

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

AUSTIN ENERGY
2016 MAY 13 AM 11:11
BEFORE THE CITY OF AUSTIN
IMPARTIAL HEARING EXAMINER

Public Citizen's and Sierra Club's Response to Austin Energy's Objection and Motion to Strike

Public Citizen and Sierra Club file this response to Austin Energy's Objection and Motion to Strike Public Citizen/Sierra Club's Position Statement/Presentation on Issue 6, relating to the Energy Efficiency Services (EES) Fee.

Austin Energy argues that the level of the proposed EES fee should not be considered as part of the rate case because it is outside the scope of issues outlined by the Independent Hearing Examiner's Memorandum No. 11. Austin Energy maintains that the only issues regarding the Community Benefit Charge (CBC) that can be considered are "whether costs related to costs recovered through AE's CBC should be recovered through AE's rates and, if so, how should such costs be allocated to the customer classes, and whether costs recovered through AE's CBC are also being recovered through base rates."

Public Citizen/Sierra Club raised their issues relating to the EES fee in their Motion to Intervene, and discussed them more fully in response to the IHE's Memorandum No. 6, requesting input from the parties on whether issues related to the CBC should be included or excluded from the proceeding.

The IHE made it clear in Memorandum No. 11, Statement of Issues, that he was setting forth broad, rather than discrete statements of the issues within the scope of this proceeding to better serve the parties' interests in addressing issues of concern. Thus, in determining relevance, the issues must be read broadly. Furthermore, the issues raised by Public Citizen/Sierra Club relating to the CBC, and EES, specifically, were not excluded by the IHE as issues outside the scope of the proceeding.

Excluding consideration of the EES fee is inappropriate because Austin Energy has proposed, through this rate case, to fundamentally change the EES fee. The utility has proposed that the EES be charged as a uniform fee for all rate classes, with an adjustment based on voltage for transmission and primary customers. The utility has also set the new uniform fee at a level that will raise less money for the important green building, energy efficiency, demand response and solar programs that are directly supported by the fee.

Sierra Club and Public Citizen believe the level of the EES, the amount of money it raises, and how it is allocated to different rate classes are important issues that should be discussed as part of the present rate case. Because Austin Energy is proposing to change both the allocation and the rates, we believe it is legitimate to discuss this issue.

By making submitting proposed changes to the EES fee in its tariff package, Austin Energy has made consideration of the EES fee an issue that should be considered as part of the rate case. If Austin Energy is able to show that the proposed rate will raise sufficient monies to continue to meet its goals and fully fund all demand reduction programs, then Austin Energy should provide that information as part of the hearing.

Conclusion and Prayer

For the foregoing reasons, Public Citizen and Sierra Club respectfully request that Austin Energy's Objection and Motion to Strike with respect to these Intervenor be denied.

Respectfully submitted,



Carol S Birch
Texas Bar No. 02328375
Attorney for Public Citizen and Sierra Club

Submitted: May 13, 2016