

**AUSTIN GENERATION RESOURCE PLANNING TASK FORCE MEETING MINUTES**  
**(Wednesday, October 7, 2009)**



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**REGULAR MEETING MINUTES** **(Wednesday, October 7, 2009)**

The Austin Generation Resource Planning Task Force convened in a regular meeting on Wednesday, October 7, 2009 in Room 1029 at City Hall in Austin, Texas from 3:00 to 5:00 pm.

Chair Phillip Schmandt called the meeting to order at 3:07 p.m.

**Task Force Members in Attendance:**

*Chair Phillip Schmandt, Cary Ferchill, Chris Herbert, Matt Johnson, Mike Sloan, Cyrus Reed, Ron Rogerson, John Sutton (arrived at approx. 3:10 p.m.), and Roger Wood*

-Quorum was recognized.

**Staff in Attendance:**

*Rich Bailey, Adrienne Brandt, Amy Everhart, Mark Dreyfus, Roger Duncan, Lewis Leff, Cheryl Mele, Jamie Mitchell, Michael Osborne, Karl Rábago, Chris Smith, Dan Smith, Pat Sweeny, Jeff Vice, and John Wester*

**1. CITIZEN COMMUNICATION: GENERAL**

Scott Johnson expressed concern for air quality issues related to continued fossil fuel plant usage, particularly the emission of particulate matter into the atmosphere. A document addressing these concerns was distributed to Task Force members.

**2. APPROVAL OF MINUTES**

Motion to approve minutes of Task Force meeting on September 30, 2009 was approved on Chris Herbert's motion, Cary Ferchill's second on a 9-0 vote.

**3. NEW BUSINESS**

Agenda item 3.c. regarding a staff presentation on proposed reliability indicators submitted by the Task Force was requested and granted by the Task Force to be moved to the beginning of agenda item 3. Dan Smith, Director, Transmission and Substation Engineering and Construction, Austin Energy, presented on reliability and quality issues for transmitting electricity to Austin Energy customers.

The Task Force discussed the screening analysis results of scenario runs submitted to Pace Consulting by the Task Force. The following five questions were prepared prior to the phone conference with Pace Consulting: 1) Provide more detail in a proposed format regarding the value of the Fayette Power Project (FPP) as a merchant generator; 2) Provide clarification on the meaning of solar as off-system; 3) Request to evaluate the amount of solar photovoltaic (PV) necessary in Task Force scenario #2 to get to 30% renewable generation

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by 2020; 4) Elaborate on the last slide of the Pace presentation on Task Force scenarios regarding risks and uncertainties of those scenarios; and 5) Explain the component costs included in the replace FPP with renewables scenario and Task Force scenario #1.

A discussion with Pace Consulting via phone on screening analysis results of scenario runs submitted by the Task Force to Pace was conducted. The five questions above were addressed. The following information requests to Pace Consulting were made: 1) Based on the FPP Merchant Analysis results, estimate the value (in total levelized cost) of the replace FPP with renewables scenario with sales of FPP acting solely as a merchant generator included. It was requested to present these results in the same manner as was done for the Staff Recommendation representation of portfolio costs with and without FPP sales presented by Pace Consulting on slide 17 of their risk analysis presentation. 2) An illustration that demonstrates the difference in costs (specifically the nominal increase from 2009 to 2020) between Task Force scenario #1 and Task Force Scenario #1 with solar as off-system. 3) Provide information on how much solar PV and at what cost (assuming the same rebate structure and gradual addition of solar PV by year as is currently represented in Task Force scenario #2) would be necessary to achieve 30% energy generation from renewable resources by 2020 in Task Force scenario #2. 4) Provide average costs (\$/MWh) and energy generated by demand-side management (DSM), providing hourly load profiles and associated "capacity factor," for each increment of DSM. 5) The difference in costs and amount of purchased power (over the planning period and for 2020 specifically) for the replace FPP with renewables scenario and Task Force scenario #1. 6) Comments on the primary drivers for cost increases in Task Force scenario #1 from the replace FPP with renewables scenario (including a line graph that shows the cost impacts by year for these two scenarios). 7) Cost of solar PV rebate amount to Austin Energy in a \$/MWh basis.

Comments by Karl Rábago, Vice President, Distributed Energy Services, Austin Energy and Roger Duncan, General Manager, Austin Energy on solar PV goals and program challenges. Comments by Mike Sloan on his information requests related to solar PV. No action taken by the Task Force on these information requests.

Information request seeking Austin Energy staff feedback on cost and reliability indicators distributed by Task Force Chair Phillip Schmandt on October 7, 2009 was approved unanimously following Task Force Chair Phillip Schmandt's motion and Task Force member Cyrus Reed's second.

**4. FUTURE AGENDA ITEMS**

Discussion and possible action on recommended Resource and Climate Protection Plan and discussion and possible action on recommendations of the Task Force requested to be placed on next week's agenda.

Next meeting scheduled for Wednesday, October 14, 2009 from 3:00-5:00 p.m. in Room 1029 of City Hall.

**ADJOURN**

Task Force Chair Phillip Schmandt adjourned the meeting at approx. 5:00 p.m. without objection.