

# *City of Austin*

## *Fiscal Year 2015-16 Budget*

### *Executive Summary*



The City Manager's recommended Fiscal Year 2015-16 Budget for the City of Austin continues to provide our community with a wide range of public services that contribute to Austin's vibrant culture and livability. This Budget strikes a balance between maintaining service levels in one of America's fastest-growing cities and responding to concerns regarding affordability. Reflecting this focus on affordability, the Budget incorporates the City Council's decision to implement a 6% general homestead exemption, resulting in aggregate tax savings of \$7.3 million for qualified homeowners and includes an additional \$740,000 for financial assistance to displaced renting families.

The document before you represents the culmination of months of departmental business planning, economic analysis, financial forecasting, operational needs assessment, Council discussion, and public outreach. It is guided by our PRIDE values—Public Service & Engagement, Responsibility & Accountability, Innovation & Sustainability, Diversity & Inclusion, and Ethics & Integrity—that employees bring to their work every day, by our relentless pursuit of innovative and creative responses to the problems and opportunities facing the 11<sup>th</sup>-largest city in the United States, and by our obligation to hold ourselves to ever-increasing standards of performance.

The FY 2015-16 Budget is not only structurally sound and sustainable, it also addresses numerous operational needs resulting from the rapid growth that our City has experienced as well as offers targeted investments in high-priority service areas as identified through our extensive public engagement campaign.

While more in-depth detail regarding the data collected during our public outreach campaigns is provided later in this Executive Summary, a few of the key public inputs that influenced the development of this Budget are shown below:

#### **Citizen Survey**

- Rated Austin at or above the national average in 31 of 46 assessed areas;
- Rated Austin at least 10 percentage points below the national average for cities of comparable population in two areas: "Traffic flow on major streets" (23 percentage points below), and "How well the City is planning growth" (15 percentage points below);
- Identified service areas where the degree of satisfaction is low relative to the degree of importance as: "maintenance of City streets and sidewalks," "planning and development review," and "public safety services"; and,
- Showed that when asked to rate "Overall value for city tax dollars and fees," 40% of citizens responded that they were satisfied or very satisfied, four percentage points better than the national average. However, 30% of respondents expressed dissatisfaction. Satisfaction is down nine percentage points from previous years, indicating that residents and business owners may increasingly be feeling the pinch of higher tax and utility bills.

#### **Budget-in-a-Box**

- Public outreach effort in which citizens identified whether they would prefer to increase funding by 5%, decrease funding by 5%, or maintain funding at current levels with respect to a wide range of service categories.
- In no service category was the most commonly preferred choice to decrease funding.

- In the combined citywide results of both individual and group participants, the “Streets and Infrastructure,” “Parks and Libraries,” and “Health and Housing” service categories received majority support for increasing funding by five percent.
- With respect to the “Emergency Response,” “Clean Community,” “Water,” and “Energy” service categories, results indicated the majority of participants would prefer to keep the current funding level.
- “Planning and Economic Development” was the only service category in which one of the three options did not receive a majority of votes; however, the preference for maintaining funding at current levels received a plurality of votes.
- The citywide results for the average annual tax and utility bill were calculated using results from participants who indicated funding decisions for all eight service areas:
  - 58% of participants chose to increase the average tax and utility bill;
  - 1% of participants chose to keep the average tax and utility bill the same; and,
  - 41% of participants chose to decrease the average tax and utility bill.
- When results were analyzed at the district level, the individual and group results show considerable consistency across districts.

In response to this community-driven data, and from myriad additional public engagement efforts described in greater detail later in this document, the Budget includes many targeted investments in key service areas. Detail regarding these investments can be found below.

## ***Budget Highlights***

### **Expenses**

Budgeted requirements for all City Funds total \$3.5 billion, an increase of \$39 million, or 1.1%, from the prior year. 34% of these requirements are budgeted for Austin Energy, 22% for the City’s General Fund operations, and 12% for Austin Water, with the remainder devoted to the City’s enterprise operations.

### **Employees**

The Budget includes funding for:

- 347.4 new full-time equivalent positions, including 220.3 new General Fund positions;
- A 3% salary increase for civilian employees and contractually mandated salary increases for our sworn police officers, firefighters, and medics in order to keep pace with Austin’s cost of living and to attract, retain, and reward the world-class employees essential to our pursuit of being “Best Managed”;
- Instituting a living wage of \$13.03 per hour for all full-time employees;
- \$5.8 million in salary adjustments beginning in April, 2016 to remediate market imbalances: regional data shows that 30% of the City’s civilian positions are currently paid below-market salaries; and,
- A 12% increase in City contributions to health insurance premiums as a result of rising healthcare costs and the expansion of coverage to include transgender and applied behavioral analysis services. In order to partially offset these costs, employees with a spouse or dependents on the City’s plan will have their premium contribution increase by 10%, while employee-only coverage will require the institution of a \$10 per month premium contribution.

### **General Fund Revenue**

The total budget for the General Fund is \$906.7 million, a \$52.7 million, or 6.2%, increase versus its fiscal year 2014-15 budgeted level.

