



MEMORANDUM

TO: Mayor and Council Members

FROM: Roger Duncan
General Manager

DATE: October 27, 2009

SUBJECT: Federal Smart Grid Grants

President Barak Obama today announced \$3.4 billion in smart grid grant awards as part of the American Reinvestment and Recovery Act. The U.S. Department of Energy received more than 400 applications requesting \$17 billion in funding including a 50-page application from Austin Energy. Austin Energy's application was not selected. The Department of Energy has not indicated how it made its selections.

Our application outlined projects that included communications upgrades, substation automation, a "smart-capable" outage management system, customer billing system, data center improvements, field automation which includes laptop communications from repair trucks and smart charging stations for plug-in hybrid vehicles, among others.

The projects outlined in our application are represented in our five-year Capital Improvement Plan (CIP) which is being implemented.

In reviewing the utilities designated to receive funding, we note that a number of the 100 awards were for the installation of smart meters and the necessary smart communications infrastructure, which Austin Energy has already implemented. For example, of the \$258 million awarded to Texas, CenterPoint Energy will receive \$200 million to complete the installation of smart meters in Houston.

Please do not hesitate to call me at 322-6157 if you have any questions.

CC: Marc Ott
City Manager