CITY OF AUSTIN
2007 COST OF SERVICE AND RATE STUDY
PIC Orientation Workshop

Meeting Location:  City of Austin Waller Creek Center

Date & Time:  November 27, 2007; 6:00 p.m.

Attendees:
Angie Rubottom*, Residential Rate Advocate
Lanetta Cooper**, Residential Representative
Tom Graves*, Multifamily Representative
Dan Wilcox**, Industrial Representative
Joy Smith*, Wholesale Representative
Nelisa Heddin, Wholesale Rate Consultant
Myra Salas**, Wholesale Representative
Mario Espinoza, W/WW Commission
Greg Meszaros, City of Austin
David Anders, City of Austin
Daryl Slusher, City of Austin
Rusty Cobern, City of Austin
Mike Castillo, City of Austin
Darrel Culberson, City of Austin
Jimmy Jackson, City of Austin
Denise McDonald, City of Austin
Robena Jackson, Group Solutions RJW
Charles Schoening, Red Oak
Paul Matthews, Red Oak
Rick Giardina, Red Oak
Jennifer Ivey, Red Oak

The following is a summary of the meeting notes from the PIC Orientation Workshop which was held on November 27, 2007. The notes below constitute Red Oak’s understanding of the items discussed, key decisions made, and action items assigned at the meeting.

- Ground rules presented by Red Oak were accepted by the attendees.
- PIC members’ would like representation by small business on committee. The City is working on identifying a second commercial representative and will attempt to represent small businesses.

* Rate Consultant
** Participated in previous cost-of-service study
The PIC Workshop scheduled for Monday, January 21, 2008 (Martin Luther King Day) should be moved to Tuesday, January 22, 2008.

The PIC Workshop scheduled for Monday, February 18, 2008 (President’s Day) should be moved to Tuesday, February 19, 2008. The PIC members would like to continue meeting at 6:00 p.m.

The Wholesale Rate Consultant requested copies of all study data; the Residential Representative requested copies of the previous studies. They will provide these requests to Mike Castillo.

The Residential Representative is concerned that the water and waste water allocation topics may require two workshops. The project schedule is flexible to allow additional workshops if necessary.

Some PIC members would like to be provided the rate model in Excel in order to run what if scenarios. The City will not provide the model but will run what if scenarios requested by the PIC members and provide the results.

Food will be provided at each PIC Workshop.

Issue papers will provide a general overview of the accepted theories and methodologies and will use specific AWU data where appropriate.

Some topics addressed in the previous studies may not be readdressed in this study. These topics include reserve capacity, peaking factors and sewage strength. Only topics addressing elements of the cost-of-service study that may be changed by the Executive Team will be addressed.

Red Oak will provide information regarding cost-of-service methodologies used by comparable utilities as appropriate.

The cost-of-service study will only address water and sewer rates. It will not address other charges and fees.

Industrial customers have continuous metering so they can provide their specific flow and strength data. The City will consider using this data in the cost-of-service study.