#### Notice of Meeting for the Georgetown Electric Utility Board of the City of Georgetown July 15, 2021 at 4:00 PM at Friends Room at Georgetown Public Library 402 W. 8th Street Georgetown, Texas 78626

The City of Georgetown is committed to compliance with the Americans with Disabilities Act (ADA). If you require assistance in participating at a public meeting due to a disability, as defined under the ADA, reasonable assistance, adaptations, or accommodations will be provided upon request. Please contact the City Secretary's Office, at least three (3) days prior to the scheduled meeting date, at (512) 930-3652 or City Hall at 808 Martin Luther King Jr. Street, Georgetown, TX 78626 for additional information; TTY users route through Relay Texas at 711.

The Georgetown Electric Utility Advisory Board is now meeting in person. A quorum of the Georgetown Electric Utility Advisory Board will be in attendance at 402 W. 8th Street Georgetown, TX 78626 in the Friends/Hewlett Room. It is possible that one or more board members may attend via video Conference using the Zoom client. To allow for as much citizen participation as possible, citizen comments are accepted either in person or via the Zoom client. Face masks are encouraged. Use of profanity, threatening language, slanderous remarks or threats of harm are not allowed and will result in you being immediately removed from the meeting.

If you have questions or need assistance, please contact Kress Carson at kress.carson@georgetown.org or at 512-930-2010.

To participate virtually, please copy and paste the following weblink into your browser:

https://georgetowntx.zoom.us/j/93992650160? pwd=UjgyOCtUTEdQYzVpZGd5N3VEVHlaQT09

Meeting ID: 939 9265 0160 Passcode: 747547

One tap mobile +13462487799,,93992650160# US (Houston) +12532158782,,93992650160# US (Tacoma)

Meeting ID: 939 9265 0160 Find your local number: https://georgetowntx.zoom.us/u/ad0NjYkbh9

Citizen comments are accepted in the following formats:

- Submit written comments to kresscarson@georgetown.org by 10:00 a.m. on the date of the meeting and the Recording Secretary will forward your comments to the board before the meeting.
- Log onto the meeting at the link above and "raise your hand" during the item, or attend the meeting and sign-up to speak in-person for an item posted on the agenda.

To join a Zoom meeting, click on the link provided and join as an attendee. You will be asked to enter your name and email address (this is so we can identify you when you are called upon). To speak on an item, click on the "Raise your Hand" option at the bottom of the Zoom meeting webpage once that item has opened. When you are called upon by the Recording Secretary, your device will be remotely un-muted by the Administrator and you may speak for three minutes. Please state your name clearly, and when your time is over, your device will be muted again.

#### **Regular Session**

(This Regular Session may, at any time, be recessed to convene an Executive Session for any purpose authorized by the Open Meetings Act, Texas Government Code 551.)

- A Call to Order- Robert Case- Board Chairman
- B Roll Call of Board Members- Robert Case- Board Chairman
- C Introduction of Visitors- Robert Case- Board Chairman
- D Public Wishing to Address the Board- Robert Case- Board Chairman
- E Review and Approval of Minutes from 6/17 Meeting- Kress Carson-Board Liaison
- F SW Bypass Construction Cost Reimbursement- Mike Westbrook- Electric Operations and Engineering Manager
- G Fiber Relocation Project- Mike Westbrook- Electric Operations and Engineering Manager
- H General Manager's Monthly Report- Daniel Bethapudi- General Manager of Electric Utility
- I FY 2022 Budget Overview- Daniel Bethapudi- General Manager of Electric Utility
- J Energy Risk Management Policy Updates- Daniel Bethapudi- General Manager of Electric Utility

#### **Executive Session**

In compliance with the Open Meetings Act, Chapter 551, Government Code, Vernon's Texas Codes, Annotated, the items listed below will be discussed in closed session and are subject to action in the regular session.

K Sec. 551.086 Competitive Matters- Purchased Power Review- Daniel Bethapudi- General Manager of Electric Utility

#### **Certificate of Posting**

I, Robyn Densmore, City Secretary for the City of Georgetown, Texas, do hereby certify that this Notice of Meeting was posted at City Hall, 808 Martin Luther King Jr. Street, Georgetown, TX 78626, a place readily accessible to the general public as required by law, on the \_\_\_\_\_ day of \_\_\_\_\_, 2021, at \_\_\_\_\_, and remained so posted for at least 72 continuous hours preceding the scheduled time of said meeting.

Robyn Densmore, City Secretary

### City of Georgetown, Texas Electric Utility Board July 15, 2021

#### **SUBJECT:**

Review and Approval of Minutes from 6/17 Meeting- Kress Carson-Board Liaison

#### **ITEM SUMMARY:**

#### **FINANCIAL IMPACT:** N/A

**<u>SUBMITTED BY:</u>** Kress Carson- Board Liaison

### **ATTACHMENTS:**

Description

6/17 Minutes

Туре

Cover Memo

### Minutes of the Meeting for the Georgetown Electric Utility Board Thursday, June 17<sup>th</sup>, at 2:00 PM at the Community Room at City Hall, 808 Martin Luther King Jr. St., Georgetown, TX 78626

**Board Members Present:** 

Robert Case - Chairman, Rick Woodruff- Vice-Chairman, Sam Jones-Secretary, Mike Triggs, Ben Butler

Staff Present:

Daniel Bethapudi, Letica Zavala, Mike Westbrook, Cindy Pospisil, Jose Torres, Leigh Wallace, and Kress Carson

Via Teleconference (Zoom): Michael Weisner and Jennifer Flor

Public Attendees: Brian Scott (via Zoom)

### **Regular Session**

(This Regular Session may, at any time, be recessed to convene an Executive Session for any purpose authorized by the Open Meetings Act, Texas Government Code 551.)

