



# Homeowners United for Rate Fairness (HURF)

Protecting Austin Energy customers residing outside the city



# Austin Energy Statement

- ▶ “Austin Energy needs a **\$48 million base revenue increase**, based on Fiscal Year 2021 financials. **In particular, current residential base rates do not appropriately recover costs.** “
  - ▶ Adjust for higher operation and maintenance costs.
  - ▶ Update an outdated residential base rate structure, which does not accurately recover the costs to serve customers.
  - ▶ Better recover fixed costs by relying less on energy sales.
  - ▶ Bring customers closer to what it costs to serve them, establishing more equitable charges as the community continues to grow.
- ▶ If approved, Austin Energy’s proposed base rate changes translate to an **overall base rate increase of 7.6%.**



# Who is HURF and how do they operate?

- ▶ HURF was organized originally in 2012 by a group of residential volunteers living outside Austin city limits but serviced by Austin Energy (AE), a city owned utility
  - ▶ HURF seeks to protect our community's electric ratepayers from unjustified and unreasonable increases in electric rates charged by Austin Energy
- ▶ HURF operates as is a 501(c)4 non-profit organization
- ▶ HURF has 3-person volunteer Board members and no employees
  - ▶ HURF only operates during Austin Energy rate cases where it believes electric rates applicable to "outside the city" customers are not set fairly
  - ▶ HURF participates in the only public regulatory process for electricity rates. **Its goals are economic, not political**



# What is HURF's business case and track record?

- ▶ Beyond the various city services used to support AE's business, the utility is required to contribute \$121mm to the General Fund of the city. The General Fund not used for electric services and can be spent on any city service (see Appendix 1)
- ▶ By participating in the rate cases in 2012 and 2016, HURF was able to reduce these non-utility charges applicable to non-city residential customers by \$5.8mm and \$5.5mm respectively
- ▶ The residential savings this year are currently estimated to be \$7mm



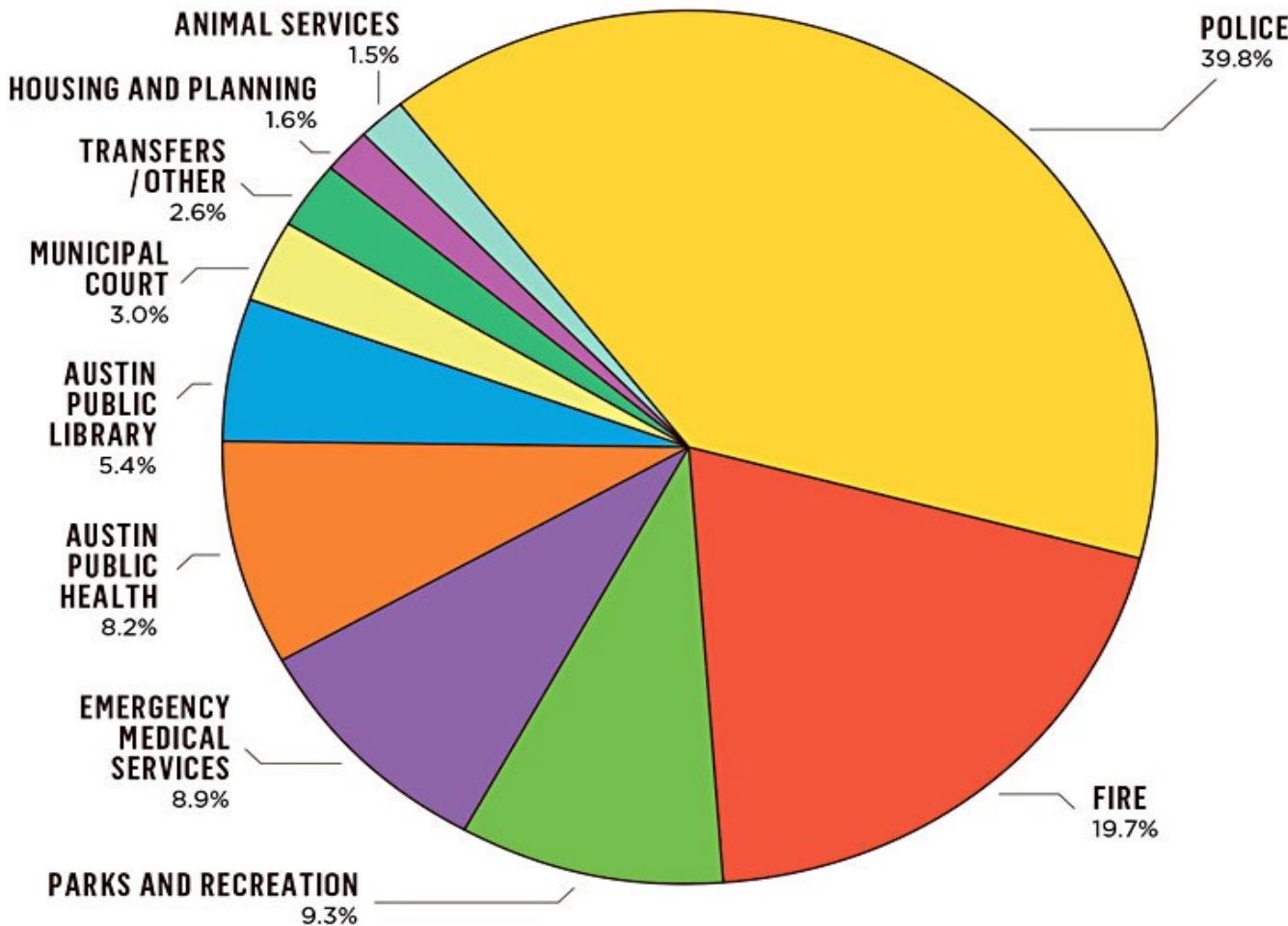
# What does HURF need?

- ▶ HURF needs funding in order to operate and attempt to mitigate the risks for customers outside the city
  - ▶ Many MUD's, HOA's, POA's, commercial businesses, and individuals have already contributed
- ▶ 95%+ of contributions go directly to the necessary legal and ratemaking expertise required to participate in regulatory process
- ▶ Please consider contributing on behalf of your community

**Thank you for your consideration!**

# Appendix 1

## FY 2020-21 GENERAL FUND USES OF FUNDS (\$1,090.2 MILLION)





## Appendix 2

### HURF

Protecting Austin Energy customers residing outside the city

Contributions can be sent to:

**Homeowners United for Rate Fairness**

**Attn: Lu Fonteno**

**Certified Management**

**101 River Hills Drive**

**Georgetown, TX 78628**