DRAFT
Austin Energy
Annual Performance Report

June 21, 2010

Proposed Expanded Report
Year Ended September 30, 2009

Austin Energy Mission:
Deliver clean, affordable, reliable energy and excellent customer service.

This annual report provides operational data that reports on and demonstrates achievement and support for all elements of Austin Energy's mission statement and its strategic goals and objectives. Our goal is to keep our City Council, Electric Utility Commission, the leadership of our community, our customers and our employees informed on our operations in timely fashion through comprehensive reporting.

Affordable

Austin Energy enjoys consistently high bond ratings. A bond rating is a measure of a utility's ability to repay its debt in a timely fashion. In June 2010, the City of Austin issued up to $240 million in bonds, $150 million of which will convert short-term debt (Commercial paper) to long-term debt. The City achieved a true interest cost of 3.995% for 30 years on the bonds – one of the lowest interest rates ever for the City. Total savings over the life of the bonds versus previous interest rates for bond components will exceed $20 million.

Bond ratings at close of fiscal year, for each of the last five years

Austin Energy Credit Ratings

Description of debt	Fiscal Year Ended	Fitch, Inc.	Moody's Investors Service, Inc.	Standard and Poor's
Combined utility revenue bonds - prior lien	2005	A+ Stable	A2	A+ Stable
	2006	AA- Stable	A1 Stable	AA- Stable
	2007	AA- Stable	A1 Stable	AA- Stable
	2008	AA- Stable	A1 Stable	AA- Stable
	2009	AA- Stable	A1 Stable	AA Stable
Combined utility revenue bonds - subordinate lien	2005	A+ Stable	A2	A Stable
	2006	AA- Stable	A1 Stable	A+ Stable
	2007	AA- Stable	A1 Stable	A+ Stable
	2008	AA- Stable	A1 Stable	A+ Stable
	2009	AA- Stable	A1 Stable	AA Stable
Electric utiltiy revenue bonds - Electric separate lien	2005	A+ Stable	A3 Stable	A Stable
	2006	AA- Stable	A1 Stable	A+ Stable
	2007	AA- Stable	A1 Stable	A+ Stable
	2008	AA- Stable	A1 Stable	A+ Stable
	2009	AA- Stable	A1 Positive	A+ Positive

Capital Improvement (CIP) and Operating & Maintenance actual expenditures to budget amounts, in each of the last five years

Austin Energy

	Fiscal Year Ended	Approved Budget	Amended Budget	Actual Expenditures
Operating Budget Total Requirements	2005	$ 904,611,903	$ 904,611,903	$ 935,751,816
Operating Budget Total Requirements	2006	$ 953,148,417	$ 974,073,417	$ 1,056,619,878
Operating Budget Total Requirements	2007	$ 1,124,863,219	$ 1,124,863,219	$ 1,066,420,724
Operating Budget Total Requirements	2008	$ 1,156,297,612	$ 1,165,360,556	$ 1,248,009,469
Operating Budget Total Requirements	2009	$ 1,379,690,769	$ 1,413,921,716	$ 1,300,176,900
Operating Budget Total Requirements	2010	$ 1,312,393,516	$ 1,312,393,516	n/a
Year 1 of Capital Spending Plan	2005	$ 123,194,000		$ 111,096,929
Year 1 of Capital Spending Plan	2006	$ 176,072,590		$ 135,454,589
Year 1 of Capital Spending Plan	2007	$ 209,828,200		$ 177,782,604
Year 1 of Capital Spending Plan	2008	$ 302,649,000		$ 254,994,294
Year 1 of Capital Spending Plan	2009	$ 347,513,000		$ 288,961,000
Year 1 of Capital Spending Plan	2010	$ 305,978,000		n/a

The number of new customers (meters) added during FY 2009 was about 11,100, the largest increase since FY 2001. Sales during FY 2009 were 0.7% less than the year before, due primarily to reduced demand from large industrial customers. This stands in sharp contrast to the year before when sales increased by 7.6%.

- **Average number of customers by class annually**
- **Sales by customer class in MWH annually**
- **Revenue by customer class annually**
- **Percentage of revenues by customer class annually**

Customers		FY05	FY06	FY07	FY08	FY09
Residential	#	331,490	338,184	345,197	352,574	363,217
Commercial	#	39,691	40,934	41,825	42,585	43,049
Industrial	#	68	75	75	78	81
Other	#	1,486	1,505	1,523	1,553	1,579
Total	#	**372,735**	**380,698**	**388,620**	**396,790**	**407,926**

MWH		FY05	FY06	FY07	FY08	FY09
Residential	#	3,879,940	4,079,909	3,908,318	4,226,036	4,218,600
Commercial	#	4,195,212	4,287,176	4,350,912	4,530,470	4,480,902
Industrial	#	1,662,458	1,779,333	1,930,289	2,233,904	2,218,315
Other	#	1,127,787	1,150,462	1,135,550	1,195,630	1,185,323
Total	#	**10,865,396**	**11,296,880**	**11,325,069**	**12,186,040**	**12,103,140**

