




## MEMORANDUM

**TO:** Mayor and City Council

**CC:** Marc A. Ott, City Manager

**FROM:** Mark Dombroski, Interim General Manager 

**DATE:** January 28, 2016

**SUBJECT:** Engagement of Independent Consumer Advocate via Professional Services Agreement

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This memo is to keep you apprised of the City's plan to engage an Independent Consumer Advocate for the upcoming rate review process.

Based on the Austin Energy Utility Oversight Committee's January 25, 2016 discussion, City Purchasing and Austin Energy staff are initiating a process to select an Independent Consumer Advocate through a professional services agreement in lieu of the prior competitive Request for Proposal. The staff recognizes the importance of selecting a qualified, experienced Independent Consumer Advocate in a timely manner to ensure that the Advocate is available to represent the interests of residential consumers, small businesses and houses of worship.

The Advocate must be experienced in utility regulatory policy applicable to Texas and have the technical knowledge necessary to capably represent the array of interests of residential, small business and worship customers. The following important factors will be considered in selecting the Independent Consumer Advocate:

- Timeliness of the selection;
- Regulatory experience directly applicable to the Public Utility Commission of Texas and the Electric Reliability Council of Texas market;
- Reputation and recommendation;
- Prior relationship with the City and local community;
- Familiarity with municipal utility operations and finances;
- Experience representing residential, small business, and worship customers; and
- No conflicts of interest.

The staff will use an expedited schedule to identify qualified candidates and ultimately engage the services of one of them, though schedule adjustments may be necessary as circumstances dictate. Austin Energy is working closely with the Purchasing Office and Small and Minority Business Resources Department throughout this process to assure compliance with purchasing standards.

By the end of this week, staff will develop a list of potential candidates by:

- Reviewing recommendations received from Council offices and interested community members;
- Contacting various former and current public officials and key policy leaders to receive recommendations of potentially qualified candidates;
- Developing recommendations for potentially qualified candidates drawn from the experience of City staff.

By February 5, Austin Energy staff will contact potentially qualified candidates. Qualified and interested candidates will be required to submit responses to a Statement of Work that describes in detail the requirements and responsibilities of the position.

City staff will then evaluate the responses and conduct interviews, if required, based on criteria in the previously developed competitive solicitation. Staff anticipates presenting a candidate for Council's approval no later than its February 25, 2016 meeting.