

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

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AUSTIN ENERGY
2016 MAY -6 PM 12:00

**BEFORE THE CITY OF AUSTIN
IMPARTIAL HEARING EXAMINER**

**AUSTIN ENERGY'S FIRST REQUEST FOR INFORMATION AND
REQUEST FOR ADMISSION TO
PUBLIC CITIZEN AND SIERRA CLUB**

Austin Energy ("AE") files this first Request for Information ("RFI") and Request for Admission ("RFA") to Public Citizen and Sierra Club ("Public Citizen/Sierra Club"). Public Citizen/Sierra Club is hereby requested to provide information and answer the attached questions pursuant to Procedural Rule 7.3. The responses are due by 12:00 p.m. within five (5) calendar days. These requests shall be deemed continuing so as to require further and supplemental responses if Public Citizen/Sierra Club receives or generates additional information within the scope of these requests between the time of the original response and the time of the hearing. Please provide supporting documentation in native Excel format with all formulas intact when applicable.

Definitions and Instructions

A. "Austin Energy" and "AE" refer to the City of Austin d/b/a Austin Energy, including its directors, officers, employees, consultants, agents, advisors, and attorneys.

B. "City" refers to the City of Austin, including its various departments, offices, officers, employees, consultants, agents, and attorneys, other than Austin Energy.

C. "You," "yours," and "your" refer to Public Citizen/Sierra Club, including its directors, officers, employees, consultants, agents, and attorneys.

D. The term "document" shall have the broadest meaning possible under the Texas Rules of Civil Procedure and shall include, but not be limited to, the original (or a copy when the original is not available), each non-identical copy (including those which are non-identical by reason of notations or marking, or by appearing in the files of a separate person), and any books, notebooks, pamphlets, periodicals, letters, reports, memoranda, handwritten notes, notations, messages, telegrams, wires, cables, press or news wire releases, records, studies, analyses, summaries, magazines, booklets, circulars, catalogs, bulletins, instructions, operating or maintenance manuals, operating or product specifications, fabrication sheets, test data, design specifications, parts lists, calendars, day-timers, notes or records of meetings, notices, purchase

orders, bills, ledgers, checks, tabulations, questionnaires, surveys, drawings, sketches, schematics, blueprints, flow sheets, working papers, charts, graphs, indices, tapes, agreements, releases, appraisals, valuations, estimates, opinions, financial statements, accounting records, income statements, photographs, films or videotapes, back-up tapes, minutes, contracts, leases, invoices, records of purchase or sale, correspondence, electronic or other transcription or tapings of or notes pertaining to telephone or personal conversations or conferences, tape recordings, electromagnetic recordings, voice mail message or transcriptions thereof, interoffice communications of all types, e-mail messages, printouts of e-mail messages, instant messages or printouts thereof, microfilms, electronic databases, CDs, DVDs, videotapes or cassettes, films, movies, computer printouts and any and all other written, printed, typed, punched, engraved, taped, filmed, recorded (electronically or otherwise), labeled, or graphic matter, of whatever description, however produced or reproduced (including computer-stored or generated data, together with instructions or programs necessary to search and retrieve such data), and shall include all attachments to (including tangible things) and enclosures with (including tangible things) any requested item, to which they are attached or with which they are enclosed, and each draft thereof. A draft of a non-identical copy is a separate document within the meaning of this term. An electronic copy of a paper documents is a separate document within the meaning of this term.

E. Austin Energy specifically requests that any electronic or magnetic data (which is included in the definition of “document”) that is responsive to a request herein be produced electronically in its native format and be produced with your response to these requests. Austin Energy further requests that you produce electronic copies of all paper documents, including any metadata attached to such documents, and produce all electronic originals or all responsive documents.

F. The terms “and” and “or” shall be construed both disjunctively and conjunctively as necessary to make the request inclusive rather than exclusive.

G. “Each” shall be construed to include the word “every” and “every” shall be construed to include the word “each.”

H. “Any” shall be construed to include “all” and “all” shall be construed to include “any.”

I. The term “concerning,” or one of its inflections, includes the following meanings: relating to; referring to; pertaining to; regarding; discussing; mentioning; containing; reflecting; evidencing; describing; showing; identifying; providing; disproving; consisting of; supporting; contradicting; in any way legally, logically or factually connected with the matter to which the term refers; or having a tendency to prove or disprove the matter to which the term refers.