Revenue		FY05	FY06	FY07	FY08	FY09
Residential	**$**	348,282,003	387,540,000	356,143,000	416,809,000	406,393,000
Commercial	**$**	335,858,632	367,017,000	365,991,000	408,808,000	402,032,000
Industrial	**$**	93,448,116	108,491,000	113,248,000	138,901,000	132,792,000
Other	**$**	81,688,798	88,462,000	84,464,000	94,472,000	91,181,000
Total	**$**	**859,277,549**	**951,510,000**	**919,846,000**	**1,058,990,000**	**1,032,398,000**

cents per kWh		FY05	FY06	FY07	FY08	FY09
Residential	**$**	$0.08976	$0.09499	$0.09112	$0.09863	$0.09633
Commercial	**$**	$0.08006	$0.08561	$0.08412	$0.09024	$0.08972
Industrial	**$**	$0.05621	$0.06097	$0.05867	$0.06218	$0.05986
Other	**$**	$0.07243	$0.07689	$0.07438	$0.07901	$0.07693
Total	**$**	**$0.07908**	**$0.08423**	**$0.08122**	**$0.08690**	**$0.08530**

System Peak Demand (kW)						
		2,445,000	**2,430,000**	**2,391,000**	**2,514,000**	**2,602,000**

MWH (% by class)		FY05	FY06	FY07	FY08	FY09
Residential	%	36%	36%	35%	35%	35%
Commercial	%	39%	38%	38%	37%	37%
Industrial	%	15%	16%	17%	18%	18%
Other	%	10%	10%	10%	10%	10%
Total	%	**100%**	**100%**	**100%**	**100%**	**100%**

Revenue (% by class)		FY05	FY06	FY07	FY08	FY09
Residential	%	41%	41%	39%	39%	39%
Commercial	%	39%	39%	40%	39%	39%
Industrial	%	11%	11%	12%	13%	13%
Other	%	10%	9%	9%	9%	9%
Total	%	**100%**	**100%**	**100%**	**100%**	**100%**

Average monthly residential usage and average bill, in each of the last five years

Average Monthly KWH per Residential Customer

	2005	2006	2007	2008	2009
Austin Energy	975	1,005	943	999	968
City Public Service Energy (San Antonio)	1,159	1,217	1,247	1,164	1,187

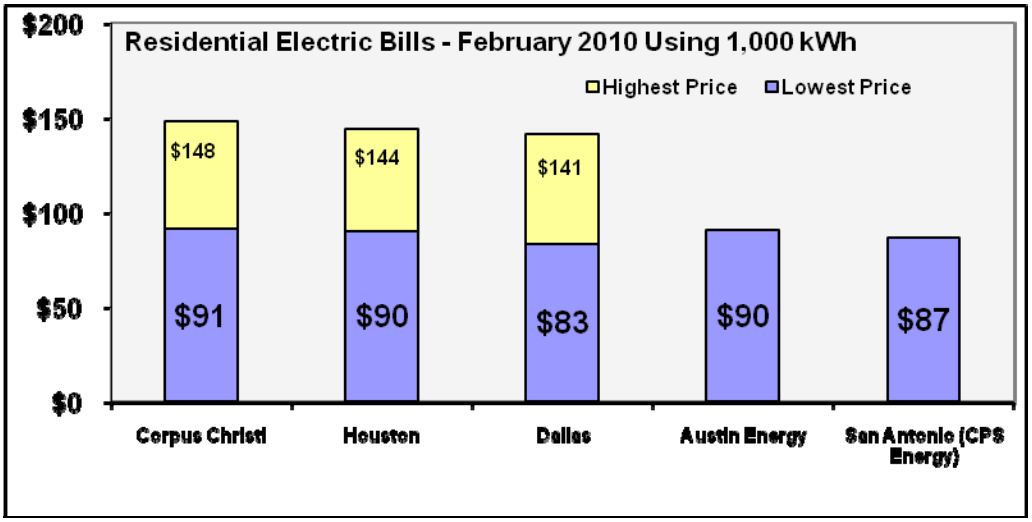
Average Monthly Bill per Residential Customer