- Increased property tax collections—\$24.2 million of increased funding as a result of:
  - Projected 7.6% growth in the tax base, including \$2.9 billion in new construction value. This growth in the tax base is net of the adoption by City Council in June of an exemption of 6% of assessed property

valuation for owner-occupied homesteads, and of the continuation of the City's \$70,000 fixed-value property tax exemption for seniors and homeowners with disabilities.

- Increase in the tax rate from 48.09 to 48.14 cents per \$100 of taxable property valuation. Net of the 6% exemption, the owner of a median-value homestead of \$232,272 will pay a property tax bill of \$87.59 per month, an increase of \$3.32, or 3.9%, over the prior year.
- Sales tax—\$12.1 million in additional funding will come from a projected 5% increase in sales tax receipts over budgeted fiscal year 2014-15 collections.
- Development Fees—\$10 million will come from increased revenue from development- and building safety-related fees, including \$3.1 million associated with bringing fee levels closer in line with the City's cost of providing these services.
- Utility Transfers—The transfer from Austin Water will increase by \$2 million, while the transfer from Austin Energy remains unchanged at \$105 million.
- Franchise Fees—Payments from gas, cable, and telecommunications franchises for use of the City's right-of-way will grow by \$1.8 million.
- Other—The remaining \$2.6 million is attributable to increases from the remainder of the City's other taxes, fees, and revenue sources, including an additional \$0.6 million from Travis County per the terms of their interlocal agreement with the City for animal services.

### General Fund Highlights

The City's General Fund departments are adding a combined 220 new positions to address a variety of growth-driven service demands, including the operation of new facilities.

- The Police department's budget includes funding for 85 officers to keep pace with growing service demands and to improve community based policing efforts. An additional nineteen civilian positions are included for the 911 call center.
- Twelve paramedics are being added to the Emergency Medical Services department to address a service gap in the Loop 360 area that will result when a Travis County-funded medical unit is relocated.
- The Library department's budget includes 48 positions and one-time relocation costs in preparation for the opening of the New Central Library in November 2016. This 200,000 square foot "library of the future," centrally located on Lady Bird Lake, will include twelve public meeting spaces, a collection of over 500,000 items, and a food café.
- Twenty-seven positions are included in the newly formed Development Services department to address the significant backlog of permitting, plan review, and inspection activity that has resulted from an unprecedented level of development in the City over the past three years.

### Enterprise Funds Highlights

The budgets for the City's Enterprise Departments balance rate and fee adjustments with the need for continuing financial stability, while in many cases including resources for new initiatives and service expansions.

- **Austin Energy**—No new positions and no revision to base rates, although adjustments in other charges will result in a net 2.1% *reduction* in the typical customer's monthly electric bill. Austin Energy will realize \$3 million in savings through bond restructuring efforts and transfer \$36 million to its strategic reserve fund, remaining on pace to fully fund reserves by fiscal year 2017-18.
- **Austin Water**—Includes rate increases—averaging 8% to the typical customer—necessary for the long-term financial health of the utility, including the introduction of a revenue stability charge. The size of the rate increase has been mitigated through cost containment measures such as delaying the implementation of a staffing plan for a second straight year and realizing \$14 million in debt service savings as a result of bond restructuring. Importantly, Austin Water will also bolster its reserves by increasing its transfer to its Stability Reserve fund by \$1.9 million to a total of \$9.2 million.
- **Watershed Protection**—Will include a newly restructured Drainage Utility Fee, which is projected to increase the monthly charge for the typical homeowner from \$9.80 to \$11.59, an increase of \$18.3%.

- **Austin Transportation**—Driven by a \$1.11 per month increase in its allotment of the Transportation User Fee and a \$0.20 per hour increase in parking meter charges, Austin Transportation’s budget includes 22 new positions (including eight repurposed from Public Works) to support mobility programs and parking-related activities.
- **Public Works**—The Public Works Department is increasing its share of the Transportation User Fee by \$0.41 per month. Public Works’ Capital Improvement Program spending plan includes \$25 million in new appropriations for street reconstruction and rehabilitation projects, sidewalk improvements, and other initiatives.
- **Aviation**—The Aviation Department is adding 37 new positions to address terminal expansion and ongoing customer growth.
- **Austin Code**—Includes funding to add nine positions focused on improving community engagement and increasing investigations. In order to maintain financial stability, Austin Code’s residential portion of the Clean Community Fee is increasing by \$0.25 per month.
- **Austin Resource Recovery**—Not increasing its residential portion of the Clean Community Fee, but is raising cart rates for the typical customer by \$1.70 per month in order to bolster reserves, offset cost drivers, and add fifteen new positions to serve a growing customer base, expand the Universal Recycling Ordinance, and fund additional marketing efforts.

