



**RCA  
CITY OF AUSTIN  
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 3  
AGENDA DATE: Thu 05/27/2004  
PAGE: 1 of 1**

**SUBJECT:** Amend Ordinance No. 030908-04, the Fiscal Year 2003-2004 Approved Fees, Fines and Other Charges, that establishes Austin Energy's competitively priced electric utility products and services, to authorize Austin Energy to offer new wholesale market services in the Electric Reliability Council of Texas, Inc. ("ERCOT") wholesale market, including certain scheduling, dispatching, communication services, and a range of other services related to the ERCOT wholesale market.

**AMOUNT & SOURCE OF FUNDING:** N/A

**FISCAL NOTE:** There is no unanticipated fiscal impact. A fiscal note is not required.

**REQUESTING** Austin Energy  
**DEPARTMENT:**

**DIRECTOR'S  
AUTHORIZATION:** Juan Garza

**FOR MORE INFORMATION CONTACT:** Stacy Woodard, Energy Marketer/ 322-6192

**PRIOR COUNCIL ACTION:** N/A

**BOARD AND COMMISSION ACTION:** Recommended by the Electric Utility Commission.

**PURCHASING:** N/A

**MBE / WBE:** N/A

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Austin Energy is currently registered as a Qualified Scheduling Entity (QSE) in ERCOT. A QSE is permitted by ERCOT to perform a broad range of services in the ERCOT wholesale electricity market, for example, scheduling and balancing of energy or the load, dispatching of generation resources, and communication services for market players. Currently, Austin Energy only provides these services internally. AE is requesting to expand the services performed to others in ERCOT for a negotiated/contracted fee.

Austin Energy has the ERCOT registration, technological infrastructure, and expertise in place to offer these services to those entities that may desire them. Austin Energy will be compensated by the parties who contract for the wholesale market services by retention of a percentage of any ERCOT settlement amount received by the contracting party, or by other competitively-based fee schedules. Eligible parties will enter into individualized Scheduling Services Agreements with Austin Energy containing those terms and conditions necessary to reflect the commercial arrangements between the parties.



**Electric Utility Commission**  
April 19, 2004  
Meeting

Amend Ordinance No. 030908-04, the Fiscal Year 2003-2004 Approved Fees, Fines and Other Charges, that establishes Austin Energy's competitively priced electric utility products and services, to authorize Austin Energy to offer new wholesale market services in the Electric Reliability Council of Texas, Inc. ("ERCOT") wholesale market, including certain scheduling, dispatching, communication services, and a range of other services related to the ERCOT wholesale market.

Motion by: Skeith

Seconded by: LeGette

Ayes: Carr, Fath, LeGette, Owens, Sarma, Shaw, and Skeith

Nays: NONE

Abstaining: NONE

Off the dais: NONE

Absent: Fernandez

The motion passed on a 7 – 0 vote.

DRAFT

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE AMENDING THE ELECTRIC RATE SCHEDULE IN EXHIBIT A TO ORDINANCE NO. 030908-04, TO ADD SERVICES IN THE ELECTRIC RELIABILITY COUNCIL OF TEXAS WHOLESALE MARKET TO THE PRICING GUIDELINES FOR ELECTRIC UTILITY PRODUCTS AND SERVICES.**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

**PART 1.** The Pricing Guidelines for Electric Utility Products and Services in Exhibit A of Ordinance No. 030908-04 is amended to add the following:

**Electric Reliability Council of Texas Wholesale Market Services**

These services may be offered to eligible parties desiring to participate in the Electric Reliability Council of Texas (ERCOT) wholesale market. Austin Energy is currently registered as a Qualified Scheduling Entity in ERCOT and, as such, may provide scheduling, dispatching, communication, and a broad range of other services related to the ERCOT wholesale market.

**PART 2.** This ordinance takes effect on \_\_\_\_\_, 2004.

**PASSED AND APPROVED**

\_\_\_\_\_, 2004

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Will Wynn  
Mayor

**APPROVED:** \_\_\_\_\_

David Allan Smith  
City Attorney

**ATTEST:** \_\_\_\_\_

Shirley A. Brown  
City Clerk