Paul Robbins

Cc:

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tsalinas@3pointpartners.com; wsmc@dotlaw.biz

Subject:

CORRECTED: Response to July 19 Rate Case Settlement Proposal

Date:

Friday, July 22, 2016 8:38:15 PM

Attachments:

Untitled.png

AUSTIN ENERGY 2016 RATE REVIEW

AUSTIN ENERGY'S TARIFF PACKAGE UPDATE OF THE 2009 COST OF SERVICE STUDY AND PROPOSAL TO CHANGE BASE ELECTRIC RATES

BEFORE THE CITY OF AUSTIN IMPARTIAL HEARINGS EXAMINER

To All Parties:

Below are my reservations to a proposed rate case settlement sent to Austin Energyon July 19, corrected for minor errors.

Paul Robbins (512) 447-8712

1. Lack of Transparency

To send a letter to Austin Energy for a proposed settlement and not address it to all parties in the rate case is incredibly poor form.

The appropriate thing do have done would have been to hold a meeting about the proposal with all parties after it was formulated.

2. Customer Assistance Program

A. The proposed settlement demands a meeting with stakeholders for future CAP repairs. In concept, this sounds innocuous, until you realize that this meeting already took place.

This meeting, held on April 7, discussed a number of proposals made to AE, and the utility outlined its position on each of them. It allowed the stakeholders to give their opinions as well. Attendees included Bob Batlin, Carol Biedrzycki, Randy Chapman, Ruby Roa, and me. Austin Energy staff in attendance included J.J. Gutierrez, Stacy Lewis, and Ronnie Mendoza. (An invitation to this meeting is attached as documentation.)

The proposed stakeholder's meeting is redundant and *deliberately delays* necessary repairs that will remove expensive homes currently being subsidized with money meant for the poor.

B. CAP funding, except for the administration of this program that is covered in base rates, was not allowed to be discussed in the rate case by the IHE. If he *had* allowed this to be germane to the case, I would have submitted different testimony.

I adhered to his ruling. The proposed settlement does not.

C. There is no cost estimate for waiving the late fee for CAP customers. It is not responsible to make such a proposal without one.

D. I do not agree with the philosophy of waiving the late fee. If the settlement's goal is to increase the CAP subsidy, then the signers should propose this (in a venue other than this rate case). To encourage bill delinquency is to encourage irresponsibility.

Moreover, waiving late fees is not fair to CAP customers who stay current on their bill; it provides an additional subsidy to those CAP customers who are not current.

3. Rate Reductions

Regarding the proposals for rate reductions, I remain uncommitted until I see how they compare to the cost of service models used by various parties.

STAKEHOLDER'S MEETING INVITATION

From: **Gutierrez**, **Jawana** (**JJ**) < <u>Jawana</u>. <u>Gutierrez@austinenergy.com</u>>

Date: Thu, Mar 31, 2016 at 3:59 PM

Subject: Advocates Meeting to Discuss Automatic Enrollment
To: "Mendoza, Ronnie" <<u>Ronnie.Mendoza@austinenergy.com</u>>, "Lewis, Stacy"
<<u>Stacy.Lewis@austinenergy.com</u>>, "<u>carolb@texasrose.org</u>"
<<u>carolb@texasrose.org</u>>, "Paul Robbins (<u>paul_robbins@greenbuilder.com</u>)"

<paul_robbins@greenbuilder.com>, Randy Chapman <<u>rchapman@tlsc.org</u>>,

"rubyroa@att.net" <rubyroa@att.net>



Please plan to attend this meeting to discuss the various changes recommended for the CAP automatic enrollment program. We will discuss the following changes and the impact to the Discount Enrollment program if implemented.

- Quick action for participants with high improvement values
- Stop double and triple payments to the same customer
- Eliminate participants who own more than one property worth more than \$50,000
- Income verify participants in homes with improvement value more than \$250,000
- Change enrollment to dual system like ERCOT: 1) auto-enrollment in name is on the bill; 2) income qualified
- Eliminate 10% discount for top 2 tiers

Please forward this invite to others who would like to attend. Thank you,

Jawana JJ Gutierrez | Vice President Customer Care Services | Austin Energy 721 Barton Springs Road | Austin, Texas 78704 | (P) 512-322-6596 | (F) 512-505-3964

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