#### Internal Service Funds Highlights

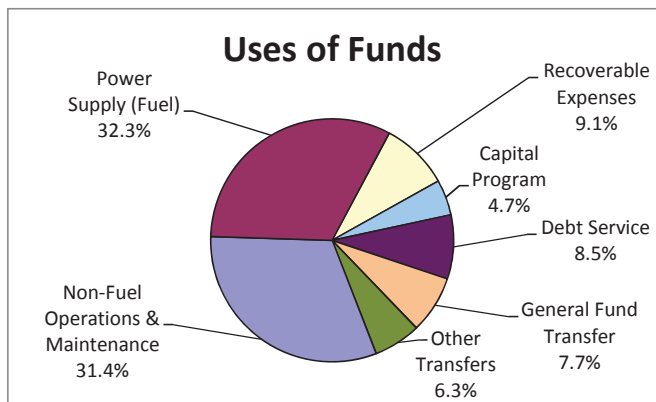
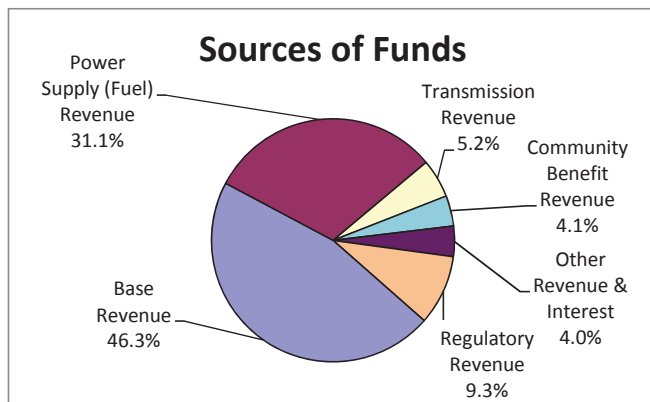
- \$1.1 million has been budgeted in the Support Services Fund to cover thirteen new positions for Mayor and Council staff support along with an additional \$354,000 for the annualized cost of positions added in fiscal year 2014-15.
- The Communications and Technology Management Department will expend \$9 million for critical infrastructure replacement, including data storage servers, network switches, and public safety radios. An additional \$13.5 million is budgeted for technological initiatives in support of other City department’s missions, including radio-frequency identification tags for the Library, electronic health records, and a real estate inventory system.
- The Fleet Department budget includes \$12.1 million for vehicle replacements, much of which is funded by prior-year General Fund savings, and resources for seven new positions as well as for salary adjustments necessary to attract and retain qualified fleet technicians. The Fleet Department is also reducing its fuel budget by \$9 million, the savings from which extend to all vehicle-using City departments.

#### Capital Improvement Program (CIP)

The CIP ensures the City’s ability to maintain and improve public facilities and infrastructure assets that serve both the citizens and visitors of Austin. The CIP regularly includes design and construction of recreation centers, libraries, acquisition of parkland, repaving of streets, replacement and rehabilitation of water and wastewater lines, the transmission and distribution of power for residents, and expansion of information technology networks. The Capital Budget is a multi-year spending authorization, and as a result, there is a distinction between what the City plans to spend in the next fiscal year and the new appropriations required to be approved in the budget. The fiscal year 2015-16 Budget includes \$629.0 million in new appropriations and \$800.7 million in planned spending. Austin Energy and Aviation account for \$397.3 million, or 63.2%, of total new appropriations due to the size and nature of the capital projects for these departments. In particular, the Aviation Department is undergoing a monumental expansion as it responds to significant growth in passengers by expanding the terminal and apron as well as adding a new parking garage.

In sum, the fiscal year 2015-16 Budget maintains the structural financial stability of the City and all of its funds and departments while ensuring that necessary services are maintained, improved, or expanded. General Fund reserves are increasing from 12.0% to 12.5%, maintaining compliance with reserve policies set forth by the City Council, and the City’s Enterprise departments continue to bolster their reserves as well. This commitment to prudent fiscal management ensures that the City will continue to maintain its “AAA” General Obligation Debt rating and that the credit ratings of the City’s electric and water utilities will also remain at their superlative levels. These expenditures are balanced through growth in a variety of revenue sources, including tax and fee adjustments that result in a net increase of \$11.30, or 3.6%, per month for the typical Austin homeowner.

# Austin Energy



## Budget Overview

	2012-13 Actual	2013-14 Actual	2014-15 Estimated	2014-15 Amended	2015-16 Proposed
<b>Austin Energy Fund</b>					
Revenue	\$1,308,173,117	\$1,391,240,663	\$1,423,492,062	\$1,430,928,511	\$1,422,946,467
Transfers In	\$11,753,291	\$0	\$0	\$0	\$0
Requirements	\$1,257,770,770	\$1,371,356,935	\$1,429,395,040	\$1,440,434,224	\$1,370,368,168
Full-Time Equivalents (FTEs)	1659.00	1672.75	1672.75	1672.75	1672.75
<b>Expense Refunds</b>	\$64,296,957	\$61,115,266	\$63,521,326	\$63,566,784	\$68,065,872
<b>Grants</b>					
Requirements	\$2,998,669	\$325,000	\$325,000	\$1,555,000	\$1,984,000
Full-Time Equivalents (FTEs)	13.00	9.00	3.00	3.00	1.00
<b>Total Budget</b>	\$1,325,066,396	\$1,432,797,201	\$1,493,241,366	\$1,505,556,008	\$1,440,418,040

Note: Prior to FY 2013-14, the Austin Energy Fund fully funded the Economic Development Department. In FY 2013-14, Austin Energy began funding a transfer to the Economic Development Department as part of a shared-cost funding arrangement between the General Fund, Austin Water, Austin Resource Recovery, and Austin Energy.