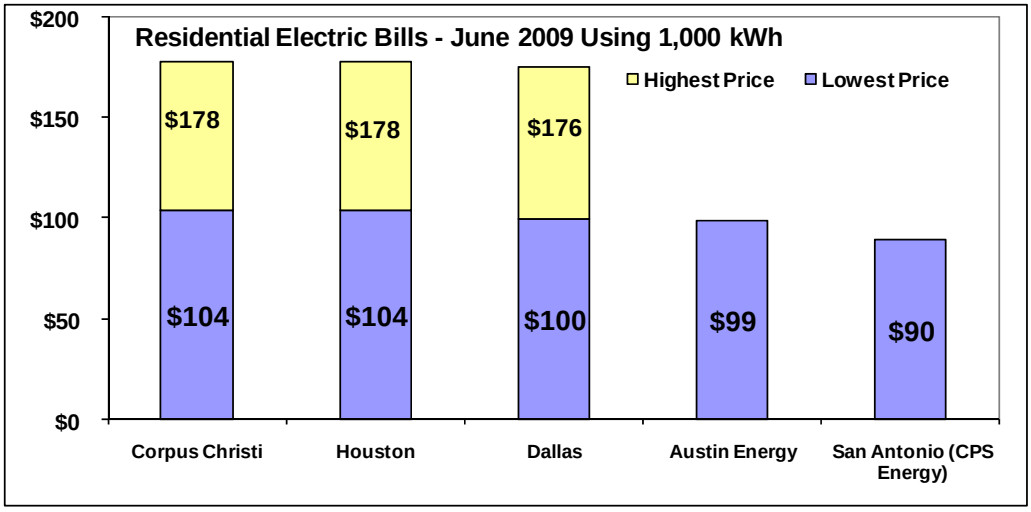
	2005	2006	2007	2008	2009
Austin Energy	$87.55	$95.30	$85.98	$98.52	$93.24
City Public Service Energy (San Antonio)	$87.39	$99.59	$98.27	$91.98	$107.60

Rates comparison

Comparison of residential, commercial, industrial customers including Austin, Dallas, Houston, Corpus and San Antonio, for the previous fiscal or calendar year, as can be reasonably obtained

Residential Customers – Bill Comparisons
Summer 2009 and Winter 2010 (1,000 kWh)





Known projected changes to base rates or fuel charge within each of the next five years

Base Rates. Austin Energy's 2011-2015 Financial Forecast shows an electric base (non-fuel) rate increase is required by Fiscal Year 2013; the amount of the increases will be determined pending completion of a planned rate study. The base rate has not changed since 1994.

Fuel Charge. Austin Energy's fuel charge is reviewed annually. Generally, changes to the fuel rate are effective on January 1 for the calendar year. As part of this expanded annual report, a section will be included here that details all projected changes in the fuel charge over each of the next five years. That summary will include the outlook on fuel costs, the impact of purchase power agreements such as those upcoming for the 30 MW solar farm near Webberville and the 100 MW biomass plant in east Texas and any expected changes in ERCOT support fees, among other.

A history of fuel rate changes

SECONDARY SERVICE Rates provided in cents per kilowatt-hour (kWh) of electricity usage (For Rates: E01, E02, E03, E04, E05, E06, E10, E13, E14, E23, ENW)	
January 1999 - July 2000	1.372 cents/kWh
August 2000 - October 2000	1.635 cents/kWh
November 2000 - January 2001	2.211 cents/kWh
February 2001 - December 2001	2.682 cents/kWh
January 2002 - June 2003	1.774 cents/kWh
July 2003 - October 2003	2.004 cents/kWh
November 1, 2003 - December 31, 2003	2.265 cents/kWh
January 1, 2004 - December 31, 2005	2.796 cents/kWh
January 1, 2006 - December 31, 2006	3.634 cents/kWh
January 1, 2007 - May 31, 2007	3.343 cents/kWh
June 1, 2007 - December 31, 2007	3.044 cents/kWh
For electric bills received beginning January 1, 2008	3.653 cents/kWh

The fuel charge is a dollar-for-dollar cost recovery mechanism. Components of the fuel charge include fuel and fuel transportation costs, renewable energy contract costs not covered by subscriptions, congestion costs associated with renewables, power capacity purchase costs and fees associated with ERCOT support plus market operations cost sharing responsibility.

Calendar Year 2010 Projected Fuel Charge Breakdown

Natural Gas	**Sand Hill & Decker**	**53%**

- Supply
- Pipeline Transportation
- Storage
- Financial Hedging

Coal	**Fayette**	**21%**

- Supply purchases
- Rail Transportation
- Diesel Fuel for plant start up

Renewable Power – Unsubscribed 8%

- Unsubscribed Green Choice Renewable Power (ex. Hackberry)
- Congestion Costs associated with unsubscribed renewable power
- Congestion hedging

Conventional Purchase Power & Capacity 7%

- Long or short term power purchases
- Long or short term capacity purchases (ex. ancillary / reserve services)

STP 5%

- Amortized fuel expense

ERCOT 6%

- ERCOT Administrative fee
- NERC / TRE fee
- Nodal Surcharge
- Uplift Charges (applied to all load on a load share basis)
- Real Time charges (ex. Resource / Load Imbalance, Mismatched schedule, Uninstructed Resource Charge)

Fuel under/over collections at close of fiscal year, for each of the last five years

Austin Energy

	Fiscal Year Ended	Amount
(Over)/Under Fuel Recovery	**2005**	**$ 20,800,815**
(Over)/Under Fuel Recovery	**2006**	**$ 5,459,075**
(Over)/Under Fuel Recovery	**2007**	**$ (19,380,165)**
(Over)/Under Fuel Recovery	**2008**	**$ (1,730,474)**
(Over)/Under Fuel Recovery	**2009**	**$ (22,696,920)**

Deferred payment plans

Payment plans are available to utility customers who fall behind on their utility bill. The economic downturn over the past 1.5 years combined with extreme summer heat last year and colder winters the past two years increased the number of customers seeking payment plans. During FY 2009, an average of 12,000 customers a month were on payments plans, slightly up from the year before (11,444) but up significantly from 2007 which saw a monthly average of 8,600 customers utilizing payments plans.

