

# Austin Energy Utility Oversight Committee Meeting

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>> Pool: Hello, everybody. I am Leslie pool, chair of the Austin energy oversight committee. We've come back from executive session and we're still in a break from the city council meeting so I will now call us into order for the Austin energy oversight committee meeting. And it is Friday -- Friday. It is not Friday. It's Tuesday, July 27, and it is 2:03 P.M. I see we have a quorum and staff and I see on the TV we have the staff who have reports. I think we're ready to go. I've called this meeting to

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order and item is citizen communication. We have one speaker M Paul Robbins. Hi, Paul, come on up to the microphone. You have three minutes. And could I ask our staff to do a timer for three months. Thanks. Welcome, Paul. >> Before you start could you cue the powerpoint presentation, please? Okay. Council, I'm Paul Robbins, an environmental activist and consumer advocate. On January 20th I filed a complaint with the city auditor's office to review the customer assistance program. Informally known as cpa, for giving some of its money meant for low income rate payers to the wrong people or for the wrong purpose. Cpa is administered by Austin energy. The Austin water contributes about \$10 million to cpa a

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year. On July 14th the city's water wastewater commission voted unanimously to recommend that council place an item on the appropriate council committee agenda to discuss an audit of cpa in the next fiscal year to assure that these relatively scarce funds to help the poor are spent properly. I handed out the resolution to be passed out to you in hard copy. Two problems discussed in the January complaint to

the auditor is the continuing -- are the continuing problem of awarding money to customers with high real estate assets and the lack of income qualification of participants overall. This slide is of the "Austin american-statesman" story in -- on December 1st, 2014, so this has been going on about seven years now.

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Here are three examples of the continued abuse in 2020. This is a 7100 square foot mansion with a tennis court and swimming pool on four acres in a gated community. The owner had a second home receiving cpa. Hires a recently built home in old west Austin worth \$1.7 million receiving cpa. Here is a modest duplex in Austin receiving cpa. It would be understandable if the owner did not own five properties in corpus Christi, including this waterfront home, so the owner has total assets of about \$2 million. The second problem is that there is no income qualification for all participants, just because a cpa participant doesn't own a mansion does not mean they are poor. They might have high salaries, own stock portfolios or own expensive cars and jewelry.

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There could be thousands of cpa participants in this category, we simply do not know. Since Sacramento's utility runs an income qualified low income assistance program that serves more customers than Austin's, we should seriously evaluate this alternative since Austin energy will not take the initiative, I again ask for an auditor's -- [buzzer]. -- Review. Thank you. >> Pool: Thanks, Mr. Robbins. And we have no other speakers, is that correct? Great. Moving on to approval of minutes, can I have a motion, a motion from councilmember Kelly. And a second from councilmember Ellis? Are there any amendments or edits to the minutes? All right. All in favor of approving the minute from the June 12021 meeting of our overnight committee please raise your hand. And that looks like

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councilmember tovo is also voting for this, I guess. Thanks very much. All right. We have two more meetings for this year scheduled in item number 2 are the two dates for the oversight committee meeting. And I have them handy. They're also in the backup. And just to read them into the record, chair, I have them pulled up if it's helpful. >> >> Pool: That would be great. Are you showing Tuesday, September 8 and Tuesday November 16? >> Yes. >> Pool: And a second by councilmember Kelly and -- motion by councilmember

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Kelly and a second by councilmember kitchen. And these are 1:30 on these Tuesdays. Any comment or changes to these? Councilmember alter. >> Are you please repeat the dates? >> September 28, November 16. And any other comment? All in favor please raise your hand? And that looks unanimous on the dais. Thanks so much. Item number 3 is the general manager's report. And general Sargent, I see her face there, smiling face. >> Good afternoon, chair, vice-chair, can you hear me? >> Pool: We sure can. >> And committee members. I'm Jackie Sargent, Austin energy general manager. In addition to the general manager's report today, vice-president of power production pat Sweeney will present the update on the Decker Creek power station

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workforce planning efforts. Next slide, please. I will begin today with a short briefing on five of Austin energy's upcoming requests for council action. The first item is to authorize a three-year multi-departmental contract with RFD and associates. Austin energy's projected cost is \$1.9 million. This contract provides contract licensing, maintenance and services for Oracle products that are critical for security and performance of data-based systems. The next item is authorization of a contract with Peerless Manufacturing for \$3.2 million. This contract will provide replacement for ammonia evaporation skids for the generating units at Sand Hill Energy Center. The next item is authorization of a three-year multi-departmental contract with software 1 for