# Austin Energy

## Organization by Program and Activity for 2016

### Customer Care

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311 City-Wide Call Center  
Billing and Revenue Measurement  
Customer Contact Center

### Customer Energy Solutions

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Conservation Rebates and Incentives  
Demand Side Management

### Electric Service Delivery

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Distribution Services  
Power Delivery Support  
Transmission Services

### Fuel & ERCOT Recoverable

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Fuel & ERCOT Recoverable

### Power Supply & Market Operations

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Nuclear and Coal Plants Operating  
Power Production

### Support Services

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Departmental Support Services

### Transfers and Other Requirements

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Debt Transfers  
Interfund Transfers  
Other Requirements

# Austin Energy

## Mission and Goals for 2016

### Mission

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The mission of the Austin Energy Department is to deliver clean, affordable, reliable energy and excellent customer service.

### Goals

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Proactively develop an understanding of Austin Energy's customers by monitoring indicators and conducting customer surveys.

- Increase customer satisfaction above 83% on the American Customer Satisfaction Index (ACSI).

Sustain a commitment to the Austin City Council's 2% affordability goal and maintain Austin Energy's all-in competitive rates in the lower 50% of Texas rates overall.

Pursue best operating and maintenance practices for AE's electric delivery system and power plants to ensure availability and reliability, which supports the Excellent Customer Service Strategy.

- System Average Interruption Duration Index (SAIDI) at 60 minutes or less.
- System Average Interruption Frequency Index (SAIFI) at 0.8 interruptions.
- System Average Transmission Line Performance Index of 4.1 faults.

Maintain a strong financial position in support of the Utility's Risk Management strategy and achieve improved credit ratings as measured by bond ratings agencies.

- Achieve the "AA" credit rating on separate lien electric utility system revenue bonds on the Standard & Poor's rating.

Support the Energy Resource Strategy. This strategic objective is addressed by the Austin Energy long-range energy resource plan and other emerging energy technology and energy-focused programs.

- 55% of all energy needs met through the use of renewable sources by 2025.
  - 800 Megawatts (MW) of energy efficiency and demand response savings by 2020.
  - Additional 200 MW of demand response savings by 2025.
  - Increase installed solar capacity to 950 MW, including 200 MW of local solar.
  - Reduce CO2 emissions from all City-controlled generation resources to zero by 2030, following a projection using the year 2010 as a baseline.
  - Retire Austin Energy's share of the Fayette Power Project beginning in FY 2022.
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# Austin Energy

## Message from the General Manager

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As one of the largest publicly owned electric utilities in the United States, Austin Energy (AE) provides retail electric service to more than 455,000 customers in a service area of 206 square miles within the City of Austin and 231 square miles in surrounding Travis and Williamson counties. AE has the responsibility of providing affordable and competitively priced electric service to residential and commercial customers, while providing electricity that is two to three times as “clean” (in terms of renewable content) as the power generally available in the Texas market.



To do this, AE owns or has an ownership interest in a diverse mix of generation resources comprising natural gas, coal and nuclear plants. AE also has renewable energy installations or purchased power contracts totaling 1,482 megawatts (MW), primarily wind, bringing its total energy resources to 3,975 MW. AE also owns electric delivery assets including 74 substations, 624 miles of transmission lines and over 11,450 miles of distribution lines.

In FY 2014-15, Council approved an update to the Energy Resource Plan to 2025. The updated plan will continue to improve the carbon footprint of the utility, retains flexibility, adds significantly more renewables and remains affordable under the goal of not raising system-wide rates more than two percent per year. This updated plan is poised to keep Austin Energy and the City of Austin a leader in renewable energy and climate protection and includes:

- The requirement that enough energy will be generated by renewable sources to offset 55 percent of power used by AE customers by 2025;
- Addition of a 500-megawatt (MW) clean and efficient gas combined cycle unit and retirement of AE’s share of the Fayette Power Project beginning in 2022;
- Increased installed solar capacity to 950 MW, including 200 MW of local solar; and
- 800 MW of energy efficiency by 2020 and 200 MW of additional demand response by 2025, if affordable and available.

During the year, Austin Energy set in motion activities to ensure that the Energy Resource Plan goals could be met by 2025. These included the issuance of request for proposals for 600 MW of utility-scale solar, an economic and feasibility study for the 500 MW clean and efficient gas combined cycle plant, and the initial dispatching of two wind energy purchase power agreements (PPAs), bringing AE’s total wind capacity in PPAs to more than 1,000 MW. By the end of the fiscal year, AE will be at 32 percent renewable energy generation, with a plan in place to achieve 55 percent renewables by 2025.

Financially, in FY 2014-15 Austin Energy continues to demonstrate an improved financial condition, as evidenced by the reaffirmation of AE’s excellent bond ratings by Fitch, Moody’s and Standard & Poor’s rating agencies. AE also continued to be a national leader in reliable electric service, following the record setting pace from the previous year when AE had the fewest number of outages per customer in history. More than halfway through FY 2014-15, the 12-month rolling average for the System Outage Duration Index (SAIDI) was 49.82 minutes (well below the 90 minute industry average) and the 12-month rolling average for the System Outage Frequency Index (SAIFI) was 0.64 interruptions (well below the industry average of 1.0 interruption). This was in spite of a very challenging year for weather.