- A. Call to Order -- Robert Case, Board Chairman
  - Meeting called to order at 2:00 pm by Case.
- B. Roll Call of Board Members -- Robert Case, Board Chairman.
- C. Introduction of Visitors -- Robert Case, Board Chairman
- D. Public Wishing to Address the Board
  - Brian Scott prepared the following comments to the Board:
    - "I will be attending the meeting via Zoom today at 2pm, but I would like to post some items that are due to come up from others. I have just gotten solar installed at my home (301 Canyon View Road), but it seems there are two motions that stifle adoption of solar in general:

The upper limit of 10 kw is insufficient for many homes to claim grid independence – my home was originally scoped for 26 panels but was cut to 24 because it would have yielded more than 10 kw The reclaimed energy credit (REC) was cut in half in February 2021, so that any overage created by a home owner is cheapened in value I understand that Texas is an oil and gas state, but after the February disaster state-wide, and the challenge of upcoming months of hot weather, we need better alternatives and solar SHOULD be incentivized for ALL residents. More and more of my neighbors hit a tipping point in February (including myself) and will no longer leave our fate and survival in the hands of others."

- Daniel Bethapudi, General Manager of the Electric Utility, addresses his questions:
  - Bethapudi assures that the DER Policy is currently being reviewed. To ensure that the costs do not shift to those without DERs such as solar, the 10kw limit is in place. There are instances of which customers were oversizing their systems in which they are offsetting their bills and customers without solar are forced to pay costs. However, the Utility is currently participating in a rate study to identify how costs are allocated among customers. Once this is done, could see a review and update of the current DER policy in a way that is equitable to all customers. He further explains that the current net metering rate was approved and based off the Utility's avoided cost of energy. This policy also calls for annual review of the credit. The initial credit was approved in October of 2020 and in February of 2021 the annual update took place. The DER policy I expected to be handled in a similar matter and hopefully will see changes later in the year.

### **Legislative Session**

### E. Review and Approval of Minutes

- May 20<sup>th</sup> Meeting- Motion to approve by Jones, seconded by Triggs
- Minutes approved as read 5-0

### **Regular Session (cont.)**

- F. General Managers Monthly Report- Daniel Bethapudi- General Manager of Electric Utility
  - Customer Service and Billing- Leticia Zavala-Customer Care Director
    - Available Service: 20 new connections; total of 593 new connections of this fiscal year
    - 30,559 available services total; Security Lights added to the total services count
    - o 29,386 Electric customers/accounts, 13 estimated "bad meter reads"
      - Case- what defines a "bad reading?"
      - Cindy Pospisil, Customer Care Manager, answers that this is currently tracked in the billing system in which there is a range of percentages in which the variability is acceptable. If readings are outside of the expected range, then this is considered a "bad read."

- Bethapudi adds that there are instances that AMI system may not have reading for the entire billing cycle. In this case, usage is estimated through a data management system that provides estimation to the readings and if the estimations fall outside the range of acceptability, then the "bad reading" is met.
- Case- How bad readings are rectified?
- Pospisil answers that if the reading is off the estimation enough, then in most cases they wait until the next month to verify an issue with the meter, if there is a reading issue a technician is sent out to determine the issue. In most cases there is "0" read in which there is not a reading rather than an inaccurate reading.
- Overall Average May 2021 bills roughly \$4 lower than May 2020
  - Residential numbers lower than last year due to the closure of commercial and industrial businesses and people staying at home in May 2020 and decrease of PCA in January 2021
- Electric Revenue Breakdown and Receivables presented- roughly 57% of yearly budgeted amount collected.
- Account receivables aging report presented- the collection process has begun from the newly contracted collection agency. Pospisil adds that the first files were sent to the agency for collection- roughly 2500 accounts. Zavala adds they plan to include collection reports in the overview once more collections are taken place.
  - Bethapudi- What the status is of the disconnects of customer accounts?
    - Zavala answers once a customer account reaches to a point of disconnection, they typically follow the PUC guidelines based on summer, but these guidelines were not available. The accounts listed on the Accounts Receivable Reports have not paid their account and respectively had their service disconnected or terminated their service and have not paid their final account balance.

### • Finance and Budgeting Report- Leigh Wallace- Finance Director

• Second Quarter Background

- Due to the timing of COVID-19 pandemic timing, yearly comparisons from 2020 to 2021 show large variances in revenues and expenses. This was expected going into FY 2021.
- Includes February Winter Storm and January PCA adjustment
- o Electric Fund Revenue
  - Revenue is trending lower compared to 2020 Q2 due to the PCA adjustment. However, revenue is on track to meet budgeted amount.
  - Bond proceeds to be reported in the Q3
  - Electric Fund Expenses

0

• Largely factored to the extreme costs impacted form the February

Winter Storm in purchased power.

- There is to be a budget amendment to be approved and receive a second reading by City Council on June 22<sup>nd</sup> to account for the expenses.
  - Case- Was the recent securitization bill that was recently signed by the Governor has any impact on these fees?
    - Bethapudi answers that are no exact numbers known just yet. However, it is expected to see some relief from the costs of ancillary services. There is also expected reduction in costs from the ERCOT reliability adder and CRR accountable revenues. The accountable revenues are essentially a fee that ERCOT collected from utility entities in order to pay generators in order to cover potential significant short pays in roughly the amount of 800 million dollars. The utility should expect this fee to be reimbursed because of this bill. It is not expected to cover the entire 48 million dollar hit from the storm, but some financial relief should be expected.
  - Woodruff What will happen once relief is met since we already have been issued debt to cover the 48-million-dollar expense.
    - Bethapudi answers that once the relief comes in, there are multiple to ways to funnel such relief to the customer, such as PCA reduction. Ultimately, the customers will see some form of benefit when the relief hits.
- Budget to Actual Expense Report
  - Expenses were high due to the Winter Weather Event. It is noted that many much of the personnel will be moved and reported into capital projects the labor was attributed to capital projects.
- Purchased Power
  - Excluding the 48 million expense from the budget, roughly 52% of the purchased power budget has met totaling 32.4 million dollars for the fiscal year.
  - Triggs- How often are renewable energy credits are sold?
    - Bethapudi answers that they ae sold multiple times a year. Ideally, they look to sell when the market is up and at least once a quarter.
  - Triggs- How are the credits are valued?
    - Bethapudi answers that there is a market for these. The City has access to environmental attributes; these attributes are encapsulated in the form of REC (renewable energy

