

# **DRAFT**

# **Austin Energy**

# **Annual Performance Report**

**Proposed Expanded Report**  
**Year Ended September 30, 2010**



***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.

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## **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.

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

	<b>Program</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>
<b>Peak</b>	Residential	24.2	25.2	25.3	19.4	18.9
<b>Demand</b>	Commercial	18.4	24.3	19.6	19.6	14.8
<b>Reduction</b>	Green Building	14.8	15.9	19.2	13.4	7.5
<b>(MW)</b>	Total	57.4	65.4	64.1	52.4	41.2
<b>% of 800 MW</b>			8%	16%	23%	28%

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

	FY 2006	FY 2007	FY 2008	FY 2009	2010	Total
<b>Residential</b>						
Rebate (\$)	6,856,134	6,452,787	7,684,024	8,480,574	9,718,242	39,191,761
# rebates	30,596	32,375	44,177	37,911	37,267	182,326
Avg. Rebate	\$224	\$199	\$174	\$224	\$261	\$215
\$/kW	\$283	\$256	\$304	\$437	\$515	\$347
\$/kW w GB	\$202	\$177	\$223	\$341	\$418	\$256
\$/kWh	\$0.035	\$0.026	\$0.018	\$0.022	\$0.035	\$0.025
\$/kWh w GB	\$0.023	\$0.017	\$0.014	\$0.018	\$0.028	\$0.019
<b>Commercial</b>						
Rebate (\$)	3,291,862	5,054,012	4,080,800	3,396,259	4,017,299	19,840,231
# rebates	2,194	3,330	2,527	1,572	1,629	11,252
Avg. Rebate	\$1,500	\$1,518	\$1,615	\$2,160	\$2,466	\$1,763
\$/kW	\$178	\$208	\$207	\$173	\$270	\$205
\$/kW w GB	\$141	\$175	\$137	\$124	\$224	\$156
\$/kWh	\$0.007	\$0.007	\$0.009	\$0.010	\$0.009	\$0.008
\$/kWh w GB	\$0.005	\$0.006	\$0.005	\$0.006	\$0.007	\$0.005
<b>Total Rebate</b>	10,147,996	11,506,799	11,764,824	11,876,832	13,735,541	59,031,993

\*Rebate totals for FY 2006 and 2007 exclude hybrid vehicles.

\*kW shows one year savings. kWh is based on a 10-year life.

## Energy Efficiency Program Expenditures:

### CONSERVATION REBATES AND INCENTIVES FUND

#### Fund Summary

	2005-06	2006-07	2007-08	2008-09	2009-10
<b>ELECTRIC REBATES AND INCENTIVES</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ACTUAL</b>
Free Weatherization (Actual)	797,134	175,304	757,545	752,132	513,909
Multi-family Rebates	291,108	629,560	1,461,516	1,143,984	2,098,407
Loan Options	299,224	277,523	233,380	228,712	86,029
Rebate Options	2,640,260	2,293,274	3,201,580	4,056,167	5,469,084
Clothes Washer Rebates	27,250	44,100	50,495	50,000	56,600
Duct Diagnostic/Sealing Rebates	197,543	166,103	80,654	56,918	37,490
Nexus-Home Audit CD	47,500	53,125	56,123	60,994	59,051
Compact Fluorescent Distribution	70,895	202,709	101,265	427,230	--
Loan Star Debt Service	--	--	--	--	790
Commercial-Existing Construction	2,053,351	3,579,211	3,193,100	2,706,843	2,845,133
Small Businesses	711,118	498,100	666,400	248,639	963,957
Green Building	6,000	--	--	--	--
Commercial Power Partner	417,393	945,451	221,300	300,880	205,923
Commercial Miser Program	90,000	--	--	139,897	1,496
Commercial Finance Program	--	--	--	--	--
Solar rebates	2,796,354	2,561,892	4,198,494	6,710,009	3,910,771
Refrigerator Recycle program	473,986	391,680	515,186	517,615	508,294
Multi-Family Duct Sealing	1,019,024	598,573	125,800	509,055	72,978
Residential Power Partner- Aggressive	991,613	1,586,377	1,095,913	670,259	807,111
Load Coop	597	34,459	4,567	7,508	9,289
Thermal Energy Storage	14,000	31,250	--	--	--
Hybrid Vehicles	692,542	762,622	--	--	--
Home Performance w Energy Star	--	--	--	--	--
Appliance Efficiency Program	--	--	--	--	--
Air Conditioning Rebates	--	--	--	--	--
<b>GRAND TOTAL</b>	<b>13,636,892</b>	<b>14,831,313</b>	<b>15,963,318</b>	<b>18,586,841</b>	<b>17,646,312</b>
% change over prior year	-8.8%	8.8%	7.6%	16.4%	-5.1%
Total w/o solar rebates	10,840,538	12,269,421	11,764,824	11,876,832	13,735,541

# Energy Efficiency Program Expenditures and Energy/Demand Savings for FY 10:

Residential Efficiency	Incentives	Energy	Demand (MW)		
		mWh	Actual	Goal	% Goal
Appliance Efficiency	\$ 2,363,454	5,353	4.15	2.97	140%
H P Energy Star - Rebate	\$ 3,164,680	5,808	5.29	4.22	125%
Home Performance ES - Loan	\$ 86,029	215	0.20	0.38	52%
Free Weatherization	\$ 513,909	498	0.43	0.97	45%
Multi-Family	\$ 2,135,897	13,231	4.48	2.68	167%
Clothes Washer Rebates	\$ 56,600	296	0.05	0.02	257%
Refrigeration Recycling	\$ 508,294	2,530	0.66	0.72	91%
Power Partner & Cycle Saver	\$ 807,111	57	3.60	5.32	68%
Subtotal Res.	\$ 9,635,975	27,990	18.86	17.28	109%
<b>Commercial Energy Management</b>					
Commercial Rebate & ILA	\$ 2,845,133	37,126	10.00	8.92	112%
Small Business Light&Bonus	\$ 963,957	5,311	1.94	2.50	77%
Municipal	\$ 790	1,802	0.37	1.20	31%
Power Partner	\$ 205,923	8	0.60	0.72	84%
Load Coop	\$ 9,289	5	1.97	0.75	262%
Engineering Support & TES	\$ 72,978	0	0.01	5.20	0%
Commercial Smart Vendor	\$ 1,496	137	0.02	0.05	40%
Subtotal Comm.	\$ 4,099,566	44,390	14.90	19.3	77%
<b>Green Building</b>					
Residential		1,082	0.60	0.58	103%
Residential Energy Code		5,137	3.16	3.31	95%
Multi-Family		641	0.50	2.38	21%
Multi-Family Energy Code		281	0.13	0.72	18%
Commercial		5,299	1.65	4.76	35%
Commercial Energy Code		4,138	1.42	4.40	32%
Subtotal GB		16,577	7.47	16	46%
<b>Total DSM</b>	<b>\$ 13,735,541</b>	<b>88,957</b>	<b>41.23</b>	<b>52.8</b>	<b>78%</b>