As we look forward to FY 2015-16, Austin Energy is confident that we can meet the challenges the electric utility industry will bring, from climate protection to changes in technology. We are dedicated to investing in the resources necessary to meet these challenges to provide the delivery of clean, affordable, reliable energy and excellent customer services.

A handwritten signature in cursive script, reading "Larry Weis".

Larry Weis, General Manager



## Budget Highlights

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Austin Energy's FY 2015-16 Budget continues to address major operating and capital improvement issues while keeping rates affordable and within the goal of no more than two percent system-wide rate increases per year. The FY 2015-16 Budget will help the utility to continue financing the needs of Austin Energy's Resource, Generation and Climate Protection Plan in order to meet legislative and environmental regulations affecting the industry, as well as progress towards the goal of 55% renewables by 2025. The Budget will also enable Austin Energy to keep up with system growth, invest in energy efficiency and renewable energy resources, and maintain excellent reliability of service. The FY 2015-16 Budget was developed to keep Austin Energy on a continued path toward meeting all financial policies by allowing for the continued replenishment of reserves in order to maintain the excellent bond ratings achieved by the utility. This was accomplished by proposing a budget that scrutinizes controllable costs, adds no new FTEs, and keeps system-wide rate increases at or below two percent.



### Rates

Austin Energy's rates are composed of base rates, which do not change frequently, and adjustable or pass-through rates, which may be adjusted on an annual basis. Base rates cover basic utility infrastructure such as power plants, distribution lines, customer service and the related operation and maintenance. Adjustable rates cover costs which may be more variable, are assessed by others or provide additional services. Both base and adjustable rates vary slightly depending on whether a customer is located within or outside the city of Austin. Austin Energy's base rates consist of fixed charges and consumption based charges that are split into winter and summer periods to promote conservation through pricing signals. Austin Energy's base rates, which include Customer Charges, Electric Delivery Charges, Energy Charges and Demand Charges, will not change in FY 2015-16. Austin Energy's adjustable rates include the Power Supply Adjustment (PSA), Regulatory Charge and Customer Benefit Charge (CBC). These rates are reviewed and adjusted each year through the budgetary process to reflect the actual cost of these items. Austin Energy makes no profit on these dollar-for-dollar pass-through charges. These rates are typically adjusted only once per year and are applied to a customer's consumption or, in the case of the Regulatory Charge, the large commercial customers' demand level.

The PSA recovers dollar-for-dollar net power supply (fuel) costs and is reflected as a line item on the electric portion of the bill. The PSA is adjusted beginning with November bills by utilizing actual costs from the most recent twelve month period. This historical data is used to set the power supply adjustment for the next 12 month period beginning November 1, 2015. However, historical data will never perfectly match future actual costs that the utility incurs, so a true-up is included in the calculation. A true-up is an adjustment to rates by which under-recovered costs are collected by the utility or over-recovered costs are returned to customers. The proposed PSA included in the FY 2015-16 Budget is 3.124 cents/kWh (system average), which is 0.802 cents lower than the FY 2014-15 rate.

Lower costs during the historical period are the primary driver for the PSA decrease. This decrease was driven in part by lower Electric Reliability Council of Texas (ERCOT) wholesale market prices resulting from very favorable natural gas prices, as well as milder weather in the spring and summer months. Another factor in the PSA decrease was the length and timing of planned outages at some of Austin Energy's generation plants, which were shorter in duration and less costly than in the prior year. These factors, in combination with Austin Energy's portfolio of generating resources and risk management practices, all helped to lower the PSA in the FY 2015-16 Budget.

The Regulatory Charge recovers dollar-for-dollar Austin Energy's share of the statewide costs of managing and using the transmission grid, as well as its expansion and upkeep. It includes ERCOT charges and fees that are based on Austin Energy's share of the summer statewide peak demand, which is about four percent of the statewide total. Statewide transmission costs include the \$6.7 billion cost of new transmission lines that help bring more renewable energy from West Texas to the rest of the state. These costs are reviewed, approved and apportioned by the Public Utility Commission of Texas. Other non-discretionary regulatory costs may also be included. Changes to the Regulatory Charge continue to be driven primarily



by increases to the transmission cost of service that is charged to all customers in the ERCOT region. Those costs have increased significantly in recent years due to the completion of multi-year efforts to improve the Texas transmission system and allow greater access to wind resources in West Texas. The Regulatory Charge under-recovery at the end of FY 2013-14 was approximately \$15.7 million. Due to the cap of increasing system-wide rates no more than 2% per year, the Regulatory charge is estimated to be under-recovered in FY 2014-15 by \$29 million through the end of the fiscal year. The true-up for FY 2015-16 requires an increase to the Regulatory Charge of \$5.84 per month or a 70.4% increase to the typical residential customer using 1,000 kilowatt hours (kWh) per month in order to continue to lower the under-recovery of regulatory costs.