credits). There are groups and people who want these credits. For instance, a company may have environmental sustainability goals in which they purchase RECs to help achieve such goals. Case adds that retail electric providers are required to purchase these RECs based upon their load ratio share by ERCOT.

- Triggs -With the new amounts of solar farms going online, what effect will this have on the REC market?
  - Bethapudi answers the market is constantly changes and that they have seen both an increase in supply and demand, thus resulting in a price increase in the last year. The value of renewable energy is increasing as these farms continue to meet the demand therefore the market looks promising.
- o June Mid-Year Budget Amendment
  - This is due to the personnel overtime, operations, and purchased power related costs as mentioned previously.
  - The Electric Fund to see contribution towards the Ronald Reagan electric reliability project in the amount of \$180,000 from the Water Fund that also improves water reliability.
- Electric Engineering and Operations Report- Mike Westbrook- Electric Operations Manager
  - Electric Reliability (SAIFI)- .57 (Good Metric)
  - Electric Outage Duration (CAIDI)-88.816(Good Metric)
  - Training- 98% (Good metric)
  - o Safety, 100% attendance
  - Service Order Completion, 100%
  - Preventative Maintenance, 100%
  - Corrective Maintenance, 100%
  - Top 5 Outages Report
    - In most cases the outages were cases were something that blew a fuse; no major repair or replaces
    - Case asks what the Bad Overhead Service outage in the report.
    - Westbrook answers that a tree branch feel down and pulled the lug out of bushing and required replacement.
    - Bethapudi adds that in the fusing situations in which that the outages that require fusing also require a significant amount of time finding the source that caused the outages such as a tree limb in the Serenada area.
    - There was a lightning storm on the evening of the 28<sup>th</sup> that lasted nearly 3 hours in which there were 9 total outages of which required refusing in affected areas of the service system
    - Woodruff- Exactly what causes the outages in which trees fall on the service?
      - Westbrook answers that is a combination of wind and extreme weather-related issues. Trees are the largest

overhead issue in the electric distribution system.

- Electric Business Plan Presentation- Daniel Bethapudi, Mike Westbrook, and Kress Carson, Electric Utility Analyst
  - Bethapudi explains that this plan will be shared on quarterly basis. The consist of 3 measures of performance, which is financial performance, capital infrastructure projects, and internal operational performance. The purpose of business plan is meant to capture, report, and lay out the overall objective plan of the Utility in association with Utility projects.
  - David Morgan, City Manager, adds that every part of the city has a business plan that is to be provided with their annual budget as a requirement of the City.
  - The Utility Strategy consists of 4 groups- maintain excellent safety record, develop and maintain workforce, achieve high level of reliability, and achieve excellent financial performance.
    - The key performance metrics for safety record are tracking safety meeting attendance and supervisory field visits, near misses and incident tracking, and maintaining RP3 and APPA certification. The APPA/ RP3 certification consists of the reports of which is reported in the metric in the monthly Operations Report.
    - The indicators for developing and maintaining the workforce are the apprentice line training program, technical and continuous training, and operation technology training and refreshers.
      - Bethapudi adds that the Utility currently does have a robust lineman training program, but after graduation of the program the Utility wants to make sure that those are always plugged into new developments in training.
      - Case -What is an example of a "near miss"?
        - Westbrook answers and explains the situation of which an employee was working in a J-Box where the elbows plug in and in the designed working area is very tight for movement. In this particular situation it was a rainy night in which conditions are not ideal for electric work. When attempting to plug in the last elbow, it began arching on the box due to the moisture in the area. The employee had to make a call to control center to shut down the entire circuit to ensure the safety of the group. Westbrook further explains that these near misses are meant to be tracked and learned from the electric group to mitigate risk and increase safety awareness.
    - The indicators for achieving a high level of reliability are SAIFI and CAIDI metric of which are currently provided in Operations

monthly report. In addition, there is a need to meet yearly goals for system maintenance and upgrade programs. This is to be tracked in the future in the new Partners software that is to be implemented in the coming months, of which tracking, equipment and field staking are all done under one online platform.

- The indicators for excellent financial performance are rate competitiveness, meeting budgets, and meeting financial ratios.
  - Case- Is there is a group of which we compare to for rate competitiveness?
    - Bethapudi answers that they have identified a peer group. This mostly consists of regulated entities; however unregulated entities must be considered as well.
- o SWOT Analysis
  - Bethapudi explains that this was the first step in implementing the business plan.
- Strategic Goals and Initiatives
  - SG1: Software Upgrades and Implementation
    - ANB System- a software platform of which permitting and associated costs for DER (distributed energy resources) is collected through and creates a seamless process for the customer and utility.
      - Woodruff- Is the software cloud-based?
        - Bethapudi confirms.
    - Partners-a real time comprehensive software for tracking software for project design, project cost management, job/project estimation, and field staking
      - Bethapudi adds that electric infrastructure is added on a daily, therefore it is important to implement a streamlined process from the GIS system to the model to the operations of the Utility.
  - o SG2: Employee Training and Development
    - Lineman Apprentice Program- currently done through a training company called Merchants. Currently the training information provided through Merchants is outdated therefore we are beginning to us the Northwest Line College. They currently have a hub in Denton. It is the utility's belief that this offers a more robust and development program.
    - Ongoing Employee Training
    - Employee Safety and Training Group