## Austin Energy Grants Activity:

Grant Name	Grantor	Grant Award	Term
Central Texas Clean Cities CM624	State Energy Conservation Office	23,500	02/06/2006 - 12/31/2006
Central Texas Clean Cities CM724	State Energy Conservation Office	15,000	07/02/2007 - 08/31/2008
Solar For Schools	State Energy Conservation Office	100,000	04/12/2005 - 03/31/2007
Texas Solar For Schools	State Energy Conservation Office	100,000	02/06/2008 - 01/01/2010
Central Texas Clean Cities - RDS	Research and Development Solutions	42,500	03/30/2007 - 09/30/2009
Energy Star Appliance Replacement/Recycle Program	State Energy Conservation Office	94,636	07/31/2007 - 05/31/2009
Energy Star Appliance Replacement/Recycle Program	Texas Commission on Environmental Quality	318,000	04/28/2008 - 08/31/2009
Solar City Partnership	Department of Energy	186,930	09/15/2007 - 03/15/2011
Smart Meters and Remote Technology	State Energy Conservation Office	15,000	05/01/2007 - 08/31/2007
Central Texas Clean Cities CM913	State Energy Conservation Office	30,000	12/10/2008 - 08/31/2009
USB Soy Biodiesel Program	Osborn & Barr Communications, Inc.	17,550	05/08/2009 - 09/30/2009
Propane Lawn Equipment Project	Propane Education and Research Council, Inc.	127,000	10/01/2008 - 12/31/2010
Best Practices for Data Center Energy Efficiency	State Energy Conservation Office	70,000	06/16/2009 - 10/31/2010
ARRA - Weatherization	Texas Department of Housing & Community Affairs	8,090,874	09/01/2009 - 12/31/2011
ARRA - EECBG	Department of Energy	7,492,700	12/28/2009 - 12/27/2012
Central Texas Clean Cities - LTI	Leonardo Technologies, Inc.	72,500	11/16/2009 - 10/31/2011
ARRA - Clean Energy Accelerator/Better Buildings	Department of Energy	10,000,000	05/24/2010 - 05/23/2013
ARRA- Solar Curriculum Development & School Demo	Department of Energy	450,000	01/01/2010 - 03/31/2012
ARRA - Propane Vehicles/Infrastructure	Railroad Commission of Texas	35,000	07/15/2010 - 01/31/2014
		<u>27,281,190</u>	

## Renewable Energy

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

**Renewable energy production as a percentage of the total annual energy use by Austin Energy customers and cumulative installed solar capacity achieved by the Austin Energy Solar Program:**

Measure	Target	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
<b>Renewable Energy Resources</b>	35%	6%	5.80%	6.6%	10%	10%
<b>Solar Generation Capacity (Solar for Schools, municipal, and rebates)</b>	200 MW	1.5 MW	2.1 MW	3.1 MW	4.7 MW	6 MW

**Solar Program total dollars spent annually:**

<b>Fiscal Year</b>	<b>Solar for Schools (O&amp;M Fund as of 2008)</b>	<b>Municipal Solar (CIP Fund)</b>	<b>Rebates (Rebate Fund)</b>	<b>Total Dollars Spent on Solar</b>
FY 2006	\$386,261.12	\$0.0	\$2,796,354.00	\$3,182,615.12
FY 2007	\$121,855.19	\$43,147.76	\$2,561,892.00	\$2,726,894.95
FY 2008	\$58,173.60	\$534,670.65	\$4,198,494.00	\$4,791,338.25
FY 2009	\$73,501.54	\$521,494.67	\$6,710,009.00	\$7,305,005.21
FY 2010	\$68,714.14	\$780,108.38	\$3,910,770.75	\$4,759,593.27

\*Solar funding comes from three different categories as indicated in the table. In FY 2010, 212 residential customers and 11 commercial customers received rebates.

## Solar Rebate Program:

<b>Solar Rebate Program</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>
<b>Residential</b>					
Rebate Dollars	\$2,074,100.64	\$1,751,101.43	\$2,392,273.22	\$ 4,615,224.82	\$3,131,799.28
# Rebates	162	137	185	288	212
kW at PTC	424	357	483	946	828
Avg. Rebate	\$12,803.09	\$12,781.76	\$12,931.21	\$16,025.09	\$14,772.64
Avg. System Size kW	2.62	2.61	2.61	3.28	3.91
\$/kW	\$4,891.63	\$4,906.02	\$4,950.98	\$4,878.49	\$3,782.11
<b>Commercial</b>					
Rebate Dollars	\$305,206.49	\$700,478.59	\$1,387,029.00	\$2,086,482.78	\$560,048.19
# Rebates	4	11	23	37	11
kW at PTC	54	150	270	417	115
Avg. Rebate	\$76,301.62	\$63,679.87	\$60,305.61	\$56,391.43	\$50,913.47
Avg. System Size kW	13.50	13.62	11.74	11.27	10.47
\$/kW	\$5,653.90	\$4,673.91	\$5,134.87	\$5,002.90	\$4,863.91
<b>Solar Water Heating</b>					
Rebate Dollars	N/A	\$1,900.00	\$30,000.00	\$61,500.00	\$67,500.00
# Rebates	N/A	3	16	33	35
kW at PTC	N/A	2.0	10.4	21.5	22.8
Avg. Rebate	N/A	\$633.33	\$1,875.00	\$1,863.64	\$1,928.57
Avg. System Size kW	N/A	0.65	0.65	0.65	0.65
\$/kW	N/A	\$974.36	\$2,884.62	\$2,867.13	\$2,967.03
<b>Rebates Processed</b>	\$2,379,307.13	\$2,453,480.02	\$3,809,302.22	\$6,763,207.60	\$3,759,347.47
<b>Processed in Prior Period (Timing Difference)</b>	*\$417,046.87	*\$108,411.98	*\$389,191.78	*(\$53,198.60)	*\$151,423.53
<b>Total</b>	<b>\$2,796,354</b>	<b>\$2,561,892</b>	<b>\$4,198,494</b>	<b>\$6,710,009</b>	<b>\$3,910,771</b>

\*Under/(over)

Austin Energy expanded its wind portfolio by 165 MW in December 2008. During FY 2009-2010, about 10% of the power delivered from Austin Energy to its customers came from renewable resources, or 1.245 billion kWh. Of that total for FY 2010, about 69% was paid for by GreenChoice® participants with the remaining cost (31%) recovered through the fuel charge.

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

Measure	kWh	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
<b>Renewable Purchases</b>	kWh	662,745,030	649,266,500	797,480,831	1,279,082,866	1,245,230,733
<b>Green Choice Sales</b>	kWh	606,206,182	634,964,958	730,868,214	828,592,825	860,832,289
<b>Renewable Energy to Fuel Charge</b>	kWh	54,538,848	14,301,542	66,162,617	450,490,041	382,466,444

### Renewable Energy Purchases:

Purchase Power Agreements						
Agreement	Type	Capacity MW	Term (years)	Duration	Expiration	Location
FPL - King Mountain	Wind	76.7	10	2001-2011	8/31/2011	West Texas
LCRA	Wind	10	25	1995-2020	9/29/2020	West Texas
SW2	Wind	91.5	12	2005-2017	2/11/2017	West Texas
SW3	Wind	35	12	2005-2017	12/30/2017	West Texas
RES - Whirlwind	Wind	60	20	2007-2027	12/31/2027	Panhandle
RES - Hackberry	Wind	165	15	2008-2023	12/21/2023	West Texas

### GreenChoice subscribed and non-subscribed:

GreenChoice® Batch Subscriptions - CY 2010							
Batch	GreenChoice Residential kWh	GreenChoice Commercial kWh	GreenChoice Total kWh	Non-subscribed kWh	% Subscribed	% Unsubscribed	Total kWh
Batch-1	129,331	59,748	189,079	-	100%	0%	189,079
Batch-2	39,900	122,486	162,386	-	100%	0%	162,386
Batch-3	9,751	92,314	102,065	-	100%	0%	102,065
Batch-4	20,450	162,448	182,899	32,881	85%	15%	215,780
Batch-5	21,759	173,582	195,341	-	100%	0%	195,341
Batch-6	4,545	29,086	33,631	397,747	8%	92%	431,378

\*GreenChoice activity is reconciled on the basis of batches, not individual PPAs given that some batches consist of multiple PPAs.

## Emissions

Austin Energy has a goal to reduce CO<sub>2</sub> emissions by 2020 to a level that is 20% below 2005 levels. Decker Creek Power Station, Sand Hill Energy Center (SHEC) and Holly Street Power Plant (retired in 2007) are natural-gas fueled plants. The Fayette Power Project (FPP) is coal-fueled.