- **Average number of payment plans in effect each month annually**
- **Total dollars involved in payment plans annually**
- **Average balance size of payment plans annually**

Fiscal Year	Payment Plans/Month	Dollars/Year	Average Plan Amount
FY 2009	12,037	$ 73.6 M	$ 505
FY 2008	11,444	$ 73.5 M	$ 530
FY 2007	8,602	$ 57.9 M	$ 561
FY 2006	6,159	$ 44.6 M	$ 603
FY 2005	13,482	$ 97.3 M	$ 601

Bad debt expense

Bad debt expense is an inactive account over due by more than 60 days. These accounts are generally turned over to a collection agency.

Bad debt expense in each of the last five years

Fiscal Year	Bad Debt Expense
FY 2009	$ 3.6 M
FY 2008	$ 2.0 M
FY 2007	$ 3.5 M
FY 2006	$ 5.3 M
FY 2005	$ 5.8 M

Affordable (Operations)

Heat Rate

The heat rate is the number of British Thermal Units (BTU) needed to produce a kilowatt-hour (kWh) of electricity. In other words, the heat rate is a measurement of how efficiently a generating unit converts fuel into electricity. The lower the heat rate, the higher the efficiency.

The slight increase in overall system heat rate for FY 2009 from the year before is due to two factors. The extremely hot summer of 2009 increased the average temperature of reservoir water used to cool the South Texas Project (STP). This required the plant to work harder and resulted in a slight increase in the heat rate for STP production. Our increased wind energy capacity in 2009 means we have higher amounts of wind energy flowing overnight. This requires, as planned, a ramping down of the Fayette Power Project (FPP). Power plants operate less efficiently at lower levels of production, thereby increasing the average heat rate.

Measure	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
System annual average heat rate (BTU/net kWh)	9,983	10,040	9,837	9,803	9,810

System Fuel Cost Average

The system annual average fuel cost, in cents per kilowatt-hour of electricity produced, were lower during FY 2009 due primarily to lower natural gas prices.

Measure	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
System annual average fuel cost (fuel/kWh)	2.708 cents per kwh	3.178 cents per kwh	2.912 cents per kwh	3.655 cents per kwh	3.371 cents per kwh

System Production Cost

The system annual average production cost in cents per kilowatt-hour of electricity produced includes fuel costs plus operating and maintenance costs. Lower natural gas costs were the key factor in lower production costs for FY 2009.

Measure	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
System annual average production cost (includes fuel plus operating & maintenance)	3.504 cents per kwh	3.927 cents per kwh	3.831 cents per kwh	4.207 cents per kwh	4.045 cents per kwh

Total energy delivered to customers by each fuel type in kWh and as a percentage of the total, in each of the last five fiscal years

Percent of Power by Fuel Type

	As of September 30,				
% Generation	**2005**	**2006**	**2007**	**2008**	**2009**
Coal	34.6%	29.7%	32.2%	33.2%	28.3%
Natural Gas & Oil	25.2%	27.9%	27.3%	25.7%	26.5%
Nuclear	27.9%	27.3%	25.8%	27.1%	26.4%
Renewable Energy	4.3%	5.7%	5.1%	6.1%	9.5%
Purchased Power	8.0%	9.4%	9.6%	7.9%	9.3%
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Fuel Costs

The price of natural gas during FY 2009 was 40% less than prices seen the year before. Currently natural gas prices are in the $5-$6 per MMbtu versus $7-$8 in FY 2008 and $10-$14 in FY 2007.

