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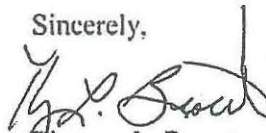
Alfred Herrera, IHE
ATTN: City Clerk
City of Austin
301 W. 2nd Street
Austin, Texas 78701

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

Dear Examiner Herrera:

Attached is the Briefing Outline for this proceeding. Comments were received from eight parties. Most of the comments have been incorporated into the final outline. At this time, Data Foundry is the only party I am aware of that has outstanding concerns. In the interest of time, however, I am submitting the attached version.

Sincerely,



Thomas L. Brocato

TLB:jbp
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Attachment

AUSTIN ENERGY

2016 JUN -8 AM 9:11

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

BRIEFING OUTLINE

I. Introduction

II. Revenue Requirement

- A. Residential Base Revenue Customer Assistance Program Adjustment
- B. Decommissioning Funding
- C. Internally Generated Funds for Construction
- D. Transmission Costs and Revenues
- E. FPP Debt Defeasement
- F. Debt Service Associated with South Texas Nuclear Project
- G. Uncollectable Expense
- H. Economic Development and Community Programs
- I. Loss on Disposal
- J. Customer Care
- K. Rate Case Expense
- L. Outside Services
- M. Reserves
 - 1. Reserve Funding
 - 2. Policies
- N. Property Transfers
 - 1. Energy Control Center
 - 2. Seaholm South Substation Land
 - 3. Vacant Lot at 2406 Ventura Drive
 - 4. Vacant Lot at 3400 Burleson Drive
 - 5. Holly Street Plant

III. Cost Allocation

- A. Functionalization of the 311 Call Center, FERC 920 Administration and General Labor Costs and New Service Connection Fees
- B. Classification of Production Costs
- C. Allocation of Production Costs
- D. Allocation of Distribution Costs
- E. Allocation of Customer Service (Uncollectible) Costs
- F. Allocation of Energy Efficiency Service Charge

IV. Revenue Distribution / Allocation / Spread

V. Rate Design

- A. Billing Adjustment Factor
- B. Seasonal Power Supply Adjustment
- C. Residential
 - 1. Customer Charge
 - 2. Tiered Energy Rates
 - 3. Seasonal Base Rates
- D. Non-Residential Customer Charge
- E. Load Shifting Voltage Rider and Additional Demand Response and Storage Tariffs
- F. S2 and S3 20% Load Factor Billing Determinant Adjustment
- G. Group Religious Worship Discount

VI. Value of Solar Issues

- A. Commercial
- B. Community Solar
- C. VOS Residential Tariff

VII. Policy Issues

- A. Funding Discounts
- B. Rates for Customers Inside and Outside the City Limits of Austin
- C. Piecemeal Ratemaking
- D. Service Area Lighting
- E. Power Production Costs and Rate Treatment
- F. Studies Supporting Future Cost of Service
- G. Customer Assistance Program
- H. Customer Satisfaction
- I. Pilot Programs
- J. Pick Your Own Due Date

VIII. Statement of Position / Other Issues

- A. Late Payment Fees
- B. Regulatory Charge

IX. Conclusion