



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 - ▶ *Update an outdated residential base rate structure, which does not accurately recover the costs to serve customers.*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

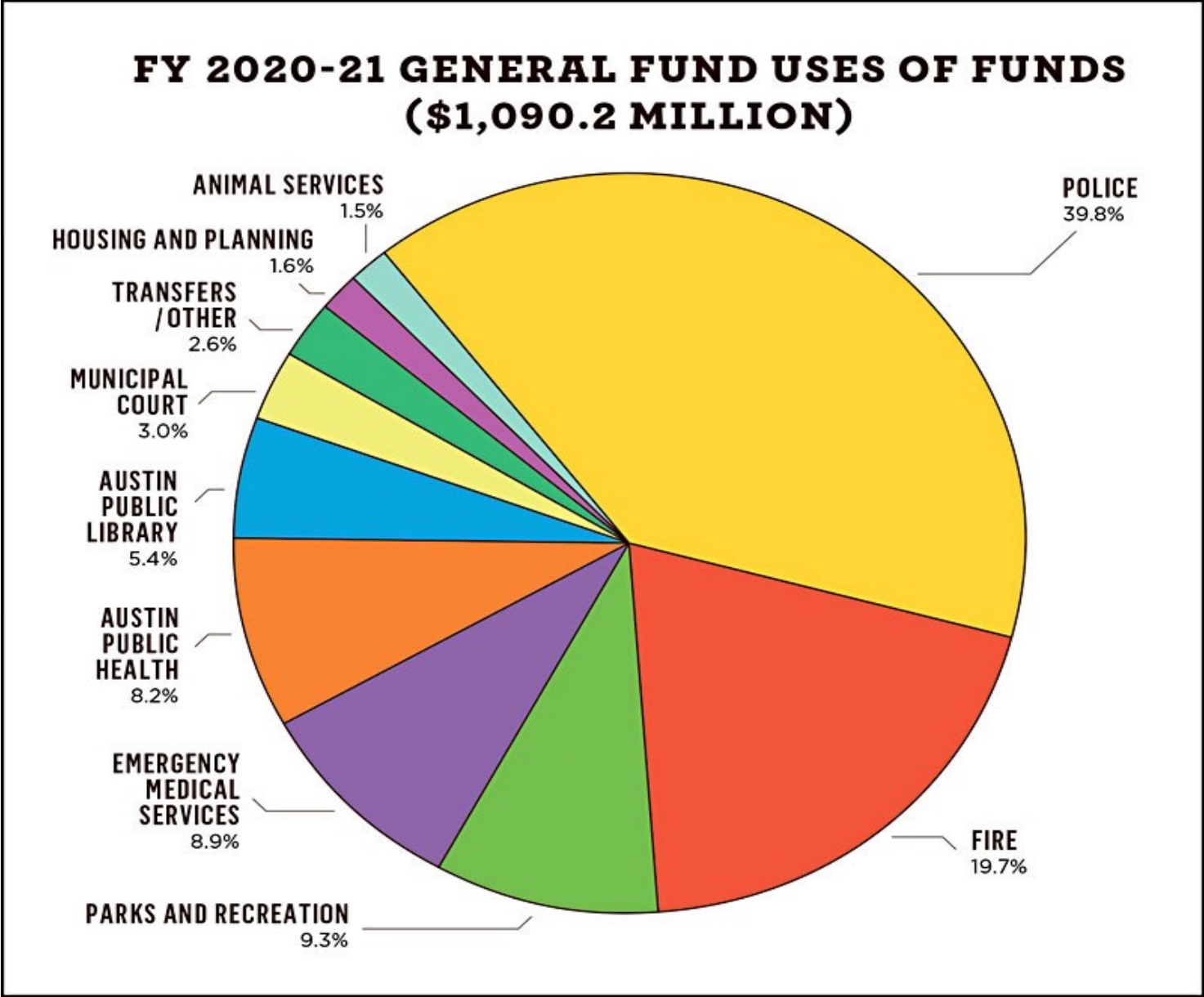


What does HURF need?

- ▶ 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





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