- o SG3: Fleet/ Equipment Improvements and Replacements
  - Contracting with Fleet and Rental Companies
  - Fleet Replacements and Policy Review
- SG4: Operation Improvements
  - Job tracking and management- jobs beginning to be tracked from initial plans throughout implementation.
  - Emergency Plans Update
  - Engineering Studies for Projects- many engineering projects to begin taken place in house rather than be done by contractors. This has begun taking place since the Utility has begun bringing in their own engineering staff.
  - Warehouse Outsourcing- a JIT function in which cash is not tied up in inventory and to take advantage to economies of scale of an electric distributor in which they are more faceted to serving a utility unlike the current City warehouse.
  - Creation of Operation Technology
    - Woodruff asks if this entails over vital city infrastructure and managing risk such as cyber-attacks.
    - Bethapudi that this does include this and claims the IT director will be present for the next meeting to address this issue directly.
- SG5: Energy Risk Management Updates
  - Implement Risk Management Policies- proposed updates to be provided next meeting.
  - Alternate Load Structures- identify the least risk and cheapest way of providing load.
  - Procure Energy Portfolio Support and Management Services- Shell, ACES, and Crescent Power currently serve some of these functions to help better manage the energy portfolio.
    - Butler- How susceptible is Georgetown to the recent potential rolling blackouts?
      - Bethapudi answers that whatever happens on the state grid is what Georgetown is subject to. If the ERCOT mandates rolling blackouts, Georgetown must follow suit by virtue of being a part of the ERCOT grid.
      - Jones adds ERCOT only lets the City's transmission provider, LCRA,

know when and how much load to drop in the transmission system in such an event. Afterwards the LCRA relays this message to the City and the Utility decides how to precisely manage the load shed.

- Woodruff- Are there granular ways to manage load shedding?
  - Bethapudi answers that there are ways to target load shedding. This includes going through the process of identifying a critical load from the meter. With new meter technology there are ways the load can be managed at a meter level rather than a feeder level.
- Case asks for clarification of the entities that would be considered critical loads at the granular level.
  - Bethapudi answers that Senate Bill 3 identifies a process in which entities would have to certify themselves as a critical facility or customer as required by the PUC (Public Utility Commission).
  - Zavala adds there are standard notification processes in load shedding situations that they must follow in such of an event as well to cater to such entities.

#### • Capital Improvement Projects- Mike Westbrook

- Projects divide into tow main categories- New Development Customer
   Growth and System Improvements
- New Development Projects consist of Single Family Residential, Multi-Family Residential, Commercial, and Industrial
- Single Family Projects include:
  - Sun City Additions
    - Sun City RV Tract Amenity Center/ Sun City NH 10
    - Wolf Ranch
- Multi- Family Projects Include:
  - Windmill Hill Multi- Family Units
  - Mays Street Multi-Family Units
  - Ascend Westinghouse Apartments
  - Rockmoor Apartments
  - Allora North Georgetown Apartments

- Vida Apartments
- Wolf Ranch Parkway Apartments
- Commercial Projects Include:
  - All Care Therapies
  - Clarity Eye Center
  - Republic Center Starbucks
  - High Tech Retail Center
  - Rbank SDP
  - Georgetown Medical
  - Wolf Lakes Village
  - Kwik Chek
  - Wolf Crossings
  - Westinghouse Road Additions
  - Industrial Projects include:
    - Titan Development- North Park 35 Aviation Phase 1
    - Titan Development- Gate Way 35 Commerce Center
    - Texas Outdoor Power
  - o System Improvements for Titan Development Projects
    - Total estimated load is 20MW, in the future this amounted load could grow to 40 MW as development continues.
    - Plan to add redundant feed to compensate for power in the Aviation Drive industrial area are also in the planning stages.
    - Currently Utility has capacity to serve the load, but feeder upgrades are necessary to serve the additional load appropriately.
    - In negations with LCRA to add a new substation, and potentially a second, transformer to provide capacity for future growth at the Gabriel Substation to accommodate the load
    - Jose Torres, Electric Engineer, adds that new distribution feeders would then come off the new transformer to provide a back feed to the area.
    - Woodruff- Are the upgrades are exclusive to this area?
      - Westbrook answers that that upgrades in the area are not exclusive as they are also intended to branch off to support other feeders in Georgetown. He also adds that in the planning process the Utility looks at an overall picture of the service load for the City rather than just an area in order to serve the load appropriately
      - Bethapudi adds that the project is an excellent opportunity to provide industrial load to the City, however because of the nature of the industrial business, there is a higher responsibility to provide adequate power at all times to the businesses in the area. Therefore, precautions such as double circuiting are necessary to service the area and provide for future

growth.