### CO<sub>2</sub> emissions (pounds of CO<sub>2</sub> equivalent per MWh) by plant annually:

Fiscal Year	2005	2006	2007	2008	2009	2010
Decker	1,252.5	1,265.8	1,269.1	1,259.5	1,277.9	1,289.2
SHEC	845.3	836.2	831.0	887.3	918.9	918.8
Fayette	2,057.3	2,097.8	2,069.0	2,037.7	2,023.9	2,048.1
Holly	1,336.0	1,357.6	1,348.2	0	0	0

### Austin Energy total CO<sub>2</sub> stack emissions from owned generation in metric tonnes:

Calendar Year	2005	2006	2007	2008	2009	2010
CO <sub>2</sub> Emissions in Metric Tonnes	5,538,227	5,426,064	6,064,444	5,854,338	5,468,898	5,083,094

### Carbon Intensity:

Austin Energy's system average carbon intensity in lbs CO<sub>2</sub>-eq/kWh:

Calendar Year	2005	2006	2007	2008	2009	2010
CO <sub>2</sub> -eq/kWh	1.17	1.14	1.18	1.16	1.10	1.10

\*CO<sub>2</sub>-eq stands for CO<sub>2</sub> "equivalents" and includes emissions of CO<sub>2</sub> and all other non-CO<sub>2</sub> greenhouse gases.

## **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	2010	AA- Stable	A1 Stable	AA Stable
	2009	AA- Stable	A1 Stable	AA Stable
	2008	AA- Stable	A1 Stable	AA- Stable
	2007	AA- Stable	A1 Stable	AA- Stable
	2006	AA- Stable	A1 Stable	AA- Stable
Combined utility revenue bonds - subordinate lien	2010	AA- Stable	A1 Stable	AA Stable
	2009	AA- Stable	A1 Stable	AA Stable
	2008	AA- Stable	A1 Stable	A+ Stable
	2007	AA- Stable	A1 Stable	A+ Stable
	2006	AA- Stable	A1 Stable	A+ Stable
Electric utility revenue bonds - Electric separate lien	2010	AA- Stable	A1 Positive	A+ Positive
	2009	AA- Stable	A1 Positive	A+ Positive
	2008	AA- Stable	A1 Stable	A+ Stable
	2007	AA- Stable	A1 Stable	A+ Stable
	2006	AA- Stable	A1 Stable	A+ Stable

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

The difference between the FY 2010 amended budget and actual expenditures is due primarily to lower fuel costs (natural gas) of almost \$24 million. The variance between the FY 2010 amended budget and actual expenditures is due primarily to lower fuel costs (natural gas) of almost \$24 million. This helps absorb higher than anticipated costs at the South Texas Project and higher than planned debt service payments of \$1.5 million on outstanding debt.

**Austin Energy**

	Fiscal Year Ended	Approved Budget	Amended Budget	Actual Expenditures
Operating Budget Total Requirements	2010	\$ 1,312,393,516	\$ 1,312,393,516	\$ 1,247,517,927
Operating Budget Total Requirements	2009	\$ 1,379,690,769	\$ 1,413,921,716	\$ 1,300,176,900
Operating Budget Total Requirements	2008	\$ 1,156,297,612	\$ 1,165,360,556	\$ 1,248,009,469
Operating Budget Total Requirements	2007	\$ 1,124,863,219	\$ 1,124,863,219	\$ 1,066,420,724
Operating Budget Total Requirements	2006	\$ 953,148,417	\$ 974,073,417	\$ 1,056,619,931
Year 1 of Capital Spending Plan	2010	\$ 305,978,000		\$ 201,611,828
Year 1 of Capital Spending Plan	2009	\$ 347,513,000		\$ 254,239,693
Year 1 of Capital Spending Plan	2008	\$ 302,649,000		\$ 247,874,960
Year 1 of Capital Spending Plan	2007	\$ 209,828,200		\$ 189,224,097
Year 1 of Capital Spending Plan	2006	\$ 176,072,590		\$ 133,314,748

The number of new customers (meters) added during FY 2009-2010 was 5,944, the smallest increase since FY 2002. Sales during FY 2009-2010 were .88% less than the year before, due primarily to reduced demand from large industrial customers and economic conditions. This continued a trend of declining sales which began in FY 2008-2009 when sales decreased .83%.

## Customers

Austin Energy has four main customer classes: **residential, commercial, industrial, and other**. Residential customers live in single-family dwellings, mobile homes, townhouses, or individually metered apartment units. The majority of commercial customers range from small to large businesses and fall under Austin Energy's secondary level of service. This means Austin Energy owns, operates, and maintains the equipment (wires, transformers, etc.) supplying power to those facilities. Primary customers take service at high voltage and own, operate and maintain their own equipment. As a result, it costs Austin Energy less to serve these customers. Large commercial and industrial customers such as semiconductors, high-tech facilities, and data centers typically fall under the primary level of service. These customers have very high usage and load factors because they usually run 24/7. The final class, other, typically refers to street lighting and other well-lit facilities like ballparks.

- 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

<b>Customers</b>		<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY10 %</b>
Residential	#	338,184	345,197	352,574	363,217	368,700	89.1%
Commercial	#	40,934	41,825	42,585	43,049	43,489	10.5%
Industrial	#	75	75	78	81	80	0.0%
Other	#	1,505	1,523	1,553	1,579	1,601	0.4%
<b>Total</b>	<b>#</b>	<b>380,698</b>	<b>388,620</b>	<b>396,790</b>	<b>407,926</b>	<b>413,870</b>	<b>100.0%</b>

<b>MWH</b>		<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY10 %</b>
Residential	#	4,079,909	3,908,318	4,226,036	4,218,600	4,238,690	35.4%
Commercial	#	4,287,176	4,350,912	4,530,470	4,480,902	4,553,867	38.0%
Industrial	#	1,779,333	1,930,289	2,233,904	2,218,315	2,038,706	17.0%
Other	#	1,150,462	1,135,550	1,195,630	1,185,323	1,145,063	9.6%
<b>Total</b>	<b>#</b>	<b>11,296,880</b>	<b>11,325,069</b>	<b>12,186,040</b>	<b>12,103,140</b>	<b>11,976,326</b>	<b>100.0%</b>

<b>Revenue</b>		<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY10 %</b>
Residential	\$	387,540,000	356,143,000	416,809,000	406,393,000	407,074,000	39.5%
Commercial	\$	367,017,000	365,991,000	408,808,000	402,032,000	409,952,000	39.8%
Industrial	\$	108,491,000	113,248,000	138,901,000	132,792,000	122,714,000	11.9%
Other	\$	88,462,000	84,464,000	94,472,000	91,181,000	90,390,000	8.8%
<b>Total</b>	<b>\$</b>	<b>951,510,000</b>	<b>919,846,000</b>	<b>1,058,990,000</b>	<b>1,032,398,000</b>	<b>1,030,130,000</b>	<b>100.0%</b>

<b>cents per kWh</b>		<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>
Residential	\$	\$0.09499	\$0.09112	\$0.09863	\$0.09633	\$0.09604
Commercial	\$	\$0.08561	\$0.08412	\$0.09024	\$0.08972	\$0.09002
Industrial	\$	\$0.06097	\$0.05867	\$0.06218	\$0.05986	\$0.06019
Other	\$	\$0.07689	\$0.07438	\$0.07901	\$0.07693	\$0.07894
<b>Total</b>	<b>\$</b>	<b>\$0.08423</b>	<b>\$0.08122</b>	<b>\$0.08690</b>	<b>\$0.08530</b>	<b>\$0.08601</b>

<b>System Peak Demand (kW)</b>		<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>
		2,430,000	2,391,000	2,514,000	2,602,000	2,628,000

<b>MWH (% by class)</b>		<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>
Residential	%	36%	35%	35%	35%	35%
Commercial	%	38%	38%	37%	37%	38%
Industrial	%	16%	17%	18%	18%	17%
Other	%	10%	10%	10%	10%	10%
<b>Total</b>	<b>%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<b>Revenue (% by class)</b>		<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>
Residential	%	41%	39%	39%	39%	39%
Commercial	%	39%	40%	39%	39%	40%
Industrial	%	11%	12%	13%	13%	12%
Other	%	9%	9%	9%	9%	9%
<b>Total</b>	<b>%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

