

AUSTIN UTILITIES

MINUTES OF MEETING

4:00 pm, May 17th, 2022
Date

Regular Meeting

Jeanne Sheehan
President

Members Present:

Jeanne Sheehan, President
Steve Greenman, Commissioner
Jay Lutz, Commissioner
Tom Baudler, Commissioner
Kristin Johnson, Commissioner

Others Present:

Mark Nibaur, General Manager
Dan Ulland, Employee Relations Director
Alex Bumgardner, Utility Operations Director
Tom Tylutki, Electric Operations Director
Melissa Swenson, Customer Service Supervisor
Kelly Lady, Marketing & Energy Services Manager
Ann Christianson, Finance Manager

Members Absent:

President Jeanne Sheehan called the meeting to order.

Moved by Jay Lutz, seconded by Steve Greenman, to approve the meeting agenda. Approved unanimously.

Moved by Kristin Johnson, seconded by Tom Baudler, to approve the regular meeting minutes of April 19th, 2022. Approved unanimously.

Moved by Tom Baudler, seconded by Jay Lutz, to approve the disbursements summary, accounts payable list, additional bills and expenses, and authorize warrants to be drawn for their payment. Approved unanimously.

Jeanne Sheehan, Board President, presented Ingrid Dolan Peterson with AU's \$500 scholarship award. Ingrid's essay also won MMUA's Tom Bovitz memorial scholarship for an award of \$2,000. The board congratulated and thanked her for submitting such a wonderful essay.

Mark Nibaur, General Manager, presented the economic development grant for Creekside. AU had hoped for a grant covering 80% of the infrastructure costs but received a 50% grant instead. Total cost of gas, electric, and water extensions are estimated at \$590,000. AU staff is seeking approval and authorization to represent, submit and execute agreements for the submission of the detailed application to the EDA for the Economic Adjustment Assistance Program. Moved by Kristin Johnson, seconded by Tom Baudler, to authorize staff to execute the grant. Approved unanimously.

Mark Nibaur, General Manager, presented the Economic Development Rider - ED. The program would include a small credit for new load customers through AU and SMMPA. The incentive program has specific criteria the qualifying company needs to meet. Moved by Tom Baudler, seconded by Jay Lutz, to approved the Economic Development Rider - ED as presented. Approved unanimously.

Mark Nibaur, General Manager, and Melissa Swenson, Customer Service Supervisor, presented proposed commercial rate changes. Currently, electric rate 310 included customers whose demand usage is between 25kW to 10,000kW. The new structure would adjust Rate 310 and add new Rate 320 for demand usage from 100-500 KW and a Rate 410 for demand usage from 500-5,000 KW. Adjustments would also be made to service availability charges. Some current customers could see increases in their bills while some would see a decrease. Commissioners asked for a detailed breakdown of how many customers would be affected and how much of a difference in costs they might see. Staff will compile the data and provide to Commissioners prior to the June meeting. The matter was tabled until next month.

Mark Nibaur, General Manager, and Melissa Swenson, Customer Service Supervisor, presented an annual Customer Rate Analysis. Staff has developed a systematic annual rate review process to determine whether or not customers require a rate change and the steps to take to inform them of any changes.

Mark Nibaur, General Manager, and Melissa Swenson, Customer Service Supervisor, presented a pilot program involving time of use rates for customers. Participants will be setup on a TOU rate structure that allows AU to organize their usage in three rates – On-Peak, Off-Peak and Critical Peak. The pilot will last 12 months and at the end of that time, customers will have an opportunity to opt in to the TOU rates or remain on AU's current residential rate.

Ann Christianson, Finance Manager, presented a more detailed review of some of the key financial highlights of 2021.

Tom Tylutki, Electric Operations Director, provided a review of the December 15th power outage in Austin after a severe storm. The blackout was due to 3 separate supply lines failing due to lightning and high winds. This also resulted in Dairyland Power's failure of communication, substation indication and control. Power was restored to Austin in 3 hours. Staff reviewed lessons learned and future contingency plans if a similar situation were to occur.

Mark Nibaur, General Manager, also updated the Board on the following:

- SMMPA board meeting minutes
- Safety committee minutes

The next regular Board meeting was rescheduled for 7:00 am, Thursday, June 16th, 2022 due to schedule conflicts with the regular 3rd Tuesday schedule.

Moved by Steve Greenman, seconded by Tom Baudler, to adjourn. Approved unanimously. Adjourned 5:31 pm.

President

Secretary