- Woodruff- Are these businesses considered as a "critical load?"
  - Bethapudi confirms that they are important loads, but not a critical load.
- Woodruff- With the additional new loads that the City will have to buy to provide service, will Georgetown become exposed to the market.
  - Bethapudi answers yes, but there are incentives to participate into ERCOT's demand response program and create one for the City as well. For example, when load was very high in demand on the ERCOT grid on June 15<sup>th</sup>, the Electric Utility asked the Water Utility to not run their larger pumps until later in the evening in order to preserve load. This can be utilized in association with Georgetown's various manufacturing plants in which energy usage can changed on short notice.
  - Case- Does the Aviation Drive Development in question consist of one or multiple entities?
    - Westbrook confirms that there are multiple companies involved in the project. Titan is the developer of the land and constructing the buildings themselves.
  - Case- If these companies are carrying such a large load, does the City require them to agree to a standard tariff agreement or is there a negotiated tariff agreement? Is there a breakpoint to require a negotiated tariff?
    - Bethapudi believes there will be a breakpoint for a negotiated tariff agreement. There are risks to address when serving this size of load. Historically, utilities would build infrastructure to support a large business and the business would leave shortly thereafter. To avoid this, the Utility could require the companies in question to pay up front costs or in full for installing the incoming infrastructure. It is expected there will be instances of competitive and negotiated rates to cover the financial risk of the Utility.
  - Gateway 35 Commerce Center spanning 83 acres is currently in the preliminary design phase.
  - Bethapudi adds that the Utility has been working closely on the Titan projects with the Economic Development department of the City. Some of the electric infrastructure has been accounted for by GEDCO (Georgetown Economic

Development Corporation).

- Morgan adds that the Transportation Enhancement Corporation funded the Aviation Drive Extension and GEDCO funded the Water and Electric construction.
- o Downtown Overhead Rehab
  - A 5 year plan to convert overhead lines to underground to beautify the downtown area. This a 5 year project due to the circumstances in which planning is strategically done with the Streets department and the downtown businesses
- o Ronald Reagan- Glasscock Feeder Extension Along Hwy 195
  - Phase 1- clean the vault a the Glasscock substation in which the feeders are separated into respective vaults, rather than the feeders being fed from vault. This ensures safety and effective job performance when working at these locations
  - Phase 2- To provide more back feed capabilities to the Sun City area. Current construction completed from 245 to Rattlesnake Road. Eventually a double circuit will be installed in which the current poles are set up for to service future Wastewater Treatment Plant (partially funded by Water Department).
  - Shell Road-Esparada Reconductor- Express Feeders
    - To help move load around and allow better feed capabilities to the area
  - o 2022 Capital Improvement Projects
    - Potential \$7.4 Million to be voted for approval by City Council
      - \$4 Million in New Development
      - \$2 Million in System Improvements for Capacity, Capacity, Upgrades, and Unanticipated Improvements
      - \$150,000 in System Improvements for Power Quality
      - \$1 Million in System Improvements for Sectionalization and Distribution Automation
      - \$250,000 in Feeder Exits/Additions
  - Much of the engineering work, and at an increasing rate, is being performed in house by the Utility.
  - Butler asks if we have the infrastructure for the increase of EV vehicle usage in the city.
    - Bethapudi answers that we currently do have the capability of providing the increase in EV usage. If the penetration is 15 to 20% the infrastructure should handle the load. At 50% there may be line conditioning equipment in place to provide for the increase. Currently, the Utility is looking at

models for this that go by a time-of-use rate in which incentives can be placed to ensure less infrastructure strain. Bethapudi ensures that if any given projected loads are coming in, that current engineering practices would assist in provide the proper growth mechanisms to provide appropriate system infrastructure.

**MOTION** by Woodruff, second by Jones to adjourn the Regular Session and move into Executive Session. **APPROVED 5-0** at 4:02 PM

### **Executive Session**

In compliance with the Open Meetings Act, Chapter 551, Government Code, Vernon's Texas Codes, Annotated, the items listed below will be discussed in closed session and are subject to action in the regular session.

### G. Section 551.086: Competitive Matters

• Purchased Power Update

MOTION by Woodruff, second by Jones to adjourn Executive Session. APPROVED 5-0

### Adjournment

MOTION by Jones, second by Woodruff to adjourn the Board Meeting. APPROVED 5-0

### Electric Board Meeting Adjourned at 4:40 PM.

### City of Georgetown, Texas Electric Utility Board July 15, 2021

#### **SUBJECT:**

SW Bypass Construction Cost Reimbursement- Mike Westbrook- Electric Operations and Engineering Manager

#### **ITEM SUMMARY:**

Joint project costs shared by Georgetown Electric Utility and Pedernales Electric Cooperative to provide backfeed capabilities in the new Hillwood Development. Both utilities will share the same poles, we will be the top circuit and P.E.C. will be on the bottom. P.E.C. will be the owner of the poles and responsible for the maintenance of the poles. P.E.C. will also perform the construction for the whole project. The total project cost is \$321,320.83, City of Georgetown Electrics portion is \$128,577.53

#### **FINANCIAL IMPACT:**

\$128,577.53

**<u>SUBMITTED BY:</u>** Mike Westbrook- Electric Operations and Engineering

### **ATTACHMENTS:**

#### Description

SW Bypass Project

Туре

Presentation

## Southwest Bypass Project with P.E.C.

- City of Georgetown Electric Utility and P.E.C. have embarked on a joint project. P.E.C. needs to relocate and extend a feeder (approximately a mile) to serve a new Hillwood development. We need a feeder in this area for back feed capabilities.
- As a result, we have been able to combine both needs into one construction project. Both utilities will share the same poles, we will be the top circuit and P.E.C. will be on the bottom, P.E.C. will be the owner of the poles and responsible for the maintenance of the poles. P.E.C. will also perform the construction for the whole project.
- The total project cost is \$321,320.83, City of Georgetown Electrics portion is \$128,577.53
- We are recommending and asking for you consent to move forward with the project at a cost of \$128,577.53



## Southwest Bypass Project with P.E.C.





### City of Georgetown, Texas Electric Utility Board July 15, 2021

#### **SUBJECT:**

Fiber Relocation Project- Mike Westbrook- Electric Operations and Engineering Manager

#### **ITEM SUMMARY:**

TXDOT is widening and adding/extending the frontage road along I35. Part of the project called for relocation of our electric poles and conductor. We have relocated all the electric facilities, but to complete the City's portion of the project the City fiber also needs to be relocated. The fiber department has a bid from BryComm through a DIR Contract to not exceed \$80,000. This project is 100% refundable by TXDOT.