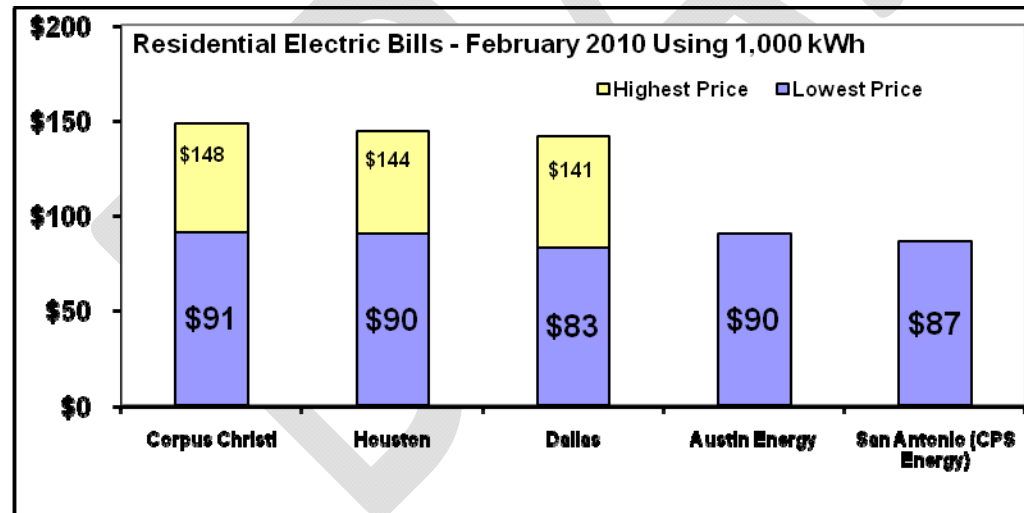
**Average monthly residential usage and average bill, in each of the last five years for Austin Energy and City Public Service San Antonio:**

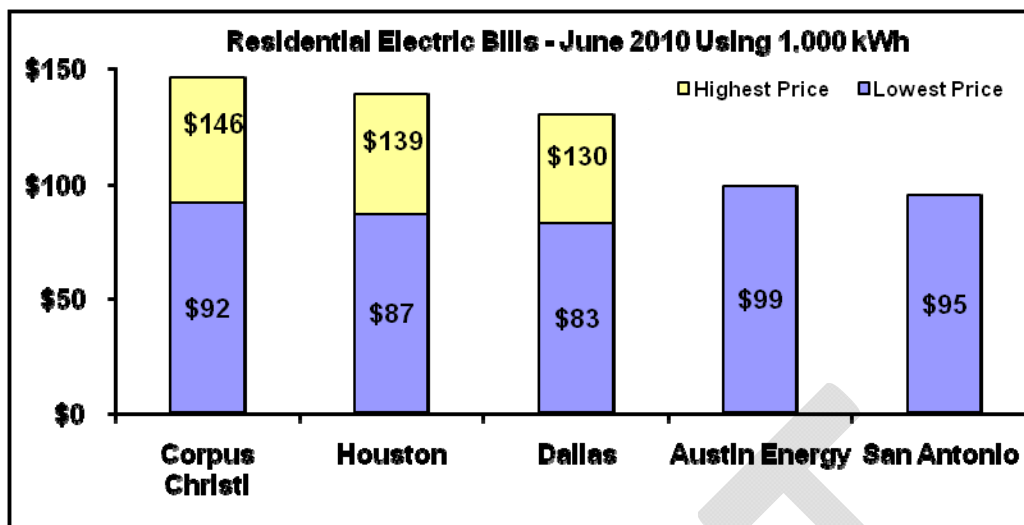
<b><u>Average Monthly KWH per Residential Customer</u></b>					
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Austin Energy	1,005	943	998	968	958
City Public Service Energy (San Antonio)	1,181	1,076	1,148	1,143	1,139
<b><u>Average Monthly Bill per Residential Customer</u></b>					
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Austin Energy	\$95.50	\$86.07	\$98.52	\$93.24	\$92.01
City Public Service Energy (San Antonio)	\$95.67	\$96.69	\$101.10	\$104.77	\$105.00

**Bill Comparison**

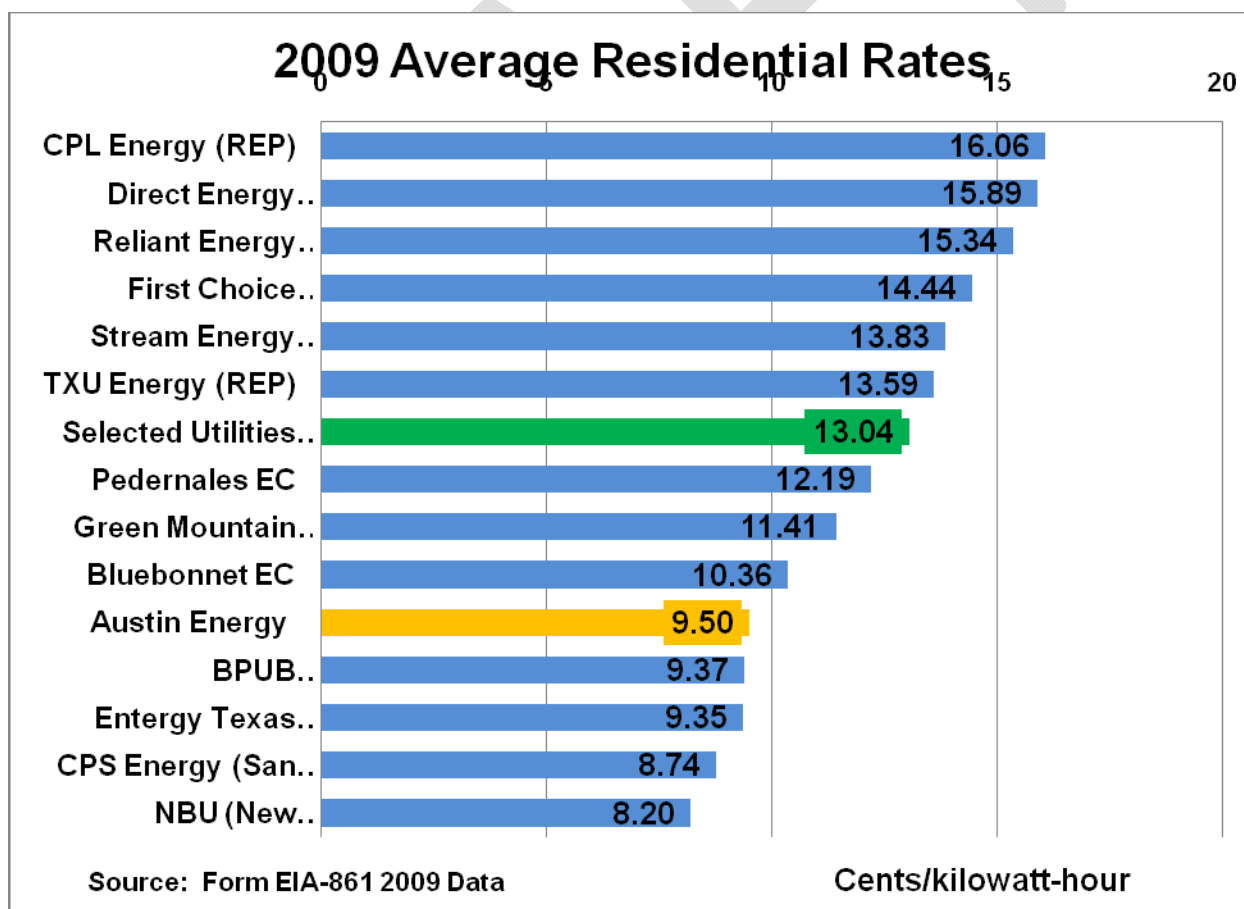
**Comparison of residential customer bills for Austin, Dallas, Houston, Corpus and San Antonio, for the previous fiscal or calendar year, as can be reasonably obtained:**

