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For Immediate Release

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## **City Council: Halt the Vote for an Un-Elected Board for Austin Energy, the City’s Largest Asset** *Democracy and Public Accountability are Crucial*

Austin, TX The City Council vote Thursday on an ordinance to let an un-elected board control Austin Energy opens the door to industry insiders and special interests and should be halted says a diverse group concerned citizens, including business leaders and community advocates. Bishop Dr. Sterling Lands serves as the presiding Bishop of the Family Life International Fellowship, Inc., which currently has 300 churches globally and pastor of the Greater Calvary Bible Church.

“We must be able to vote for those who control our utility. We must hold them responsible – and vote them out of office when needed,” said Bishop Dr. Sterling Lands. “Direct accountability would be compromised by the board structure proposed in the ordinance to be voted on this Thursday. Low-income utility programs are at risk, along with city funds transferred from the utility that are needed for parks, libraries and public safety.”

The ordinance being fast-tracked by Mayor Leffingwell, Sheryl Cole and Bill Spelman will be voted on Thursday, April 11<sup>th</sup> at City Council, as item #11 on the agenda. It would set up a seven-member board of appointees, with nominees to be chosen by corporate headhunters who may not share Austin’s values or commitment to having an outstanding utility with affordable energy and green programs. We, the public, wouldn’t get to vote for them.

“This undemocratic move by the mayor and some council members is a theft of our publicly owned utility. We, the people, are the owners of our utility, yet we wouldn’t get to vote for people in control of our city’s largest asset. Why not? Who will have to bear the burden of rate breaks for the wealthy?” said Karen Hadden, Director of SEED Coalition. “Our green programs and low-income programs are at risk. We don’t want to lose the direct oversight we need in order to keep our city’s \$3.9 billion asset on track, and shouldn’t relinquish control of Austin Energy to un-elected industry insiders.”

San Antonio’s CPS Energy Board is being used as a model for the Austin ordinance. Alice Canestaro Garcia and others with Energia Mia travelled from San Antonio to talk about the struggles that she and others had with the un-elected utility board there.

“Despite strong citizen opposition the CPS Energy Board sunk millions of dollars into a financially disastrous nuclear project, instead of spending money on coal plant pollution controls that had been promised. The City Council couldn’t get the information they needed from the utility and skyrocketing costs – over \$4.2 billion – were hidden from the public. Austin shouldn’t

risk the loss of direct accountability for utility control by people who are elected,” said Canestaro-Garcia. “The “business professionals” in San Antonio made a huge, expensive mistake in investing in more nuclear reactors, while Austin’s City Council saved the city millions of dollars by staying out of the project. Accountability is crucial.”

“We need to look out for the economic well-being of local businesses and can’t risk negative impacts on the many local solar and energy efficiency businesses that have been growing in Austin,” said Carey Ibrahimbegovic, co-owner of Greenbelt Solar. “People should be able to vote for whoever controls our utility, in order to ensure that our nationally recognized green energy programs stay in place.”

“This is about who controls our government. It’s about keeping the people in power – the 99%, instead of letting the special interests, that represent the 1%, take over our city’s largest asset,” said Daniel Llanes, chair of the Riverbluff Neighborhood Association and Coordinator of the Govalle –Johnston Terrace Neighborhood contacting team.

“The additional layer of bureaucracy that would be created by an un-elected board would insulate an un-elected board from public scrutiny and City Council would likely end up rubberstamping their recommendations –whether good or bad,” said Lanetta Cooper, representing Gray Panthers of Austin.

“Customer Assistance Programs that are essential to helping people keep the lights on during tough financial times and crucial weatherization programs could be put at risk if a separate utility board is created,” said Carol Biedrzycki, Executive Director of Texas ROSE – Ratepayer’s Organization to Save Energy. “The door was slammed in our face early on when we were told that our ideas were outside the scope of the consultants report that would examine whether Austin should have a separate utility board.”

Austin Energy governance could be improved within existing structures. Monthly meetings for energy issues alone would help. City Council could designate an Austin Energy subcommittee if desired and a ratepayer from outside the city limits could be included in the subcommittee. Seattle decided to keep Council control of their municipal utility after two years of considering an appointed board.

City Council should not rush such a major decision, one that impacts our health, our economy and quality of life for all of Austin. Citizens should be able to vote on whether they want such a drastic undemocratic change at all, and should remain able to vote for those who control Austin Energy.

“Austin Energy has been an industry leader on energy efficiency and renewable energy, has won national awards and had great customer satisfaction. Average bills are lower than half of our state. Citizen pressure and demand for accountability are major factors in this success,” said Tom “Smitty” Smith. “We must keep Austin Energy accountable by keeping control in the hands of

those we elect.” Cyrus Reed, Conservation Director for the Lone Star Chapter of the Sierra Club, relayed the importance of keeping energy efficiency and renewable energy programs strong and keeping utility goals in place.

Director of PODER - People Organized to Defend Earth and Her Resources – Susana Almanza

Austin Sierra Club Executive Committee member Roy Waley;

Director of Clean Water Action David Foster;

Solar Austin Executive Board member Kaiba White,

Activate Austin representative Marion Mlotok,

Greenpeace Director Ryan Rittenhouse,

Texas Campaign for the Environment staff,

Energy expert Paul Robbins,

Texas Table staff members,

Consumer Advocate Bill Oakey and

Environmentalist Colin Clark.

Community Advocate Ruby Roa

Independent Business Man Jason Meeker

Stan Pipkin

David Dickson

Related materials can be found online at [www.CleanEnergyforAustin.org](http://www.CleanEnergyforAustin.org).

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