#### FINANCIAL IMPACT:

\$80,000; 100% refundable by TXDOT

#### **SUBMITTED BY:**

Mike Westbrook- Electric Operations and Engineering Manager

### **ATTACHMENTS:**

	Description	Туре
D	TXDOT Fiber Crossing	Presentation

# Fiber Crossing I35 and Airport

## • Driver:

- TxDot is widening and adding/extending the frontage road along I35. Part of the project called for relocation of our electric poles and conductor. We have relocated all the electric facilities, but to complete the City's portion of the project the City fiber also needs to be relocated.
- The fiber department has a bid from BryComm through a DIR Contract to not exceed \$80,000.
- Note: This project is 100% refundable by TxDot
- We recommend to move forward with the bid and are looking for your consent.



# Fiber Crossing I35 and Airport





### City of Georgetown, Texas Electric Utility Board July 15, 2021

#### **SUBJECT:**

General Manager's Monthly Report- Daniel Bethapudi- General Manager of Electric Utility

#### **ITEM SUMMARY:**

#### **FINANCIAL IMPACT:** N/A

**<u>SUBMITTED BY:</u>** Daniel Bethapudi-General Manager of Electric Utility

### **ATTACHMENTS:**

Description

□ 7/15 Presentation

Туре

Presentation

# Georgetown Electric Advisory Board

# 07/15/21



# AGENDA

### I. Regular Session:

(\* - indicates legislative action)

- A. Call to Order
- B. Roll Call
- C. Introduction of Visitors
- D. Public Wishing to Address the Board
- E. Review and Approval of Minutes\*
- F. SW Bypass Construction Cost Reimbursement\*
- G. Fiber Relocation Contract\*
- H. General Manager's Monthly Report
- I. FY 2022 Budget Update

### II. Executive Session:

G. Purchased Power Update



# **Review of Minutes**

June 15<sup>th</sup> 2021 Minutes



## Southwest Bypass Project with P.E.C.

- City of Georgetown Electric Utility and P.E.C. have embarked on a joint project. P.E.C. needs to relocate and extend a feeder (approximately a mile) to serve a new Hillwood development. We need a feeder in this area for back feed capabilities.
- As a result, we have been able to combine both needs into one construction project. Both utilities will share the same poles, we will be the top circuit and P.E.C. will be on the bottom, P.E.C. will be the owner of the poles and responsible for the maintenance of the poles. P.E.C. will also perform the construction for the whole project.
- The total project cost is \$321,320.83, City of Georgetown Electrics portion is \$128,577.53
- We are recommending and asking for you consent to move forward with the project at a cost of \$128,577.53



## Southwest Bypass Project with P.E.C.





# Fiber Crossing I35 and Airport

## • Driver:

- TxDot is widening and adding/extending the frontage road along I35. Part of the project called for relocation of our electric poles and conductor. We have relocated all the electric facilities, but to complete the City's portion of the project the City fiber also needs to be relocated.
- The fiber department has a bid from BryComm through a DIR Contract to not exceed \$80,000.
- Note: This project is 100% refundable by TxDot
- We recommend to move forward with the bid and are looking for your consent.



# Fiber Crossing I35 and Airport





# General Manager's Monthly Report



# Customer Service and Billing – Electric Services

Leticia Zavala- Customer Care Director



### **Customer Statistics**

### • All Available Services\*

	Мау	June
Residential	26,621	26,669
Residential – Security Lights	95	95
Net Metering	505	520
General - Small	2,535	2,539
General - Large	333	333
General – Security Lights	127	127
Industrial	21	22
Industrial - Large	1	1
School Services	24	25
Municipal*	249	248
Municipal - Pumping	42	42
Municipal – Security Lights	6	6
Total Services Count	30,559	30,627

- New Service Connections (MOM) 87
- New Service Connections (F-YTD) 680

\*Active & Inactive service delivery points



## **Customer Statistics**

• Breakdown by Electric Customers (unique) :

	Мау	June
Residential	25,987	25,996
Builder	793	751
Commercial & Industrial	2,316	2,320
Municipal/Schools	290	291
Total Electric Customers:	29,386	29,358

- Electric Billing Collection:
  - Advanced Metering Infrastructure (AMI): 99.7%
    - Usage data automatically transmitted to billing office
  - Automated Meter Reading (AMR):
     .3%
    - Usage data is collected via a drive by system
- # of Customer Estimations: 31
  - Account did not get a "good" READ; or
  - Account did not get "ANY" READ (work order put in for metering to investigate)



## **Customer Billing Statistics**

•	Average Monthly Electric Bill	June 2021	June 2020
	<ul> <li>All Customers</li> </ul>	\$ 246.82	\$275.93
•	Average YTD Electric Bill	FY2021	FY2020
	<ul> <li>All Customers</li> </ul>	\$ 225.09	\$ 253.72
•	<b>Residential Customer -</b>	FY2021	FY2020
	<ul> <li>Cost per 1000 kWh</li> </ul>	\$134.35	\$144.35
	(including PCA + Base)		
	<ul> <li>Average kWh</li> </ul>	1033	1160
	<ul> <li>Average Bill + tax</li> </ul>	\$ 141.56	\$ 170.79

- PCA reduced Jan1st to \$0.01375 (from \$0.02375)



### **Electric Revenue**

### • YTD Revenue by Service Period – Billings thru 6/30

2021 Budget	2021 Year to date Actual	% of Service Dates Billed	% of Budget				
\$78,982,278*	\$52,414,622	62%	66%				
*Lowered budget by \$5M due to PCA reduction on 1/1/21							