The Customer Benefit Charge (CBC) recovers certain costs incurred by the Utility as a benefit to AE's customers across its entire service territory. There are three components of the community benefit charge: (1) funding to provide utility bill assistance, weatherization, and discounts through the Customer Assistance Program (CAP) for qualifying low-income customers; (2) the costs of AE's energy efficiency and distributed solar services; and (3) the costs to provide service area lighting throughout the city of Austin. For customers outside the city of Austin, the CBC excludes the service area lighting component and the outside city of Austin CAP component is reduced. The community benefit charge is billed on a kWh basis to all customer classes and may be adjusted as costs change. CBC rates are not expected to change for FY 2015-16. The CAP program over-recovery at the end of FY 2013-14 was approximately \$7 million. Customer enrollments are increasing and increased weatherization efforts are expected to offset the over-recovery during FY 2014-15 and FY 2015-16. Additionally, the Energy Efficiency Services (EES) over-recovery at the end of FY 2013-14 was approximately \$5 million. Austin Energy is currently evaluating future Energy Efficiency and Solar Program expenditures to determine funding requirements. Finally, the Service Area Lighting (SAL) under-recovery at the end of FY 2013-14 was \$2 million and does not require adjustment.

The following table reflects the average residential customer bill impact for FY 2015-16. The FY 2014-15 versus FY 2015-16 rate comparison is based on an average residential customer using 1,000 kWh of energy. The FY 2015-16 average monthly bill includes the impact of the proposed rate changes mentioned above and will take effect November 1, 2015.

### Average Residential Customer Bill Impact

Unbundled 5-Tier Inclining Block Energy Rate (Inside City of Austin Customer)

Average Monthly Bill	Energy kWh	FY 2014-15 Rate	FY 2015-16 Rate	\$ Change	% Change
Customer Charge		\$ 10.00	\$ 10.00	\$ 0.00	0.0%
Base Electricity Charge	1,000	\$ 43.50	\$ 43.50	\$ 0.00	0.0%
Power Supply Adjustment (PSA)	1,000	\$ 39.45	\$ 31.39	(\$ 8.06)	(20.4%)
Community Benefit Charge (CBC)	1,000	\$ 6.65	\$ 6.65	\$ 0.00	0.0%
Regulatory Charge	1,000	\$ 8.30	\$ 14.14	\$ 5.84	70.4%
<b>Total Monthly Bill</b>	<b>1,000</b>	<b>\$107.90</b>	<b>\$105.68</b>	<b>(\$ 2.22)</b>	<b>(2.1%)</b>

Austin Energy customers also have the opportunity to support 100% renewable energy for an average cost of a few dollars per month by signing up for Green Choice®. The Green Choice adjustable premium will remain at 0.75 cents in FY 2015-16. AE also offers customers the Residential Solar Rider, which enables the Utility to pay customers for their solar production at a rate equivalent to the Value of Solar (VOS). The VOS rate will change to 11.2 cents per kWh.

### Revenue

In the FY 2015-16 Budget, revenue, including transfers, totals \$1.42 billion, which represents an \$8.0 million or 0.56% decrease compared to the FY 2014-15 Budget of \$1.43 billion. The PSA makes up the largest share of the variance with a

decrease of \$70.0 million, mainly due to lower natural gas prices in the ERCOT wholesale market. The largest increase is in the Regulatory Charge in order to recover Austin Energy's additional costs related to the ongoing Texas electric transmission grid build-out. The Community Benefit revenue is stable at \$57.7 million, an increase of only \$7,000. Transmission Revenue is AE's share of revenue for other utilities' use of AE-owned transmission lines and at \$73.8 million, is \$0.4 million lower than the prior year. Other revenue, which includes various fees for services and on-site energy revenue, increased \$6.6 million to \$54.4 million due to a higher number of customers contracted to use on-site chilled water and combined heat and power services in FY 2015-16.