Total costs by fuel type and percentage of total, in each of the last five years

Fuel Cost		FY05	FY06	FY07	FY08	FY09
Gas	$	227,898,760.45	230,376,973.73	219,069,606.11	293,337,648.39	157,522,365.54
Coal	$	41,575,662.98	49,519,262.26	50,360,624.04	87,063,859.86	84,635,000.11
Nuclear	$	13,038,730.27	13,485,442.82	14,197,168.83	15,823,058.81	16,866,182.92
Fuel Oil	$	268,317.96	525,532.13	1,382,440.30	420,141.71	566,981.19
Renewable	$	13,147,857.46	18,828,276.96	18,559,208.72	26,183,662.02	49,567,759.02
Total	$	**295,929,329.12**	**312,735,487.90**	**303,569,048.00**	**422,828,370.79**	**309,158,288.78**

Fuel Cost (% by type)		FY05	FY06	FY07	FY08	FY09
Gas	%	77%	74%	72%	69%	51%
Coal	%	14%	16%	17%	21%	27%
Nuclear	%	4%	4%	5%	4%	5%
Fuel Oil	%	0%	0%	0%	0%	0%
Renewable	%	4%	6%	6%	6%	16%
Total	%	**100%**	**100%**	**100%**	**100%**	**100%**

Reliable

Austin Energy invests about $80 million dollars a year on average on capital improvements in the electric system. The utility maintains an aggressive maintenance program and over the past 10 years has built a consistent tree trimming program.

AE ranked 1st for reliability among 28 utilities in a benchmark study that included Seattle City Light, CPS in San Antonio and investor-owned utilities Oncor (Dallas) and CenterPoint (Houston). Over the last five years, AE posted a 49.54 minutes SAIDI (average length of outages) versus a 164.97 minutes average by participating companies in the top quartile. AE also posted a 0.65 SAIFI (average number of outages per customer annually) against a 1.34 average by utilities in the top quartile. Electric Service Delivery participated in the study to enhance development and reporting of measures as part of its ISO 9001 certification quality management process.

Austin Energy has established long-term goals that the number of power outages per customer not exceed 0.80 per year, the average duration of power outages not exceed 60 minutes and that the number of voltage sags per 100 miles of transmission not exceed 4.1 per year.

- **Average number of outages per customer (SAIFI) annually**
- **Average length of outages per occurrence (SAIDI) annually**
- **Transmission performance index (voltage sags/outages) per 100 miles of lines annually**

Measure	Target	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
SAIFI	0.80	1.00	1.00	1.02	0.63	0.89
SAIDI	60.00	76.19	84.68	82.13	46.48	63.41
SATLPI	4.10	4.10	4.20	4.10	3.60	3.64

Austin Energy invests about $10 million a year in its tree trimming program (Vegetation Management). A staff of 13 AE arborists and foresters oversee the program which utilizes two contract tree trimming companies.

The utility is one of the few in the nation that seeks to meet with each property owner in advance of tree trimming. A plan detailing the trimming needed for each tree on a property is discussed and provided to the property owner for their acknowledgment signature. When property owners refuse to meet or cooperate with scheduling, they receive a “refusal letter” which indicates when trimming will occur. The number of refusal letters necessary annually is extremely small.

- **Average number of miles trimmed annually**
- **Number of properties involved annually**
- **Number of refusal letters annually**

Fiscal Year	Miles	Properties	Refusals
FY 2009	480	13,892	28
FY 2008	409	12,145	47
FY 2007	307	11,681	55
FY 2006	267	8,876	39
FY 2005	369	9,947	24

Availability and capacity factor

A reliable generation fleet enables Austin Energy to meet customer demand during peak hours, improves the economic dispatch of system units and provides opportunities to increase revenues through off-system sales. A common measure of reliability for generating units is the Equivalent Availability Factor (EAF). The EAF is a measure of the number of hours the full capacity of a generating is available per the total period hours.

Availability targets for base load facilities (South Texas Project [STP] and Fayette Power Plant [FPP]), are adjusted annually depending on the duration of any planned outages for that year. For intermediate and peaking facilities, Austin Energy's peak season availability target is greater than or equal to 95%. Performance results measuring Equivalent Availability Factor (EAF) follow:

Measure	Target	FY 2005	FY 2006	FY 2007	FY 2008	FY2009
STP EAF	94.8%	89.5%	95.3%	90.6%	96.1%	91.65%
FPP EAF	94.2%	97.3%	87.0%	93.1%	91.1%	96.03%
Intermediate/ Peaking Peak Season EAF	95.0%	94.9%	93.2%	95.9%	96.3%	93.16%

<u>Under development:</u> This report will include the capacity factor for each Austin Energy generating unit on an annual basis.

Unplanned outages of more than 12 hours by any AE generating unit during the last fiscal year

The table below shows outages lasting more than 12 hours for Austin Energy managed generating units in FY 2009 due to equipment malfunctions or other problems. Units with no reportable outages include Sand Hill Gas Turbines (GT) 1, 2, 3, and 4; Decker GT 2, Decker Gas Turbines GT 1,2,3 and 4; and STP1.

