

ORDINANCE NO.

1 AN ORDINANCE AMENDING ORDINANCE NO. 20050912-05 TO AMEND THE
2 ELECTRIC RATE SCHEDULE RIDER TOU – THERMAL ENERGY STORAGE
3 AND THE LOAD COOPERATIVE RIDER IN EXHIBIT A.
4

5 BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:
6

7 PART 1. Ordinance No. 20050912-05 is amended to amend the Electric Rate Schedule
8 Rider TOU – Thermal Energy Storage in Exhibit A to read:
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10 CITY OF AUSTIN
11 ELECTRIC RATE SCHEDULE
12 RIDER TOU-THERMAL ENERGY STORAGE
13

14 Application:
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16 This rate is applicable to any customer on the General Service – Demand, Primary
17 Service, Large Primary Service (including Time-Of-Use), Large Primary Special
18 Contract Rider (including Time-Of-Use), State General Service – Demand, State Primary
19 Service, State Large Primary Service (including Time-Of-Use), or Independent School
20 Districts General Service – Demand (including Time-Of-Use) rate who shifts to off-peak
21 time periods no less than the lesser of 20% of the customer's normal on-peak Summer
22 [summer] Bill Demand or 2,500 kW through the use of Thermal Energy Storage
23 technology. The normal on-peak Summer [summer] Billed Demand shall be the
24 maximum Summer [summer] Billed Demand recorded prior to attaching this rider, or as
25 may be determined by the City of Austin.
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27 Rate:
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29 The customer shall continue to be billed under the applicable current rate ordinance with
30 the following provisions:
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32 Summer Billed Demand: From May through October, the Summer Billed Demand shall
33 be the highest fifteen-minute demand recorded during the on-peak period. The Summer
34 Billed Demand shall not be less than 50% of the normal on-peak Summer Billed
35 Demand. If more than 50% of the customer's load is attributable to cooling, the 50%
36 floor will be waived.

1 Winter Billed Demand: From November through April, the Winter Billed Demand shall
2 be the highest fifteen-minute demand recorded during the month, or 90% of the Summer
3 Billed Demand set in the previous summer; whichever is less.

4
5 On-Peak: 4:00 p.m. to 8:00 p.m., Monday through Friday; May 1 through October 31.

6
7 Off-Peak: 8:00 p.m. to 4:00 p.m., Monday through Friday; all day Saturday, Sunday,
8 Memorial Day, Independence Day, and Labor Day; May 1 through October 31. All day
9 November 1 through April 30.

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11 Conditions of Service:

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13 A. The customer shall enter into a separate agreement with the City of Austin for this
14 rider.

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16 B. The customer shall continue to be service under the terms and conditions of, and
17 shall continue to comply with, all rules and regulations of the City of Austin as amended
18 from time to time during the term of this agreement.

19
20 C. The on-peak load shall be shifted to off-peak, not eliminated or replaced by
21 alternative fuels.

22
23 D. The customer shall permit the City to install all equipment necessary for time-of-use
24 metering and to permit reasonable access to all electric service facilities installed by the
25 City for inspection, maintenance, repair, removal, or data recording purposes.

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27 **PART 2.** Ordinance No. 20050912-05 is amended to amend the Electric Rate Schedule
28 Load Cooperative Rider in Exhibit A to read:

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30 CITY OF AUSTIN
31 ELECTRIC RATE SCHEDULE
32 LOAD COOPERATIVE RIDER
33

34 Application:

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36 The Load Cooperative Rider is an incentive-based rate to achieve voluntary system load
37 reductions via utility-initiated request to participating customers to curtail loads. Each
38 Load Cooperative participant agrees to reduce temporarily its load on the Austin Energy
39 electrical system by stopping non-critical electric equipment, such as motors,
40 compressors, chillers, and pumps, or by using on-site electrical generation equipment,
41 such as diesel generators. In the short term, this program will reduce the need for Austin

1 Energy to purchase peak period energy on the open market and will also delay the
2 building of generation capacity.

4 The Load Cooperative Program is available to any large commercial, industrial, or
5 governmental customer of Austin Energy (specified below) that executes a separate
6 agreement for this service, in form and substance acceptable to the City of Austin. The
7 customer must have a minimum of 100 [200] kW of load that can be curtailed for a
8 period of three hours. The curtailed load may be no less than 15 percent of the
9 customer's normal on-peak summer billed demand. Austin Energy will provide
10 engineering expertise to aid customers in identifying suitable equipment loads that can be
11 curtailed. The customer shall sign an agreement specifying the amount of load that the
12 customer will curtail during specific hours of the day during the months of June, July,
13 August, and September as a condition of taking service under this rider.