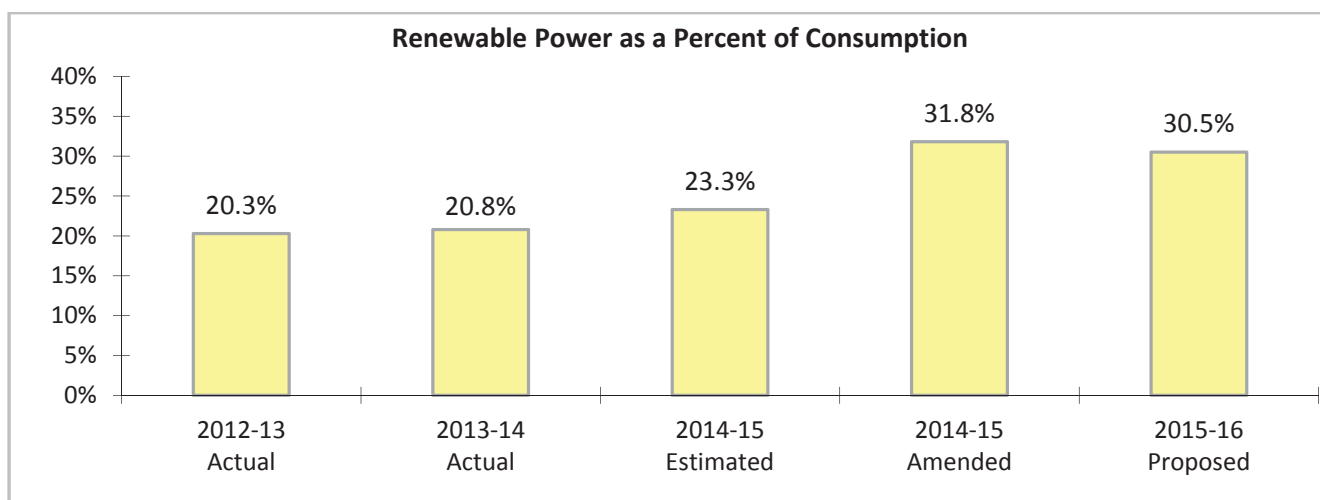
### Requirements

Total requirements of \$1.37 billion in the FY 2015-16 Budget represent a \$70.1 million or 4.9% decrease from the FY 2014-15 Budget of \$1.44 billion. Major decreases include \$70.0 million in the PSA or fuel expenses and ERCOT net settlements due to the lower cost of power delivered by ERCOT to the Austin Energy load zone. This decrease was driven in part by lower natural gas prices and the excellent reliability of AE's generation plants selling into the market. Recoverable expenses, which include transmission costs and ERCOT fees, decreased by \$0.6 million due to a reduction in costs associated with the completion of multi-year efforts to improve the Texas transmission system and allow greater access to wind resources in West Texas. Other decreases include lower conservation expenses for advertising and technology costs, conservation rebates and incentives in the commercial and appliance efficiency rebates, and lower nuclear and coal operating costs due to the timing and extent of planned outages. There is also a decrease of \$0.8 million for bad debt expense due to collection efforts and a continued revision of Council approved arrearage policies.

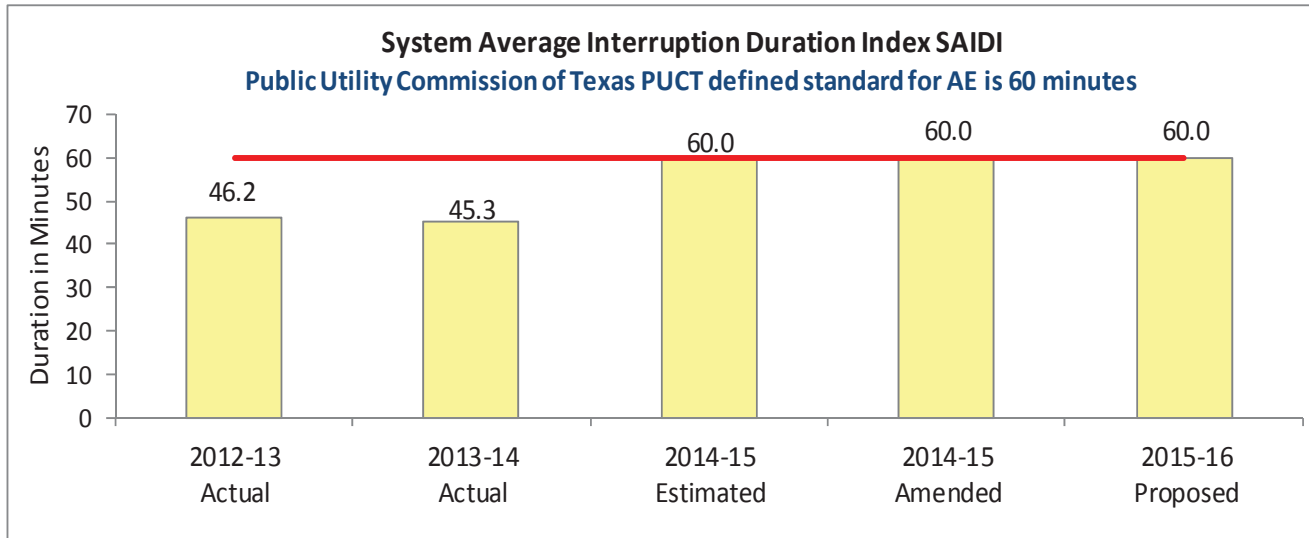
Increases to the operating budget include \$6.3 million in non-power supply operations and maintenance (O&M) expenses, including \$8.9 million for built in cost drivers such as wage adjustments, health insurance, and accrued payroll, offset partially by decreases in vehicle fuel and power plant maintenance at the Decker plant. Debt service will decrease by \$3.0 million due to savings achieved during the bond refunding in FY 2014-15. There is a \$2.3 million increase in the Support Services allocation and a \$1.0 million increase in the Communications and Technology Management allocation. AE will increase funding for the Repair and Replacement Fund in FY 2015-16 by \$9.0 million. The operating transfer for capital improvement project funding is \$3.2 million lower due to the use of prior year cash balances.