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

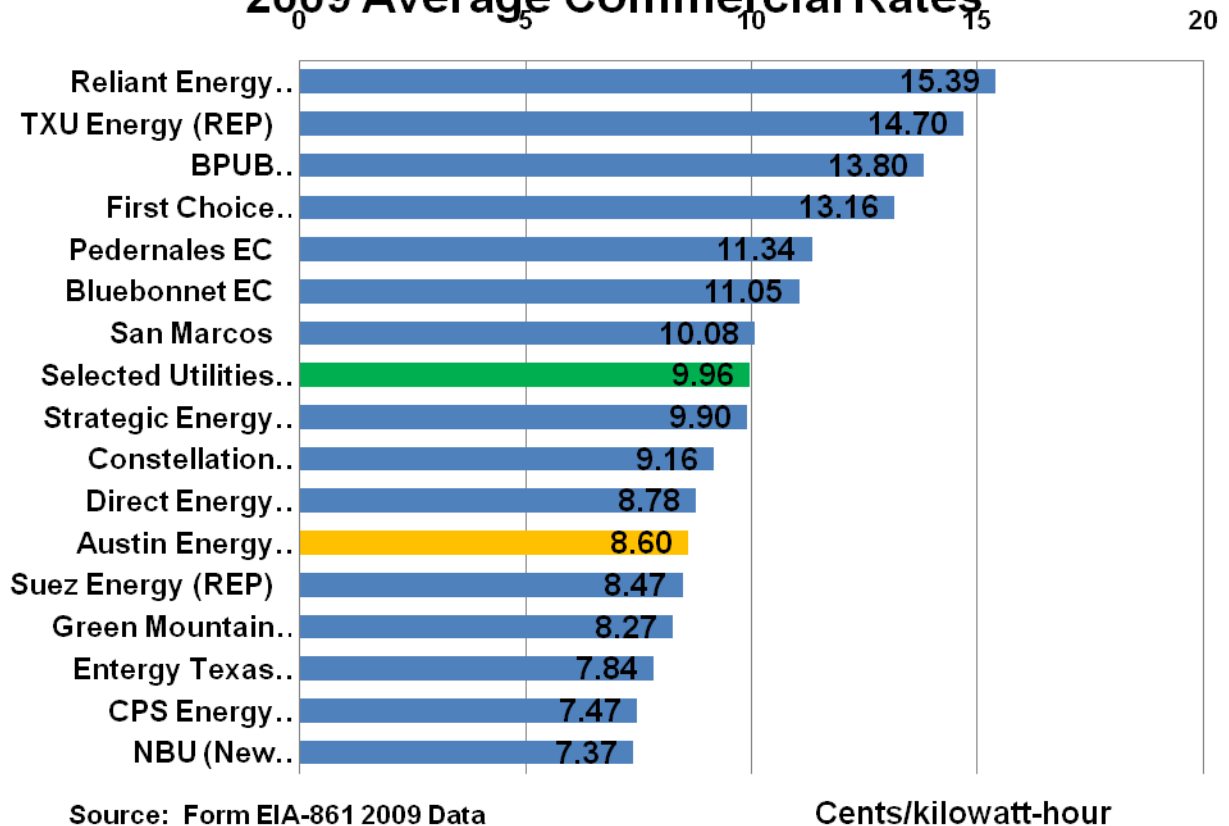


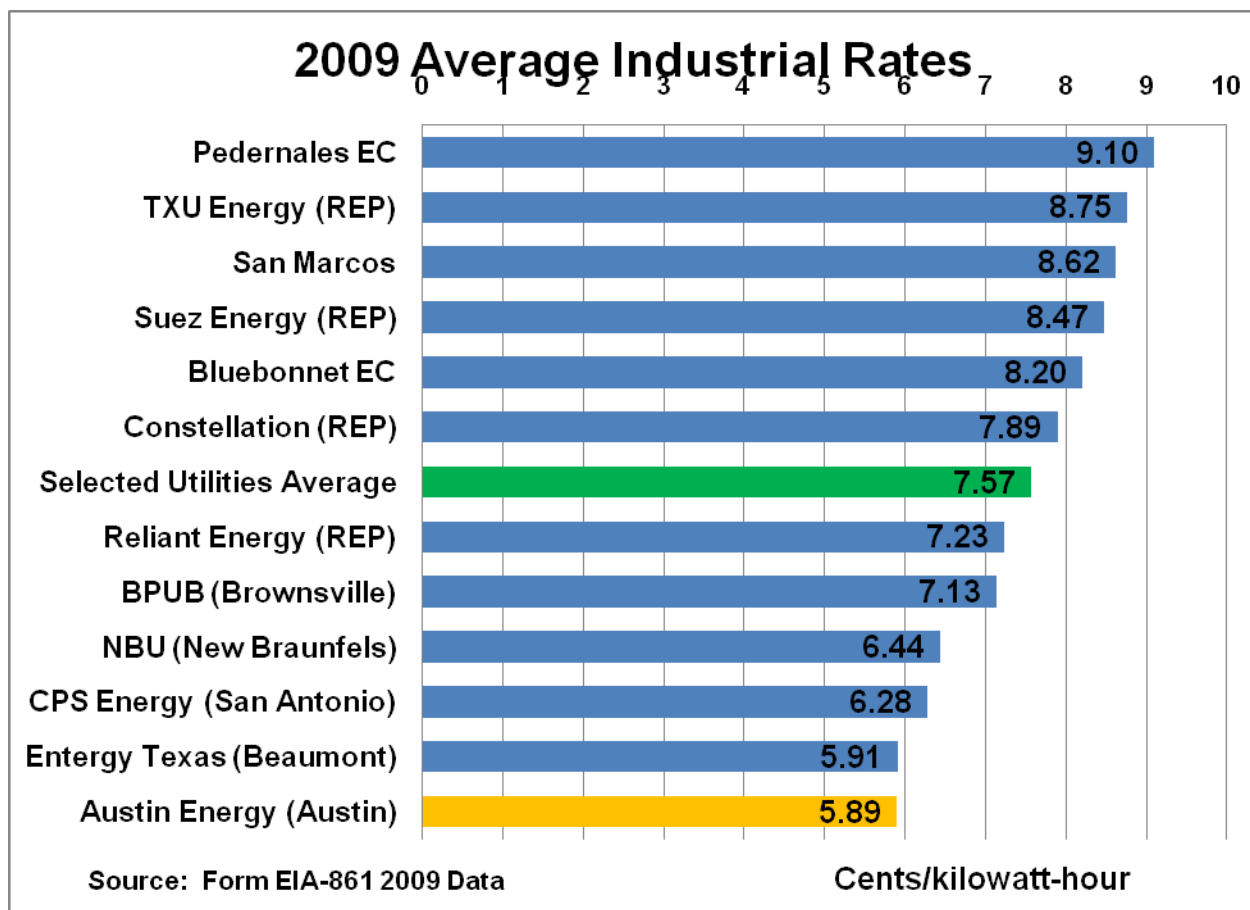


The below residential, commercial, and industrial rates were compiled as part of Austin Energy's affordability metrics released in early 2010. Numbers are based on 2009 test data and tables were compiled by the Energy Information Administration. In the future, Austin Energy will develop its own benchmarking for commercial and industrial customers.



## 2009 Average Commercial Rates





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

**Base Rates.** Austin Energy has a rate review under way with the goal of implementing redesigned base electric rates in calendar year 2012; the amount of the increases will be determined pending completion of the current process. 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.

## 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 1, 2011	3.105 cents/kWh
January 2008 - December 2010	3.653 cents/kWh
June 2007 - December 2007	3.044 cents/kWh
January 2007 - May 2007	3.343 cents/kWh
January 2006 - December 2006	3.634 cents/kWh
January 2004 - December 2005	2.796 cents/kWh
November 2003 - December 2003	2.265 cents/kWh
July 2003 - October 2003	2.004 cents/kWh
January 2002 - June 2003	1.774 cents/kWh
February 2001 - December 2001	2.682 cents/kWh
November 2000 - January 2001	2.211 cents/kWh
August 2000 - October 2000	1.635 cents/kWh
January 1999 - July 2000	1.372 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 2011 Projected Fuel Charge Breakdown (as of July 2011):**

