will be 20 — 25% with the new rates, while reductions to other commercial customers are predicted to go down. How do you reconcile these increases against your stated goal of no more than 2% increase per year?

ANSWER:

On February 17, 2011, the City Council approved a two-part affordability goal for Austin Energy. One of the components of that goal calls for Austin Energy to operate so as to control all-in rate increases to 2% or less per year following the implementation of revised rates in 2012. Austin Energy interprets the 2% goal as a system-wide measure, not a limitation on a customer by customer basis. Austin Energy's proposal to reduce rates by over \$17 million complies with the goal to keep system-wide annual rate increases below 2%.

Prepared by: MKD
Sponsored by: Mark Dreyfus

Austin Energy's Response to Bethany United Methodist Church's 2nd RFI

Bethany Church 2-5. Referring again to the Independent Consumer Advocate's First RFI and item ICA 1-10, provide the number of HOW customers by KW Load increment as follows: a. <10KW; 10KW to 20KW; 20KW to 50KW; 50KW to 75KW; 75KW to 100KW; 100KW to 150KW to 200KW; 200KW to 250KW; 250KW to 300KW. What is the Load Factor Range for each increment?

ANSWER:

Secondary Voltage (< 10 kW)					
KW Boundary		Bills	% of Total	Min LF	Max LF
1	9	588	84%	0.28%	48.32%
10	19	106	15%	0.70%	34.89%
20	49	7	1%	2.26%	15.53%
50	74	0	0%	0.00%	0.00%
75	99	0	0%	0.00%	0.00%
100	149	0	0%	0.00%	0.00%
150	199	0	0%	0.00%	0.00%
200	249	0	0%	0.00%	0.00%
250	299	0	0%	0.00%	0.00%
300		0	0%	0.00%	0.00%
Total		701	100%		

Secondary Voltage (≥ 10 < 300 kW)					
KW Boundary		Bills	% of Total	Min LF	Max LF
1	9	291	8%	1.20%	51.77%
10	19	908	25%	1.58%	42.21%
20	49	1,335	36%	1.32%	45.85%
50	74	566	15%	2.70%	37.95%
75	99	259	7%	2.43%	36.59%
100	149	190	5%	4.09%	31.36%
150	199	83	2%	4.57%	33.33%
200	249	33	1%	9.23%	30.34%
250	299	16	0%	9.02%	31.00%
300		3	0%	12.09%	25.12%
Total		3,684	100%		

Secondary Voltage (≥ 300 kW)					
KW Boundary		Bills	% of Total	Min LF	Max LF
1	9	0	0%	0.00%	0.00%
10	19	0	0%	0.00%	0.00%
20	49	0	0%	0.00%	0.00%
50	74	3	8%	20.17%	22.19%
75	99	0	0%	0.00%	0.00%
100	149	0	0%	0.00%	0.00%
150	199	0	0%	0.00%	0.00%
200	249	0	0%	0.00%	0.00%
250	299	0	0%	0.00%	0.00%
300		36	92%	7.24%	28.76%
Total		39	100%		

Please note that a customer could and do appear in more than one strata in the above bill distribution tables. For example, a customer could have a bill with a demand of 48 in month one and 52 in the next month. This customer's bill would appear in both the '20 – 49 KW' and '51 – 74 KW' strata.

Prepared by: JL
Sponsored by: Mark Dombroski