Unit	Outage Start Date/Time	Outage End Date/ Time	Duration (hours)	Description
Sand Hill 5	3/27/09 3:50 PM 5/18/09 9:53 PM 5/23/09 2:49 PM 9/14/09 6:46 AM	3/29/09 9:18 AM 5/19/09 4:12 PM 5/24/09 10:21 AM 9/16/09 6:02 AM	41:28 18:19 19:32 47:16	Oil leak at Unit 5A turning gear. Condensate pump bearing failure. Hot reheat attemperator block valve failed closed. Main steam temperature control problem.
Decker 1	5/13/09 7:30 AM 7/25/09 7:30 AM 8/01/09 11:00 AM	5/17/09 6:00 PM 7/26/09 12:20 AM 8/02/09 7:00 AM	106:30 16:50 20:00	Hot spot on boiler. Superheater repairs. Super spray valve repairs.
Mueller EC	2/16/08 1:11 PM	2/17/08 10:47 PM	33:36:00	Fault on plant feeder.
	3/7/08 5:55 PM	3/8/08 1:45 PM	19:50:00	Broken wire on “Stop” button.
	3/29/08 1:36 AM	4/2/08 4:36 PM	111:00:00	Air diverter valve actuator failed.
	6/14/08 6:50 PM	6/15/09 10:10 AM	15:20:00	Inlet guide vane controller software error.
	8/13/8 11:32 PM	9/30/09 12:00 AM	1152:00:00*	2nd stage turbine rotor failed causing catastrophic failure.
FPP1	3/18/2009 7:14 AM	3/18/2009 8:30 PM	13.27	Generator 7110 breaker disconnect fault.
	4/4/2009 12:49 AM	4/5/2009 1:00 PM	24.18	External tube leak on 8th floor "C" corner.
	5/11/2009 6:28 PM	5/13/2009 6:01 AM	35.55	Generator 350 G protective relay misoperation.
	6/24/2009 2:10 PM	6/25/09 10:08 AM	43.97	1B vacuum pump tripped.
	7/30/09 3:26 PM	7/30/2009 5:48 PM	2.37	CPU Fault - communication failure.
	12/24/09 5:02 PM	12/24/09 6:12 PM	1.17	1-2 Silo diverter wear plate issue.
	1/11/10 5:54 AM	1/11/2010 4:28 PM	10.57	Startup failure.
FPP 2	3/18/09 7:14 AM	3/19/09 8:48 PM	25.57	Generator 7110 breaker disconnects fault.
	5/7/09 11:58 AM	5/20/09 9:07 PM	309.15	Furnace roof and reheat tubes failure.
	11/24/09 12:40 AM	11/26/09 8:12 AM	55.53	Tube leak.
STP 2	9/17/09 4:44 AM	9/28/09 2:23 PM	261.65	Ruptured steam bellow.

Clean

Energy efficiency is the least expensive response to load growth at an average cost of $350/KW versus $750-$850/KW for natural gas-fueled generating units. Austin Energy has set a goal of reducing peak demand by 800 MW between 2007 and 2020. Austin Energy conservation programs will be required to average about 56.4 MW of reduced peak demand per year through 2020. Projected peak demand savings for FY 2010 is 51 MW.

Peak demand savings by all conservation programs in each of the last five years plus the cumulative percentage since 2007 achieved of the 800MW goal

	Program	2005	2006	2007	2008	2009
Peak Demand Reduction (MW)	Residential	21.9	24.2	25.2	25.3	19.4
	Commercial	16.9	18.5	24.3	19.7	19.6
	Green Building	10.9	14.8	15.9	19.2	13.4
	Total	49.7	57.4	65.4	64.1	52.4
% of 800 MW				8.1%	16.1%	22.7%

Summary rebate information for residential and commercial, including total rebate dollars, average number of rebates and cost per KW, both with and without Green Building peak demand reductions

	2005	2006	2007	2008	2009	Total
Residential						
Total rebate	7,513,137	8,879,781	8,809,516	9,138,795	10,804,112	45,145,341
# rebates	26,926	30,596	32,375	44,177	37,911	171,985
average rebate	$ 279	$ 290	$ 272	$ 207	$ 285	1,333
Cost per kW	$ 344	$ 367	$ 349	$ 362	$ 556	$ 389
$/kW w GB	$ 251	$ 261	$ 242	$ 265	$ 435	$ 283
						0
Commercial						0
Total rebate	6,325,536	6,210,071	5,299,520	4,308,731	3,845,904	25,989,762
# rebates	2,702	2,194	3,330	2,527	1,572	12,325
average rebate	$ 2,341	$ 2,830	$ 1,591	$ 1,705	$ 2,447	10,915
Cost per kW	$ 374	$ 337	$ 218	$ 219	$ 196	$ 263
$/kW w GB	$ 319	$ 266	$ 183	$ 145	$ 140	$ 201

Renewable Energy

Austin Energy has set a goal that of energy delivered to customers by 2020--35% will come from renewable resources. Also, that the renewables portfolio include 200 MW of solar capacity. Austin Energy GreenChoice has led 850 utility-sponsored green power programs in sales every year since 2002.

Percentage of power delivered to customers annually from renwables and growth in installed solar capacity in MW.