<b>Natural Gas</b>	<b>Sand Hill, Decker &amp; Mueller</b>	<b>28%</b>
<ul style="list-style-type: none"> <li>• Supply</li> <li>• Pipeline Transportation</li> <li>• Storage</li> <li>• Financial Hedging</li> </ul>		
<b>Coal</b>	<b>Fayette</b>	<b>30%</b>
<ul style="list-style-type: none"> <li>• Supply purchases</li> <li>• Rail Transportation</li> <li>• Diesel Fuel for plant start up</li> </ul>		
<b>Renewable Power – Unsubscribed</b>		<b>5%</b>
<ul style="list-style-type: none"> <li>• Congestion costs associated with renewable power</li> <li>• Congestion hedging</li> </ul>		
<b>Conventional Purchase Power &amp; Capacity</b>		<b>29%</b>
<ul style="list-style-type: none"> <li>• Long or short term power purchases</li> <li>• Long or short term capacity purchases (ex. ancillary / reserve services)</li> </ul>		
<b>STP</b>		<b>5%</b>
<ul style="list-style-type: none"> <li>• Amortized fuel expense</li> </ul>		
<b>ERCOT</b>		<b>3%</b>
<ul style="list-style-type: none"> <li>• ERCOT administrative fee</li> <li>• North American Electric Reliability Corporation / Texas Reliability Entity fee</li> <li>• Nodal surcharge</li> <li>• Uplift charges (applied to all load on a load share basis)</li> <li>• Real-time charges (ex. resource / load imbalance, mismatched schedule, uninstructed resource charge)</li> </ul>		

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

<b>Austin Energy</b>		
	<b>Fiscal Year Ended</b>	<b>Amount</b>
(Over)/Under Fuel Recovery	<b>2010</b>	\$ (39,230,735)
(Over)/Under Fuel Recovery	<b>2009</b>	\$ (22,696,920)
(Over)/Under Fuel Recovery	<b>2008</b>	\$ (1,730,474)
(Over)/Under Fuel Recovery	<b>2007</b>	\$ (19,380,165)
(Over)/Under Fuel Recovery	<b>2006</b>	\$ 5,459,075

**Deferred Payment Plans**

Payment plans are available to utility customers who fall behind on their utility bills. During FY 2010 an average of 12,389 residential customers per month were on payment plans, slightly up from the year before (11,984).

<b>Fiscal Year</b>	<b>Avg. # of Payment Plans Per Month</b>	<b>Average Monthly Payment Per Fiscal Year</b>	<b>Avg. Dollars Per Month Per Fiscal Year</b>	<b>Total Dollars Per Fiscal Year</b>
FY 2009/2010	12,389	\$510	\$ 6.3 M	\$75.7 M
FY 2008/2009	11,984	\$487	\$ 5.9 M	\$70.8 M
FY 2007/2008	11,366	\$557	\$ 6.4 M	\$76.8 M
FY 2006/2007	7,301	\$563	\$ 4.1 M	\$49.6 M
FY 2005/2006	6,160	\$603	\$ 3.5 M	\$44.6 M

## Bad Debt Expense

Bad debt expense is the estimated amount of accounts receivable that will become uncollectable. Inactive accounts over 60 days are generally turned over to a collection agency.

**Bad debt expense in each of the last five years:**

Fiscal Year	Revenue	Bad Debt Expense	Percentage
FY 2010	\$1,151.8 B	\$4.2 M	0.365%
FY 2009	\$1,165.9 B	\$3.6 M	0.309%
FY 2008	\$1,219.8 B	\$2.1 M	0.172%
FY 2007	\$1,060.0 B	\$3.5 M	0.330%
FY 2006	\$1,075.9 B	\$5.3 M	0.493%

## 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 the overall system heat rate, system fuel cost average and system production cost for FY10 from the year before are due to several factors. The Fayette Power Project was operated more in FY 2010 than the previous year. New generating peaking units 6 & 7 were added to the Sand Hill facility. Finally, the combined cycle unit at Sand Hill was operated less than the year before while the simple cycle units (peaking units) were operated more.

Measure	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
System annual average heat rate (BTU/net kWh)	10,040	9,837	9,803	9,810	9,884

## System Fuel Cost Average

The system annual average fuel cost, in cents per kilowatt-hour of electricity produced:

Measure	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
<b>System annual average fuel cost (fuel/kWh)</b>	3.178 cents per kwh	2.905 cents per kwh	3.655 cents per kwh	3.371 cents per kwh	3.446 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. During FY 2010 there were two refueling outages at STP causing a slightly higher production cost per kWh.

Measure	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
<b>System annual average production cost (includes fuel plus operating &amp; maintenance)</b>	3.930 cents per kwh	3.831 cents per kwh	4.403 cents per kwh	4.165 cents per kwh	4.331 cents per kwh

Total energy produced 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					
<u>% Generation</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Coal	29.7%	32.2%	33.2%	28.3%	32.5%
Natural Gas & Oil	27.9%	27.3%	25.7%	26.5%	22.3%
Nuclear	27.3%	25.8%	27.1%	26.4%	25.2%
Renewable Energy	5.7%	5.1%	6.1%	9.5%	9.7%
Purchased Power	9.4%	9.6%	7.9%	9.3%	10.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

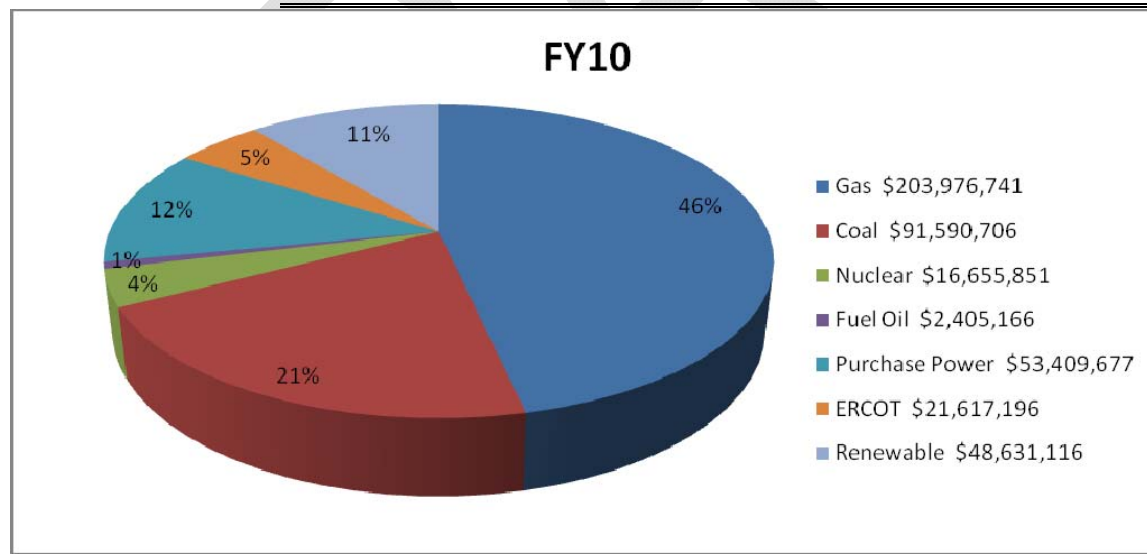
## Fuel Costs

The price of natural gas during FY 2010 was largely unchanged compared to prices seen over the previous year.

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

Fuel Cost		FY06	FY07	FY08	FY09	FY10
Gas	\$	258,452,424	235,403,993	250,721,680	214,711,985	203,976,741
Coal	\$	49,519,262	50,360,624	87,063,860	84,635,000	91,590,706
Nuclear	\$	13,485,443	14,197,169	15,823,059	16,866,183	16,655,851
Fuel Oil	\$	525,532	1,382,440	420,142	566,981	2,405,166
Purchase Power	\$	34,748,961	42,158,639	90,621,318	54,863,996	53,409,677
ERCOT	\$	5,830,181	-10,892,545	10,165,180	21,889,298	21,617,196
Renewable	\$	18,828,277	18,559,209	26,183,662	49,567,759	48,631,116
<b>Total</b>	<b>\$</b>	<b>381,390,080</b>	<b>351,169,529</b>	<b>480,998,901</b>	<b>443,101,202</b>	<b>438,286,453</b>

Fuel Cost (% by type)		FY06	FY07	FY08	FY09	FY10
Gas	%	68%	67%	52%	49%	46%
Coal	%	13%	14%	18%	19%	21%
Nuclear	%	3%	4%	3%	4%	4%
Fuel Oil	%	0%	0%	0%	0%	1%
Purchase Power	%	9%	12%	19%	12%	12%
ERCOT	%	2%	-3%	2%	5%	5%
Renewable	%	5%	6%	6%	11%	11%
<b>Total</b>	<b>%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>



## **Reliable**

Austin Energy invests about \$80 million dollars a year on average on capital improvements in the electric system. Austin Energy invests about \$10 million a year in its tree trimming program (Vegetation Management). A staff of 13 Austin Energy arborists and foresters oversee the program which utilizes two contract tree trimming companies.

