

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	58361	Agenda Number	33.
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Meeting Date:	June 9, 2016
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Department:	Purchasing
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Subject

Authorize negotiation and execution of an 84-month contract with TEXAS ELECTRIC COOPERATIVES to provide electric meters in an amount not to exceed \$11,313,121.

Amount and Source of Funding

Funding in the amount of \$1,319,864 is available in the Fiscal Year 2015-2016 Capital Budget of Austin Energy. Funding for the remaining 79 months of the original contract period are contingent upon available funding in future budgets.

Fiscal Note

A fiscal note is attached.

Purchasing Language:	Sole Source
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Prior Council Action:	
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For More Information:	Darralyn N. Johnson, Buyer II, 512-505-7293
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Boards and Commission Action:	May 16, 2016 - Unanimously recommended by the Electric Utility Commission on a vote of 11-0.
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Related Items:	
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MBE / WBE:	This contract is exempt from the City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program; therefore, no subcontracting goals were established.
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Additional Backup Information

The contract is for the purchase of commercial electric meters to be deployed throughout Austin Energy's service territory to provide customers and the utility with increased functionality and reliability. Austin Energy has approximately 48,300 commercial meters installed in its service area, including several models from various manufacturers. The meters were installed between 2008 and 2009 as part of the Advanced Metering Infrastructure (AMI) system expansion, allowing Austin Energy to replace manually-read meters with electronically-read meters.

The commercial meters currently in use provide Austin Energy with usage reads only and no other functionality. Due to changes in technology since deployment in 2008 and 2009, the meters have limited and minimal capabilities that do not support more advanced functions and requirements such as superior outage notification, theft and maintenance issue detection, enhanced customer energy usage, and flexible and multi-tier rate structures.

This procurement will allow the replacement of various models of old meters from several different manufacturers with two models from one manufacturer over a seven-year period. Austin Energy plans to purchase the majority of the new meters on the front end of the project—approximately 25,000 in the first year and 10,000 in each subsequent year depending on funding availability. These meters will provide advanced functionality to support customer experience and operational requirements, streamline complex metering operations to reduce costs for Austin Energy, and improve overall revenue collections on commercial accounts.

Austin Energy utilizes Landis + Gyr's Grid Stream and Command Center as its AMI communication network and headend system. Only Landis + Gyr meters will interface with this proprietary system to allow Austin Energy to optimize usage of the features and functionality of the new meters, including over-the-air programming, temperature measurement, and true four quadrant metering. Over-the-air programming allows the meter to be reprogrammed from the office, eliminating a truck roll and meter exchange in the field. The new meter can send an alert if its temperature exceeds the specified level indicating a wiring issue or hot socket. True four quadrant metering allows a single meter to measure both usage and generation, instead of requiring two meters, one to measure usage and the other to measure generation.

These meter system features and functions support Austin Energy's strategic goals and objectives regarding system reliability and outage management, reduction of greenhouse gas emissions, and safety.

Landis+Gyr is the sole manufacturer of these proprietary products and Texas Electric Cooperatives is the exclusive authorized distributor of Landis+Gyr products for the public power market in Texas.