J. The term “including,” or one of its inflections, means and refers to “including but not limited to.”

K. Words used in the plural shall also be taken to mean and include the singular. Words used in the singular shall also be taken to mean and include the plural.

L. The present tense shall be construed to include the past tense, and the past tense shall be construed to include the present tense.

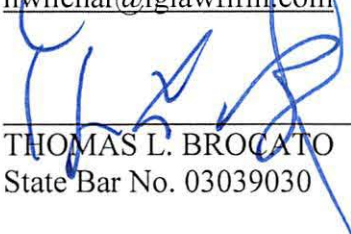
M. If any document is withheld under any claim of privilege, please furnish a list identifying each document for which a privilege is claimed, together with the following information: date, sender, recipients or copies, subject matter of the document, and the basis upon which such privilege is claimed.

N. If the information requested is included in previously furnished exhibits, workpapers, responses to other discovery inquiries or otherwise, in hard copy or electronic format, please furnish specific references thereto, including Bates Stamp page citations and detailed cross references.

Respectfully submitted,

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& TOWNSEND, P.C.**

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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 6th day of May, 2016, in accordance with the City of Austin Procedural Rules for the Initial Review of Austin Energy's Rates.



THOMAS L. BROCATO

Requests for Admission

- AE RFA 1-1 Please admit or deny: Austin Energy's owned and contracted resources are dispatched to meet the ERCOT wholesale market demand for energy.
- AE RFA 1-2 Please admit or deny: Austin Energy can choose from which resources it procures the energy it needs to serve its customers.
- AE RFA 1-3 Please admit or deny: If Austin Energy were to propose both the summer and non-summer PSA rates for the upcoming fiscal year during the budget process, customers would have "time to plan and budget for efficiency upgrades." If denied, please provide a detailed explanation of why they would not have ample planning time. See page 9 of Public Citizen and Sierra Club's Position Statement.
- AE RFA 1-4 Please admit or deny: If customers pay a seasonal Power Supply Adjustment with a higher summer rate than the non-summer rate and they pay a constant energy rate throughout the year, customers will pay a higher overall rate per kWh during the summer.
- AE RFA 1-5 Please admit or deny: Austin Energy uses the Power Supply Adjustment to recover the ERCOT wholesale market costs incurred to purchase the energy it needs to serve its customers.
- AE RFA 1-6 Please admit or deny: Austin Energy's base electric rates recover its generation fleet operating costs incurred when dispatched to the ERCOT wholesale market.
- AE RFA 1-7 Please admit or deny: Austin Energy residential customers who consume more than 2,500 kWh per month pay residential tier 1 rates.

Requests for Information

- AE RFI 1-1 Please provide a detailed explanation of how Austin Energy's "bidding practices" for its generation fleet and its bilateral contracting practices are practically tied to its procurement of the energy needed to serve its customers. See page 3 of Public Citizen and Sierra Club's Position Statement.
- AE RFI 1-2 Please provide a detailed explanation of how a production cost allocation methodology impacts a resource planning process like the *Austin Energy Resource, Generation and Climate Protection Plan to 2025*. See page 3 of Public Citizen and Sierra Club's Position Statement.
- AE RFI 1-3 Please provide a detailed explanation of why shifting the seasonal rates from energy rates to the Power Supply Adjustment will create "unexpectedly high bills." See page 9 of Public Citizen and Sierra Club's Position Statement.
- AE RFI 1-4 Please provide a detailed explanation of why seasonal energy rates "are better aligned with established conservation goals" as compared with a seasonal Power

Austin Energy's First RFI and RFA to Public Citizen/Sierra Club

Supply Adjustment. See page 9 of Public Citizen and Sierra Club's Position Statement.

- AE RFI 1-5 Please provide a detailed explanation of how Austin Energy has "subdivided" the Residential customer class "based on consumption to assign cost of service." See page 13 of Public Citizen and Sierra Club's Position Statement. Please provide evidence from Austin Energy's cost of service study or Tariff Package to support the explanation.
- AE RFI 1-6 Please provide calculations supporting the claim that "the utility's cost of service for multifamily dwellings is significantly lower... than the cost of serving single-family residences." See pages 15-16 of Public Citizen and Sierra Club's Position Statement. Please provide the detailed calculations that demonstrate the actual cost of service for multifamily customers is \$6.00 per month.