Austin Energy 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, Austin Energy posted a 49.54 minutes SAIDI (average length of outages) versus a 164.97 minutes average by participating companies in the top quartile. Austin Energy 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 for quality management processes.

Austin Energy has established long-term goals that the average number of power outages per customer not exceed 0.80 per year, that the average duration of power outages not exceed 60 minutes and that the 12-month rolling average of the number of transmission line faults per 100 miles not exceed 3.00.

- **Average number of outages per customer (SAIFI) annually**
- **Average length of outages per customer served (SAIDI) annually**
- **Number of transmission line faults per 100 miles of transmission line per 12-month period (SATLPI)**

Measure	Target	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
SAIFI	0.80	1.00	1.02	0.63	0.89	0.69
SAIDI	60.00	84.68	82.13	46.48	63.41	51.57
SATLPI	3.00	3.56	3.24	1.46	2.10	1.94

## Line Clearance Program

AE is one of the few utilities 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 and 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 annually is extremely small, less than 1%.

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

<b>Fiscal Year</b>	<b>Miles</b>	<b>Properties</b>	<b>Refusals</b>
FY 2010	324	13,223	38
FY 2009	480	13,892	26
FY 2008	409	12,145	47
FY 2007	307	11,581	55
FY 2006	267	8,876	39

<b>FY 2010</b>	<b>% of customers satisfied with line clearance on their property</b>	<b>% of customers who acknowledge importance of line clearance</b>
Quarter 1	79%	98%
Quarter 2	82%	89%
Quarter 3	77%	96%
Quarter 4	72%	98%

\*Note: All customers surveyed had trees trimmed in FY 2010.

## Equivalent Availability 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 unit is available per the total period hours.

Availability targets for baseload facilities (South Texas Project [STP] and Fayette Power Project [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):

Measure	Target	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
STP	94.8%	95.3%	90.6%	96.1%	91.65%	90.5%
FPP	94.2%	87.0%	93.1%	91.1%	96.03%	83.78%
Sand Hill Unit 5A	95%	87.65%	99.96%	99.43%	99.2%	99.17%
Sand Hill Units 1-4	95%	96.52%	88.88%	97.53%	98.31%	98.17%
Decker GT 1-4	95%	94.67%	85.71%	85.11%	88.34%	90.49%
Decker D 1-2	95%	90.96%	87.62%	90.13%	91.79%	82.63%

## ERCOT Forced Load Reduction

While ERCOT does issue power watches when reserves are low, load reduction for Austin Energy customers is voluntary during these watches. ERCOT has only issued two mandatory orders for load reduction statewide – in February 2011 and April 2006.

ERCOT Event	AE Load Reduction	Rolling Blackouts Ordered	Firm Load Restored
*February 2, 2011	160 MW	5:43 a.m.	1:07 p.m.
April 17, 2006	40 MW	4:13 p.m.	6:10 p.m.

\*Beyond intended reporting period.

Austin Energy accounts for approximately 4% of the statewide grid, meaning Austin Energy is required to shed 4% of ERCOT's total load reduction during an event. On Feb. 2, 2011, ERCOT rapidly increased its load shedding requirement to 4,000 MW which resulted in 160 MW of load shedding for Austin Energy. In April 2006, ERCOT required load shedding for 1,000 MW which translated to 40 MW for Austin Energy.

The table below shows outages lasting more than 12 hours for Austin Energy managed generating units in FY 2010 due to equipment malfunctions or other problems:

Unit	Outage Start Date/Time	Outage End Date/Time	Duration (hours)	Description
<b>Sand Hill Energy Center Combined Cycle Unit</b>				
<b>Unit 5A &amp; 5C</b>	11/27/09 13:00	11/28/09 12:00	23	Leak on HRSG Tube.
	1/9/10 19:16	1/10/10 17:33	20:17	Combustion air leak in gas turbine module.
	1/11/10 18:00	1/15/10 21:15	99:15:00	Condenser vacuum leak.
	6/23/10 15:29	6/24/10 14:45	23:16	Combustion air leak in gas turbine module.
<b>Sand Hill Energy Center Simple Cycle Gas Turbines</b>				
<b>Unit 1</b>	5/10/10 21:45	5/11/10 9:54	12:09	Unit failed to fire.
<b>Unit 2</b>	1/31/10 12:43	2/1/10 10:01	21:18	Leaks on intake heat exchanger – could not maintain inlet air temperature above OEM anti-icing minimum.
<b>Unit 3</b>	10/13/09 21:18	10/14/09 14:59	14:33	Vibration monitoring system failure.
<b>Unit 6</b>	6/15/10 10:00	6/17/10 15:18	53:17:00	Oil contamination in cooling tower.
	9/27/10 7:00	10/1/10 0:00	99:00:00	Failure to meet air emissions limits.
<b>Unit 7</b>	6/15/10 10:00	6/17/10 15:18	53:17:00	Oil contamination in cooling tower.
<b>Decker Steam Units</b>				
<b>Decker 1</b>	10/1/2009 0:00	10/3/2009 22:35	70:35	Boiler tripped due to feedwater heater seal rupture.
<b>Decker 2</b>	1/22/2010 3:30	1/22/2010 18:01	14:31	Unit tripped due to turbine bearing problems.
<b>On-Site Energy Services</b>				
<b>Mueller EC</b>	1/30/2010 12:05	3/21/2010 16:50	1924:45	Seal in combustor fractured – destroyed turbine section.
<b>Fayette Power Project – Operated by LCRA</b>				
<b>Unit 1</b>	1/11/2010 16:28	1/13/2010 8:17	39:82	High turbine metal temperature mismatch. Unable to roll turbine.
	3/17/2010 22:28	3/19/2010 11:40	37:2	Waterwall tube leak at 5D ignitor seal box. Repaired 1 condenser tube leak in West side.
	11/21/2010 15:00	1/8/2010 9:10	1146:17	Changed from planned outage due to A & B LP turbine rotor crack repair and generator field rewind.
<b>Unit 2</b>	7/10/2010 0:40	7/11/2010 12:26	35:77	Replaced M2 exciter ACL card PA fan “A” bearing work. Repaired CW leak on exciter DP line. Added shots to generator shaft.
<b>South Texas Project – Operated by STP Nuclear Operating Company</b>				
<b>STP 1</b>	2/3/2010 17:02	2/9/2010 7:16	134:233	While conducting monthly rod testing surveillance, a second control rod issue was discovered with Shutdown Bank A, Rod B12. In early January a similar issue was experienced with Shutdown Bank D, Rod C5. To comply with the Technical Specification Action for this condition, the unit was taken offline. Root cause analysis determined the cause of the issue and testing demonstrated that all rods in all banks were functioning properly. In addition, specific testing validated that the two control rods in question, Rod B12 and Rod C5, could be fully inserted and withdrawn.

## **Customer Satisfaction**

Austin Energy is proactive in addressing customer needs and regularly monitors customer satisfaction through customer surveys. Overall customer satisfaction has declined in recent years, particularly among commercial customers. This is mainly driven by worsening economic conditions since October 2008. Costs – from a per unit standpoint reflected in electric rates – have not increased over this time period (including fuel charges). However, the increase in all costs related to business operations, coupled with the fact that weather-related consumption has increased the past two summer periods (FY09/FY10), have magnified the perception that energy-related costs have risen. In a period of economic distress, price as a driver of satisfaction becomes more critical relative to other drivers (such as reliability or the level of customer service).

### **Overall customer satisfaction ratings for Austin Energy annually and customer satisfaction ratings by customer type annually:**

<b>Measure</b>	<b>Target</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>
Overall Customer Satisfaction	83/100	80/100	80/100	82/100	75/100	71/100

<b>Customer Satisfaction</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>
Residential	75%	72%	76%	73%	74%
Commercial	81%	83%	84%	76%	78%
Key Accounts	84%	84%	86%	75%*	60%*

\*In FY 09-10 a new vendor performed the survey; results are not directly comparable to prior years due to differences in surveying methodology and scoring metrics.