Measure	Target	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Renewable Energy Resources	35.00%	3.80%	6.00%	5.80%	6.6%	10%
Solar Generation Capacity	200 MW	0.85 MW	1.00 MW	1.60 MW	2.60 MW	4.30 MW

Austin Energy expanded its wind portfolio by 165 MW in December 2008. During Fiscal Year 2008-2009, about 10% of the power delivered from Austin Energy to its customers came from renewable resources, or 1,279,082,866 kWh. Of that total for FY 2009, about 65% was paid for by GreenChoice® participants. The cost of the remaining 35% was recovered through the fuel charge. The current long-term goal is that 35% of energy delivered by Austin Energy will be provided through renewable energy resources by 2020.

- **Total renewable energy purchased annually**
- **kWh paid for by GreenChoice® subscribers**
- **kWh recovered through the fuel charge**

Measure	kWh	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Renewable Purchases	kWh	452,125,300	662,745,030	649,266,500	797,480,831	1,279,082,866
Green Choice Sales	kWh	440,276,010	606,206,182	634,964,958	730,868,214	828,592,825
Renewable Energy to Fuel Charge	kWh	11,849,290	54,538,848	14,301,542	66,162,617	450,490,041

Emissions

Austin Energy has a goal to reduce by 2020, CO2 emissions 20% below 2005 levels. Decker, Sand Hill Energy Center (SHEC) and Holly (retired in 2007) are natural-gas fueled plants. The Fayette Power Project (FPP) is coal-fueled.

CO2 emissions (pounds of CO2 equivalent per MWh) by plant annually

Fiscal Year	2005	2006	2007	2008	2009
Decker	1,252.5	1,265.8	1,269.1	1,259.5	1,277.9
SHEC	845.3	836.2	831.0	887.3	918.9
Fayette	2,057.3	2,097.8	2,069.0	2,037.7	2,023.9
Holly	1,336.0	1,357.6	1,348.2	0	0

Customer Service

Austin Energy is proactive in addressing customer needs and regularly monitors customer satisfaction through customer surveys. The nationally recognized American Customer Satisfaction Index (ACSI) was selected as the basis for Austin Energy's Customer Satisfaction Index (AE-CSI). The AE-CSI measures, then averages, the satisfaction levels of Austin Energy's three major customer segments - residential, small/mid-sized-commercial, and key account (large commercial) customers based on the measurement of key deliverables such value and customer service. Austin Energy has set a goal of achieving a customer satisfaction score of 83/100 by 2010.

Overall customer satisfaction rating for Austin Energy annually, and the customer satisfaction rating by customer type annually.

Measure	Target	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Customer Satisfaction	83/100	79/100	80/100	80/100	82/100	78/100

Fiscal Year Ended September 30:		FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Customer Satisfaction						
Residential	**Goal = 78%**	74%	75%	72%	76%	73%
Commercial	**Goal = 85%**	79%	81%	83%	74%	76%
Key Accounts	**Goal = 84%**	84%	84%	86%	86%	86%

Call Center Operations

The City of Austin Utility Contact Center is managed by Austin Energy. On average the Center receives about 5,000 calls per day and about 1,000 faxed documents per month. The Contact Center and all Customer Care billing and account management services recently earned ISO 9001 certification. An ISO designation indicates that all activities related to providing and delivering a product are performed according to established standards, and are quality assured and documented through a quality management system.

Number of customer calls handled by the utility Customer Contact Center annually

Fiscal Year	Calls Received
FY 2009	1,435,929
FY 2008	1,405,573
FY 2007	1,416,055
FY 2006	1,545,433
FY 2005	1,498,124

Average speed in answering calls by the Customer Contact Center customer service representatives

Fiscal Year	Seconds
FY 2009	92
FY 2008	74
FY 2007	74
FY 2006	122
FY 2005	120

Payments Processing

Since March of 2008, 100% of all City of Austin utility payments have been posted the same day received—far exceeding the industry average of up to three days. This requires the daily posting of about 24,000 checks and payment stubs.

In addition the number of payments received electronically is exceptionally high and continues to increase. Part of that success is that some 50 retail locations where utility bill payments can be made such as HEBs, Randalls and Ace Cash Express locations utilize a Western Union wire program set up by Austin Energy staff to transfer customer utility bill payments to the utility. Payments through the pay station Western Union program have averaged more than 750,000 a year.

Percentage of bill payments received electronically

Fiscal Year	Percentage
FY 2009	46.5%
FY 2008	42.0%
FY 2007	36.6%
FY 2006	29.4%
FY 2005	18.6%

Customer Assistance

In addition to payment plans to assist customers who fall behind on utility bill payments, Austin Energy has developed for the City of Austin, one of the most generous Customer Assistance programs in the nation for those truly in need. Utility bill discounts are a key component of the program. These are provided to customers already receiving benefits through a variety of federal, state, county or city assistance programs. Austin Energy has continuously improved its outreach efforts to deliver these benefits to as many customers as possible. Currently some 9,820 families are receiving utility bill discounts at an average of about $400 per year per family.