1<sup>st</sup> QTR Revenue Comparison – (Oct/Nov/Dec)

2020 Actual	2021 Actual	% of Service Dates Billed	% of Actual
\$19,640,581	\$19,447,737	100%	99%

### • 2<sup>nd</sup> QTR Revenue Comparison – (Jan/Feb/Mar)

2020 Actual	2021 Actual	% of Service Dates Billed	% of Actual
\$18,061,625	\$17,830,945	100%	99%

### • 3<sup>rd</sup> QTR Revenue Comparison – (Apr/May/Jun)

2020 Actual	2021 Actual	% of Service Dates Billed	% of Actual
\$21,686,623	\$15,135,940	51%	70%



### Aged Receivables Report – thru 6/30/21

### Electric AR – Active & Inactive Accounts

	Electric	Prior Month	Variance
Active Accounts	\$184,410.26	\$215,489.77	(\$31,079.51)
Inactive Accounts	\$1,348,019.65	\$1,396,467.91	(\$48,448.26)
Total	\$1,532,429.91	\$1,611,957.68	(\$79,527.77)

### Electric AR – Combined Aging Breakdown

		Electric	Prior Month	Variance
31	– 60 Days	\$55,516.52	\$106,174.97	(\$50,658.45)
61	– 90 Days	\$32,950.85	\$50,585.88	(\$17,635.03)
91	– 120 Days	\$31,617.45	\$34,517.39	(\$2,899.94)
120	– 365 Days	\$403,669.74	\$451,862.98	(\$48,193.24)
>	365 Days	\$1,008,675.35	\$968,816.46	\$39,858.89
	Total	\$1,532,429.91	\$1,611,957.68	(\$79,527.77)
Cus	tomer Count	3666	3992	(326)

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# **Collection Agency Review**



CREDIT SYSTEMS<sup>®</sup> INTERNATIONAL, INC. Professional Debt Recovery Solutions

													12 Mon	th Liquida	ations
			Client N	Ionthly I	History Ana	lysis					2.5	-	12 1101	cir ciquiuc	
				Current			Accounts	Cancelled	Number	Ave		-Τ			
Month	Accounts Assigned	Assigned Amount	Assign Average Bal	Collected	Collected ToDate	Liquidity	Cancelled	Amount	PIF	Age					
Jun-21	0	\$0.00	\$0.00	\$0.00	\$0.00	0.0%		\$0.00	0 0	0					
May-21	2475	\$1,446,078.65	\$584.27	\$27,824.92	\$29,225.95	2.0%	7	56,898.40	) 49	548				2.04	
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Previous	0	\$0.00	\$0.00	\$0.00	\$0.00	0.0%	(	\$0.00	0	0	0.0	⊾ ⊥	0.0%		0.0
<u> </u>									L	$\vdash$			Jun-21	May-21	
Total	2475	\$1 446 078 65	\$584.27	\$77 874 97	\$79,775,95	2 0%		71 S6 898 40	A9	548					





Date: June 30, 2021

# ELECTRIC ENGINEERING AND OPERATIONS

### MIKE WESTBROOK ELECTRIC OPERATIONS AND ENGINEERING MANAGER



# Performance Metrics

Electric /	Electric , ,	une	Good	Caution	Alert
Training	<b>100%</b>	↑ 100%	>90%	90%-80%	<80%
Safety	<b>100%</b>	₼ 100%	>90%	90%-80%	<80%
SO OTC	rh 100%	100%	>90%	90%-80%	<80%
PM WO OTC	rh 100%	100%	>90%	90%-80%	<80%
CM WO OTC	100%	100%	>90%	90%-80%	<80%
Electric Reliability (SAIFI)	0.57	0.57	<1	1-2	>2
Electric Outage Duration (CAIDI)	88.816	89.233	<116	116-200	>200



ORGETOWN



**American Public Power Association** 

# **Top Five Outages**

Date	Start Time	Duration (min)	Customers Affected	Customer Minutes	Cause	Area
6/10/2021	11:00am	48	8	384	Failed Trans.	Sun City
6/15/2021	4:07am	203	8	1,624	Failed Trans.	South Georgetown
6/15/2021	10:16am	47	7	329	Failed Trans.	Sun City
6/21/2021	11:58pm	220	7	1,540	Blown Trans Fuse/heavy vegetation	Rivery
6/27/2021	6:47pm	122	3	366	Arching weatherhead	Downtown



# FY 2022 Budget Overview



# FY 2022 Budget Highlights

- Electric CIP Budget : \$7,400,000
- Electric Sales Revenue FY 2022 : \$85,541,593
  - FY 2021 Projected: \$84,818,619
    - YTD 8% increase in kWh sales YOY
  - FY 2020 Actuals: \$85,733,316
- Electric Purchase Power Budget FY 2022: \$55,493,445
  - FY 2021 Projected: \$108,346,600
    - Extraordinary expense from Winter Storm Uri: \$48,000,000
  - FY 2020 Actuals: \$58,404,856 (incl. REC revenue)
- FY 2022 PCA: \$0.0138/kWh
- Projected to meet the Fiscal Policy mandated reserve requirements



# FY 2022 Service Level Requests

Cost Center	Request	Cost	Reasoning
Administration	Additional Training	\$8,035	Two new analysts
Electric Distribution (T&D)	Remote Disconnect Meters	\$20,000	New AMI meter standard
Electric Distribution (T&D)	Underground Asset Inspection Program	\$150,000	Preventive Maintenance of aging URD infrastructure.
Electric Distribution (T&D)	Standby equal to hourly rate	\$10,000	Standby pay for linemen based on their hourly pay.
Electric Distribution (T&D)	Pressure Digger	\$ 408,500	Additional pressure digger needed to keep up additional growth and system improvement projects.
Electric Engineering	Electric Engineering Analyst – AMI	\$86,673.60	Engineering Analyst to provide adequate support and maintenance of the AMI and MDM applications.