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Microsoft Office 365. Austin energy's cost is \$1.57 million. This contract will allow for the purchase of various Microsoft cloud products and technical support services. Next slide, please. The next item is a construction contract with J Reese Contracts for the Rainey Street Gas Insulated Contract for \$12.5 million. As we told you a new substation is needed to serve the development and redevelopment along the Waller Creek area. Developing this new substation is critical to support the anticipated demand in load growth and to provide redundancy that allows for necessary upgrades at the Brackenridge substation. The last item is a construction item with Key Witt Infrastructure South

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for \$3.1 million. Through this project Austin energy will fulfill its requirements to enable the interconnection of a large full party solar cell generator with the ERCOT transmission grid. Next slide, please. Now I would like to announce that we have launched Austin energy's largest DC fast electric vehicle charging hub to date with eight units. This new electric vehicle infrastructure fittingly built on

our previous collaboration of electric drive is sustainable mobility showcase for Austin. It uses the latest charge point dual standard technology with especially proved reliability and speed and it is ADA compliant. It is energized this month and open for business. Next slide, please. Lastly, I would like to mention an upcoming Austin energy event. On Friday, August 20th, the city will host its 13th

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annual affordable energy summit. More than 130 representatives from community service providers who work with limited income austinians are expected to attend. The summit provides an opportunity for our community partners to learn more about the city's customer assistance programs and utility services. Attendees also network with other service providers and provide input on city of Austin utilities programs. These programs have provided \$16.9 million in bill assistance to our customers during fiscal year '20 and '21. Next slide, please. With that it concludes my general manager's report and I am happy to answer any questions that you have. >> Pool: Does anybody have any questions from the general manager on their report. Great. Thank you so much, miss Sargent. And I think we have item 4 is the update on the decker

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street power plan. >> My name is Pat Sweeney, vice-president of power production for Austin Energy. I have a brief update on our transition program that we've had underway for some time now at Decker as we contemplate the last steam unit shut down at a later point this year or beyond. As we go through that we've offered throughout this time several training opportunities to our team and more recently we've been conducting job shadowing. We've completed six additional job shadowings since our last update to you before the summer began. We have two more pending. Those go a little bit slower in the summer as we have our summer operations underway and our focus at that point is safe and reliable operation. We will continue those on through the summer and into the fall. In addition, we continue to offer training opportunities as well as career assessments for any who still need them and have

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completed two retirement education sessions with city of Austin employee retirement system. Overall, we continue to be on a good trajectory for employees who have taken retirement opportunities or new job opportunities within AE. I expect that trend to continue. That's my update. If you have any questions I will be happy to answer them. >> Does anybody have any questions for Mr. Sweeney? Yes, councilmember Tovo. >> Tovo: Thanks, Mr. Sweeney. You cut out at just one moment and I couldn't tell if you had given us a number of the employments -- who had taken retirement opportunities or if you were just saying that some had. >> No. I just said some. I didn't provide a number. >> Tovo: Okay. Thank

you very much. Do you have a sense of where we are with the numbers of individuals who have found other employment versus taken employment? >> Yes. We're at about 18 right now.

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That's a combination of retirements and taking other opportunities. >> Tovo: How does that break down between those two choices? >> It's roughly half and half, which is good. And we've got more folks that we expect will take some other opportunities, but, for example, we've been adding district cooling plants and we have some new openings to staff those plants coming up that we hope they'll take the opportunities for. As well as some folks who have further indications that we'll have some further retirements. So between those combinations and the ones that we've had, and I think the ones that likely to see, I think we're on a good path to winding down the operations of the steam unit. >> Tovo: Thank you. >> Pool: Anything else? Yes, councilmember Kelly. >> Kelly: Thank you for the information that you provided to us today. I was wondering if it was available in memo format or if you might be able to send one to us just for further

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review? >> I'm sure we can do that. >> Pool: Great, okay. So the last item, future items for our upcoming meetings. If anybody has anything to offer right now I'll take it, otherwise we can put something up on the message board. All right. Mayor, I think we are all done with our oversight committee meeting for Austin energy utility. And so I will adjourn that meeting now. And it is 2:17 P.M. >>