The large increase in participation from FY 2008 to FY 2009 reflects the fact that Austin Energy staff is now automatically enrolling eligible customers already receiving benefits through various state Medicaid programs. Efforts are also underway to finalize an agreement under which Travis County would provide its list annually of those participating in the Travis County Medical Assistance Program, for automatic enrollment in the Utility Bill Discount program. The ultimate size and benefits level of the discount program are being examined to determine future capability.

Number of customers enrolled in the Utility Discount Program and savings in dollars annually

Utility Discount Program	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Customers	4,447	5,292	4,712	4,501	8,164
Annual Savings	$779,349	$1.628M	$41,486M	$1,263M	$3.103M

Web Site Links

Austin Energy will provide links to AE data that relates to budget, Council approval of purchases, financial reports to Council, energy efficiency and renewables reporting as well as links to AE submitted market and utility industry reporting.

Quarterly Report to EUC
http://www.ci.austin.tx.us/budget/10-11/downloads/all_combined_2nd_quarter_report_2010.pdf

List of payments under City Council limit (to CC on a monthly basis)
http://www.ci.austin.tx.us/cityclerk/edims/2010/2010_council_index.htm

Link to RCAs
http://www.ci.austin.tx.us/cityclerk/edims/2010/2010_council_index.htm or
http://www.cityofaustin.org/edims/advance_search.cfm

Link and instructions to Budget, Fee Schedules and Financial Policies
http://www.ci.austin.tx.us/budget/default.htm or
http://www.ci.austin.tx.us/budget/budget.htm

All RMC reports and presentations including Energy Efficiency/Solar Reports
http://www.ci.austin.tx.us/cityclerk/boards_commissions/boards/bid44.htm

All EUC reposts and presentations including Financial Report
http://www.ci.austin.tx.us/cityclerk/boards_commissions/boards/bid27.htm

Link and instructions to Bond Official Statement (OS)
http://www.ci.austin.tx.us/finance/treasury.htm

Link and instructions to Comprehensive Annual Financial Report (CAFR)
http://www.ci.austin.tx.us/controller/

Link to emissions including hourly or aggregated NOx, SO_2 and CO_2 emissions, heat input, and energy output for large electricity generating units. The latest data available is from the previous calendar quarter.
http://camddataandmaps.epa.gov/gdm/index.cfm?fuseaction=iss.isshome

ERCOT - Posted within two (2) days after the applicable Operating Day

Aggregated Bid Curves - Quantities and Prices of hourly bids for Balancing Energy Up and Down
http://www.ercot.com/mktinfo/agg_bid/index.html
http://www.ercot.com/mktinfo/agg_bid/index.html

Self-arranged Ancillary Services for each type of service,
by hour, Up-Reg, Down-Reg, Responsive, Non-Spin
http://www.ercot.com/mktinfo/

Self Arranged Energy Schedules
http://www.ercot.com/gridinfo/
http://pi.ercot.com/contentproxy/publicList?folder_id=17872119

Actual Resource generation
http://www.ercot.com/gridinfo/
http://pi.ercot.com/contentproxy/publicList?folder_id=17872128

Load and Resource generation for each QSE that /
Dynamically schedules its Resources
http://www.ercot.com/gridinfo/sysplan/
http://pi.ercot.com/contentproxy/publicList?folder_id=39176090

Scheduled Load and Actual Load
http://www.ercot.com/gridinfo/sysplan/
http://pi.ercot.com/contentproxy/publicList?folder_id=17872146

ERCOT - Entity Specific Market Reports

Posted sixty (60) days after the applicable Operating Day

Final energy schedules for each QSE/
(Qualified Scheduling Entity)
http://www.ercot.com/mktinfo/services
https://pi.ercot.com/contentproxy/publicList?folder_id=10001739

Final Ancillary Services schedule for each QSE
Up-Reg, Down-Reg, Responsive, Non-Spin
http://www.ercot.com/mktinfo/services/
http://pi.ercot.com/contentproxy/publicList?folder_id=10001712

Resource Plans for each Resource represented for each QSE
http://www.ercot.com/gridinfo/sysplan/
https://pi.ercot.com/contentproxy/publicList?folder_id=10001919

Actual generation from each resource
http://www.ercot.com/gridinfo/sysplan/
http://pi.ercot.com/contentproxy/publicList?folder_id=39175212

All ERCOT Dispatch Instructions for Balancing Energy
and Ancillary Services Balancing Up, Balancing Down,

Up-Reg, Down-Reg, Responsive, Non-Spin
http://www.ercot.com/gridinfo/sysplan/
http://pi.ercot.com/contentproxy/publicList?folder_id=39175561

Load and Resource generation for each QSE that Dynamically schedules its Resources
http://www.ercot.com/gridinfo/sysplan/
http://pi.ercot.com/contentproxy/publicList?folder_id=39176090