RCA CITY OF AUSTIN RECOMMENDATION FOR COUNCIL ACTION

AGENDA ITEM NO.: 7 AGENDA DATE: Thu 03/02/2006

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SUBJECT: Approve the negotiation and execution of a 12-month membership agreement with the ELECTRIC POWER RESEARCH INSTITUTE (EPRI), Palo Alto, CA, for research programs related to electric transportation, distributed energy resources and future generation technologies in an amount not to exceed \$150,000, with two 12-month extension options in an amount not to exceed \$150,000 per extension option, for a total agreement amount not to exceed \$450,000.

AMOUNT & SOURCE OF FUNDING: Funding is available in the Fiscal Year 2005-2006 Amended Operating Budget of Austin Energy. Funding for the balance of the contract is contingent upon available funding in future budgets.

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

REOUESTING Austin Energy

DEPARTMENT:

DIRECTOR'S

AUTHORIZATION: Juan Garza

FOR MORE INFORMATION CONTACT: Roger Duncan, Deputy General Manager / 322-6157; Larry Alford, Manager, Distributed Generation Operations / 322-6228

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: Reviewed by the Electric Utility Commission.

PURCHASING: N/A

MBE / WBE: N/A

Through this membership agreement with the Electric Power Research Institute (EPRI), Austin Energy will join with other utilities in providing funding to EPRI for research that will benefit decision-making about future markets and power generation. For example, EPRI Programs in which Austin Energy will participate in 2006 include:

- 1. Electric Transportation This program includes advanced electric-drive research and prototype development for plug-in hybrid vehicles, including infrastructure advancement. Research findings will be incorporated into the Austin Energy-led Plug-in Partner national campaign.
- Distributed Energy Resources This program includes access to EPRI's Distributed Energy Strategic Service which tracks the latest developments in distributed energy resources, including on-site generation and energy storage. Distributed energy resources are small-scale power generation technologies (typically in the range of 3 to 10,000 kW) located close to where electricity is used (e.g., a home or business) to provide an alternative to or an enhancement of the traditional electric power system.
- 3. CoalFleet for Tomorrow This program is an industry-led, broad-based collaborative research initiative with the goal of making a portfolio of advanced coal technologies more accessible and affordable for power producers and society. The CoalFleet initiative has already grown to nearly 50 participants worldwide, representing a broad spectrum of stakeholders in advanced coal

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technology deployment.

Austin Energy has been a member of EPRI for several years. EPRI was established in 1973 as an independent, nonprofit center for public interest energy and environmental research. EPRI brings together member organizations, the Institute's scientists and engineers, and other leading experts to work collaboratively on solutions to the challenges of electric power. These solutions span nearly every area of power generation, delivery, and use, including health, safety, and environment. EPRI's members represent over 90 percent of the electricity generated in the United States.

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