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15 Conditions of Service:

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17 This rider is available to the General Service— Demand (E06), Primary Service (E07),
18 Large Primary Service and Large Primary Service Special Contract Rider (E08, E09, and
19 E), Economic Development, Transmission Service (E-11), State General Service –
20 Demand (E14), State Primary Service (E17), State Large Primary Service (E16),
21 Independent School Districts General Service – Demand and Time-of-Use (E10 and
22 E23), Water and Wastewater (E03), and Other City tariffs (E04). The incentive payment
23 for Time-of-Use riders (E09 and E23) will be for load reductions that are not associated
24 with thermal storage technologies. The customer shall continue to be billed under the
25 applicable tariff with the following provisions:

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27 Curtailment Window: 12 Noon to 8:00 p.m., Monday through Friday, June 1 through
28 September 30 (excluding Independence Day and Labor Day).

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30 Minimum [~~Maximum~~] Curtailment in any 24-hour period: 3 Hours.

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32 Maximum Number of Curtailments per Year: 15 sessions (with a maximum of 3
33 consecutive days).

34
35 Maximum Number of Consecutive Days with a Curtailment Session: 3

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37 Austin Energy will dispatch curtailment notification to the customer via digital page, e-
38 mail, or telephone at least one hour before the start of a curtailment period. The
39 notification will identify the official starting time of the curtailment period.

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41 The customer's designated representative must confirm the receipt of the curtailment
42 notification and the intent to curtail load with Austin Energy's Load Cooperative

designee via digital page, e-mail, or telephone within 30 minutes. The customer must shut down the identified equipment or operate the identified on-site generation equipment throughout the entire curtailment period under the terms of the agreement.

Definitions: The following definitions apply in the computation of the incentive payments.

(1) Contracted kW: the agreed-upon estimate of the electric load available for each curtailment session.

(2) Baseline kW: the average kW recorded during the one-hour period beginning two hours before the start of the curtailment session, unless superseded by the agreement.

(3) Curtailment kW: the average kW recorded during the curtailment session.

(4) Delivered kW: the monthly average kW of the curtailed load (Baseline kW minus Curtailment kW).

(5) Delivered kWh: the kWh reduced during the curtailment session (Delivered kW multiplied by the number of hours in the curtailment session).

Rate:

Incentive payments will consist of two components:

1) Load Reduction Premium: Austin Energy shall pay a premium of \$1.25 per kW for Delivered kW which has been delivered that month. In the event that no curtailment session occurs during one or more of the months of the contract period, the Load Premium's incentive payment for the month(s) will be the lesser of:

- ♦ \$1.25/kW multiplied by the Contracted kW, or;
- ♦ \$1.25/kW multiplied by the customer's previous Delivered kW.

2[+] Consumption Incentive: Austin Energy will pay customer \$0.15 per kWh for all Delivered kWh that month.

If no curtailment session occurs during one or more of the months in the contract period, the Consumption Incentive for that month(s) is not applicable.

Austin Energy shall provide all necessary metering equipment and data analysis to determine the customer's incentive payments and all records and calculations are open for inspection during business hours (8:00 AM – 5:00 PM, Monday – Friday).

1 If a Load Cooperative customer fails to curtail the load identified in the agreement,
2 Austin Energy may terminate the agreement. Austin Energy may waive one failure to
3 meet the curtailment request per year if Austin Energy determines that circumstances
4 prevented the customer from meeting the curtailment request and the customer notified
5 Austin Energy of the inability to comply with the request before the start of the
6 curtailment period. A customer whose agreement is terminated is ineligible for future
7 incentive payments, but will not be required to refund any payments previously received.
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9 **PART 3.** This ordinance takes effect on March 20, 2006.

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11 **PASSED AND APPROVED**

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15 _____, 2006

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Will Wynn
Mayor

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19 **APPROVED:**

20
21 David Allan Smith
22 City Attorney

ATTEST:

Shirley A. Gentry
City Clerk