# Questions?





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## Energy Risk Management Policy Updates

- In January 2021, Georgetown Electric requested that ACES:
  - Perform a high-level policy review of its Energy Risk
     Management Policy (Policy), including Appendices A, B, and C
  - Provide high-level recommendations for enhancements to bring Georgetown Electric's Policy in line with industry best practices and focus on industry best fit for the Georgetown Electric organization



### Recommendations

Georgetown Electric's Policy includes the necessary elements of a strong energy risk management policy; however, it can be improved in six ways:

- 1. Modify and enhance the governance, roles, and responsibilities
- 2. Clarify and enhance the hedging guidelines
- 3. More clearly define authorized trading activity
- 4. Develop a credit policy
- 5. Continue with credit exposure monitoring activity
- 6. Incorporate ongoing stochastic portfolio modelling



## Governance, Roles, and Responsibilities

- Include the roles and responsibilities of the General Manager, the portfolio management group (Energy Manager/QSE), and other internal departments involved in energy risk management
- More fully document the responsibilities of each governance role
- Ensure the appropriateness of the responsibilities listed for each role and revise, as needed
- Consolidate the roles and responsibilities of the GTEB, ROC, and RMC
- Eliminate the ROC and have the GTEB also serve as the ROC
- Update the roles and responsibilities of the GTEB and RMC as a result of the consolidation



## Governance, Roles, and Responsibilities – Current Vs Proposed





## Governance, Roles, and Responsibilities – Current Vs Proposed





## Governance, Roles, and Responsibilities – Current Vs Proposed







### Governance, Roles, and Responsibilities – Risk Oversight Committee (ROC)

- Has an advanced understanding of energy risk management.
- Oversees the energy risk management activities of Georgetown Electric.
- Establishes the scope and frequency for management reporting to the City Council.
- Periodically reviews risk exposures and compliance with policies and procedures.
- Discusses Georgetown Electric's major energy risk exposures and the steps management has taken or will take to mitigate, control, and monitor such exposures.
- Periodically reviews the Energy Risk Management Policy and supporting Energy Risk Management Policies and recommends changes to the City Council for approval.



### Governance, Roles, and Responsibilities – Risk Oversight Committee (ROC) Contd.

- Approves management staff to serve as members of an Internal Risk Management Committee ("IRMC").
- Receives reports by the independent risk management function on Georgetown Electric's compliance with its risk policies.
- Reviews and approves the energy risk identification and exposure management guidelines.



### Governance, Roles, and Responsibilities – Internal Risk Management Committee ("IRMC")- contd.

- Reviews the energy risk management related policies and oversees enforcement by the independent risk function.
- Ensures that risk management objectives, risk tolerance guidelines, and authority limits are employed throughout Georgetown Electric.
- Receives reports by the independent risk management function concerning Georgetown Electric's compliance with its risk policies, controls, and procedures.
- Recommends to the General Manager the proper organizational structure, separation or consolidation of functional risk management activities.
- Reviews and approves proposed risk management strategies for strategic fit, risk exposure consistent with risk tolerance, and reporting and control requirements. The IRMC shall ensure that approved strategies are consistent with Georgetown Electric's approved strategic business plan, risk management objectives, approved risk tolerance guidelines, and compliance with risk policies.



### Governance, Roles, and Responsibilities – Internal Risk Management Committee ("IRMC")- contd.

- Periodically reviews Georgetown Electric's risk management program (a detailed review at least once a year) in light of recent changes in business practices, improved procedures, Georgetown Electric's philosophy and strategy, or market changes; and ensures continued compliance with its established guidelines.
- Formulates risk management strategy, policy or procedures necessary for new product or market implementation.
- Requires and reviews regular risk reports provided by the independent risk function.
- Periodically engages an independent audit (internal and/or external) of risk control policies and procedures.



### Governance, Roles, and Responsibilities – Internal Risk Management Committee ("IRMC").

- Holds formal monthly IRMC meetings.
- For market transactions executed within Georgetown Electric, performs a review of transaction compliance with policies and procedures.
- Reviews the infrastructure supporting risk management and ensures that it meets the requirements for risk oversight and compliance.
- Reviews compensation policies to ensure that they are structured so as to avoid incentives for excessive risk taking.



## Energy Risk Management Policy Updates

- Electric and CMO staff working with ACES on finalizing the other recommended changes.
- The proposed changes will be discussed in the next electric board meeting in August 2021.



# Questions?





# **Executive Session:**

In compliance with the Open Meetings Act, Chapter 551, Government Code, Vernon's Texas Codes, Annotated, the item listed below will be discussed in closed session and is subject to action in the regular session. – Daniel Bethapudi, General Manager of the Electric Utility

### Sec. 551.086 Competitive Matters

Purchased Power Review



### City of Georgetown, Texas Electric Utility Board July 15, 2021

#### **SUBJECT:**

FY 2022 Budget Overview- Daniel Bethapudi- General Manager of Electric Utility

#### **ITEM SUMMARY:**

FY 2022 Budget Highlights and Service Level Requests

#### **FINANCIAL IMPACT:**

Budget Highlights:

Electric CIP Budget \$7,400,000 Electric Sales Revenue- \$85,541,593 Electric Purchased Power- \$55,493,445 2022 PCA \$0.0138/kWh

Projected to meet the Fiscal Policy mandated reserve requirements

#### **SUBMITTED BY:**

Daniel Bethapudi-General Manager of Electric Utility

### **ATTACHMENTS:**

### Description

FY 2022 Budget Overview

**Type** Presentation

# FY 2022 Budget Overview



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# FY 2022 Budget Highlights

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