## Call Center Operations

The City of Austin Utility Contact Center is managed by Austin Energy. On average the center receives about 6,000 calls per day and Online Customer Care handles about 12,000 requests per month.

**Number of customer calls handled by the Utility Customer Contact Center annually:**

<b>Fiscal Year</b>	<b>Calls Received</b>
<b>FY 2010</b>	1,525,739
<b>FY 2009</b>	1,435,929
<b>FY 2008</b>	1,405,573
<b>FY 2007</b>	1,416,055
<b>FY 2006</b>	1,545,433

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

<b>Fiscal Year</b>	<b>Seconds</b>
<b>FY 2010</b>	90
<b>FY 2009</b>	92
<b>FY 2008</b>	74
<b>FY 2007</b>	74
<b>FY 2006</b>	122

## 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 due to the fact that some 50 retail locations where utility bill payments can be made such as HEB, 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 manually vs. electronically:

FY Year	% Manual Payments	% Electronic Payments
2006	72.57%	27.43%
2007	64.76%	35.24%
2008	59.27%	40.73%
2009	54.79%	45.21%
2010	49.83%	50.17%

### Breakdown of Payments

Fiscal Year	Authorized Pay Stations via Western Union (ex. ACE Cash Express, HEB, Money Box, Randalls)	Online Banking (via customer's bank)	Bill Matrix (via phone or Austin Energy Website) (credit, debit, e-check)	Austin Energy Website (Registered with Online Customer Care) (e-check)	Electronic Fund Transfer (draft by AE)	Misc. (ex. Collections, IRS)	Walk-in Payment Centers	Mail
2006	11.44%	8.83%	2.98%	0.64%	3.07%	0.46%	N/A	72.57%
2007	11.99%	12.25%	3.47%	3.37%	3.76%	0.41%	1.36%	63.40%
2008	12.57%	13.90%	3.89%	5.82%	4.21%	0.34%	1.38%	57.89%
2009	12.83%	15.26%	4.24%	7.94%	4.60%	0.34%	1.36%	53.43%
2010	13.05%	16.87%	4.79%	9.59%	5.54%	0.32%	1.24%	48.59%

## Customer Assistance Programs

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 customers truly in need. Utility bill discounts are a key component of the program. They are provided to customers already receiving benefits through a variety of federal, state, county, or city assistance programs. Nearly 10,000 customers are currently receiving combined utility bill discounts (\$280 of which is from Austin Energy) at an average of about \$400 per year per family. Total savings for the group is almost \$4 million annually.

**Average number of customers enrolled in the Utility Discount Program for electric only and average total customer savings in dollars annually:**

Utility Discount Program ( <u>electric only</u> )	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Average Customers	4,959	5,134	4,005	5,137	8,599
Average Combined Customer Savings	\$1.352 M	\$1.320 M	\$1.084 M	\$1.453 M	\$2.402 M

\*December 2010 had the highest enrollment with 9,849 customers.

**Utility Discount Average Benefit Annual/Monthly (electric only):**

Average Benefit ( <u>electric only</u> )	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Monthly	\$112,735.95	\$110,067.80	\$90,369.94	\$121,122.83	\$200,249.40
Annual	\$1,352,831	\$1,320,814	\$1,084,439	\$1,453,474	\$2,402,993
Household Per Month	\$22.73	\$21.44	\$22.56	\$23.58	\$23.29

**Utility Discount Program Automatic/Manual Enrollment:**

<b>Enrollment Type</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>
Automatic	0	0	0	2,547	3,525
Manual	4,959	5,134	4,005	2,590	5,074
Total	4,959	5,134	4,005	5,137	8,599

\*Automatic enrollment was not put in place until late 2009. Manual enrollments reflect the average number of households enrolled for each fiscal year.

**Emergency Utility Bill Assistance – Plus 1 Fund**

The City of Austin provides emergency financial assistance to customers experiencing extreme hardships such as medical illness or sudden job loss. In 2009 the City of Austin doubled to \$300,000 the amount of money made available annually for emergency utility bill financial assistance. Utility customers also donate about \$45,000 a year on average to this cause. The funding is administered by more than a dozen social service agencies including Travis County Family Services and Meals on Wheels.

**Austin Energy Plus 1 Fund Contributions by Source:**

<b>Funding Source</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>
Austin Energy	\$100,000	\$125,000	\$150,000	\$300,000	\$300,000
City of Austin Combined Charities	\$0	\$0	\$0	\$4,718.13	\$3,820.47
Residential Customers	\$46,335	\$42,221	\$44,438	\$43,649	\$39,723*
Total	\$146,335	\$167,221	\$194,438	\$348,367.13	\$343,543.47

\* Drop in donations is due to EFT enrollment which does not allow donations.

## Free Weatherization Program

Austin Energy offers free weatherization services to qualified low-income, elderly and physically/mentally disabled customers. The program covers up to \$1,500 worth of home improvements including the installation of attic insulation, sealing and repairing of ducts, adding solar screens to windows, installing weather stripping around entry ways, and other minor energy-related repairs to address substandard housing conditions. Energy Star compact fluorescent light (CFL) bulbs are also installed in high usage fixtures.

Home safety improvements include advanced smoke and carbon monoxide detectors and improved methods of air testing to insure the customer's health and safety. Austin Energy also provides a limited number of Energy Star window air conditioning units to qualified customers.

For FY 2010, Austin Energy receive a grant of \$5,190,874 from American Recovery and Reinvestment Act (ARRA) funds for weatherization of homes for low-income, elderly, and disabled customers within Austin Energy's service area. Under this program, customers receive up to \$6,500 worth of improvements which include new energy efficient appliances. Between Sept. 2, 2010 and Aug. 29, 2011, a total of 1,263 homes have been weatherized using ARRA funds.

### Customer Assistance Program Customers Receiving Free Weatherization:

Fiscal Year	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
CAP Customers Receiving Weatherization	720	632	505	538	456*

\*FY 2010 homes received weatherization through use of ARRA funds.

## 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](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](http://www.ci.austin.tx.us/cityclerk/edims/2010/2010_council_index.htm)

Links to RCAs [http://www.ci.austin.tx.us/cityclerk/edims/2010/2010\\_council\\_index.htm](http://www.ci.austin.tx.us/cityclerk/edims/2010/2010_council_index.htm) or

[http://www.cityofaustin.org/edims/advance\\_search.cfm](http://www.cityofaustin.org/edims/advance_search.cfm)

Links 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>

RMC reports and presentations including Energy Efficiency/Solar Reports

[http://www.ci.austin.tx.us/cityclerk/boards\\_commissions/boards/bid44.htm](http://www.ci.austin.tx.us/cityclerk/boards_commissions/boards/bid44.htm)

EUC reports and presentations including Financial Report

[http://www.ci.austin.tx.us/cityclerk/boards\\_commissions/boards/bid27.htm](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 NO<sub>x</sub>, SO<sub>2</sub> and CO<sub>2</sub> 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/>

Actual resource generation

<http://www.ercot.com/gridinfo/>

Load and resource generation for each QSE that dynamically schedules its resources  
<http://www.ercot.com/gridinfo/sysplan/>

Scheduled Load and Actual Load  
<http://www.ercot.com/gridinfo/sysplan/>

## **ERCOT - Entity Specific Market Reports**

### **Posted sixty (60) days after the applicable Operating Day**

Final energy schedules for each Qualified Scheduling Entity (QSE)  
<http://www.ercot.com/mktinfo/services>

Final ancillary services schedule for each QSE  
Up-Reg, Down-Reg, Responsive, Non-Spin  
<http://www.ercot.com/mktinfo/services/>

Resource plans for each resource represented for each QSE  
<http://www.ercot.com/gridinfo/sysplan/>

Actual generation from each resource  
<http://www.ercot.com/gridinfo/sysplan/>

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/>

Load and resource generation for each QSE that dynamically schedules its resources  
<http://www.ercot.com/gridinfo/sysplan/>