### Key Performance Indicators

The City adopted the Austin Climate Protection Plan (ACPP) in 2007 to build a more sustainable community. Austin Energy's current Resource, Generation, and Climate Protection Plan to 2025 (the Generation Resource Plan) meets these objectives. The Generation Resource Plan is a resource planning tool that brings together demand and energy management options over the planning horizon. Austin Energy reviews the Generation Resource Plan and issues a report on performance goals annually, and reassesses the Generation Resource Plan in a public forum every two years. Major resource recommendations and changes will be presented to the City Council for authorization.



System Average Interruption Duration Index (SAIDI) defines the average outage duration for each customer served during the fiscal year. It is a direct measure of the reliability of the Austin Energy distribution system. The Public Utility Commission of Texas-defined standard is average outage duration of 60 minutes. In FY 2013-14, Austin Energy set high marks for reliability, recording its lowest SAIDI in history at 45.3 minutes. These indicators are directly influenced by the type and magnitude of weather events and distribution line clearance cycle.



# Austin Energy

## Significant Changes

### Austin Energy Fund

Revenue Changes	Dollars	
Increase in Service Area (Base) Revenue due to a projected increase in the number of billed customers and energy sales.	\$5,073,333	
Decrease in Power Supply Revenue due to lower expected load zone market prices in FY2016 and full recovery in FY2015 of prior year under collection.	(\$69,983,684)	
Community Benefit Revenue decrease due to projected billable units.	(\$6,981)	
Regulatory Revenue increase due to collection of prior year under recovery.	\$50,895,197	
Decrease in Transmission Revenue due to lower ERCOT demand on the transmission grid.	(\$441,733)	
Increase in Chiller Revenue as a result of a projected increase in the number of current customers and sales of chilled water.	\$6,631,824	
Decrease in Transmission Rider due to TSAR customers moving to Regulatory Charge.	(\$150,000)	
Expenditure Changes	FTEs	Dollars
<b>Citywide</b>		
Additional funding to cover the cost of a 3% wage increase in FY 2015-16, to implement a Citywide market study, and to increase City contributions for health insurance by 12%.		\$8,133,137
Increase in allocations for Support Services, Communications & Technology Management (CTM), accrued payroll, and workers' compensation.		\$3,561,949
Decrease in vehicle fuel due to lower fuel prices over the last two fiscal years.		(\$795,997)
<b>Electric Service Delivery</b>		
Increase in temporary employees for increased workload.		\$1,343,731
Increase in overtime due to increased workload.		\$788,977
Increase in line clearance and engineering services.		\$928,529
Increase in commodity costs for eletrical conductors and relay equipment.		\$447,942
Decrease in technology staffing.		(\$2,300,000)
<b>Power Production</b>		
Decrease in AE's share of operating costs for the South Texas Nuclear Plant and Fayette Power Plant (both jointly owned facilities).		(\$1,695,601)
Increase in Decker Power Station and Sand Hill Energy Center costs for maintenance of plant equipment.		(\$2,316,695)
Decrease for Holly Decommissioning project.		(\$1,600,000)

Expenditure Changes	FTEs	Dollars
<b>Fuel</b>		
Decrease in fuel costs due to lower fuel prices and lower sales.		(\$69,983,684)
<b>Customer Care</b>		
Increase in temporary staffing to handle increased work load.		\$641,487
Increase in billing system equipment maintenance, postage and paper.		\$267,092
Decrease in bad debt expense.		(\$778,246)
<b>Customer Energy Solutions</b>		
Decrease in technology consulting and staffing services.		(\$1,327,711)
Decrease in survey services.		(\$160,026)
Decrease in Conservation Program Advertising and Publications.		(\$806,700)
Decrease in Conservation Program Incentives.		(\$744,221)
<b>Recoverable Expenses</b>		
Decrease in Transmission Cost of Service based on AE's share of the Electric Reliability Council of Texas (ERCOT) transmission grid costs.		(\$1,799,011)
Increase in ERCOT administrative fees.		\$1,168,446
<b>Support Services</b>		
Increase in information technology temporary services for a skilled workforce.		\$217,607
Increase in information technology software and hardware purchases and maintenance.		\$189,316
Decrease in telephone base cost services.		(\$468,694)
Increase corporate contingency for planned strategic initiative projects and major unplanned expenses.		\$3,100,432
Decrease in consulting for a utility-wide data warehouse and business intelligence tool.		(\$1,370,434)
Increase in property, boiler and liability insurance premiums.		\$715,000
Increase in right of way franchise fees.		\$405,840
Increase for real estate lease, construction and furniture for office space.		\$2,656,581
Increase in consulting for a cost of service and strategic planning study.		\$350,000
<b>Transfers &amp; Other Requirements</b>		
Net Increase transfers to Contingency, Emergency and Repair & Replacement Reserves in order to comply with Financial Policies.		\$1,000,000
Increase in Economic Development Department funding transfer based on a shared-cost funding model between the General Fund, Austin Energy, Austin Water, and Austin Resource Recovery.		\$45,746
Decrease in the transfer of current revenue (cash funding) for the Capital Improvement Program (CIP) based on the FY 2015-16 Electric CIP Spending Plan.		(\$3,163,452)
Decrease in debt service requirements due to savings achieved during the bond refunding in FY 2014-15.		(\$2,980,429)

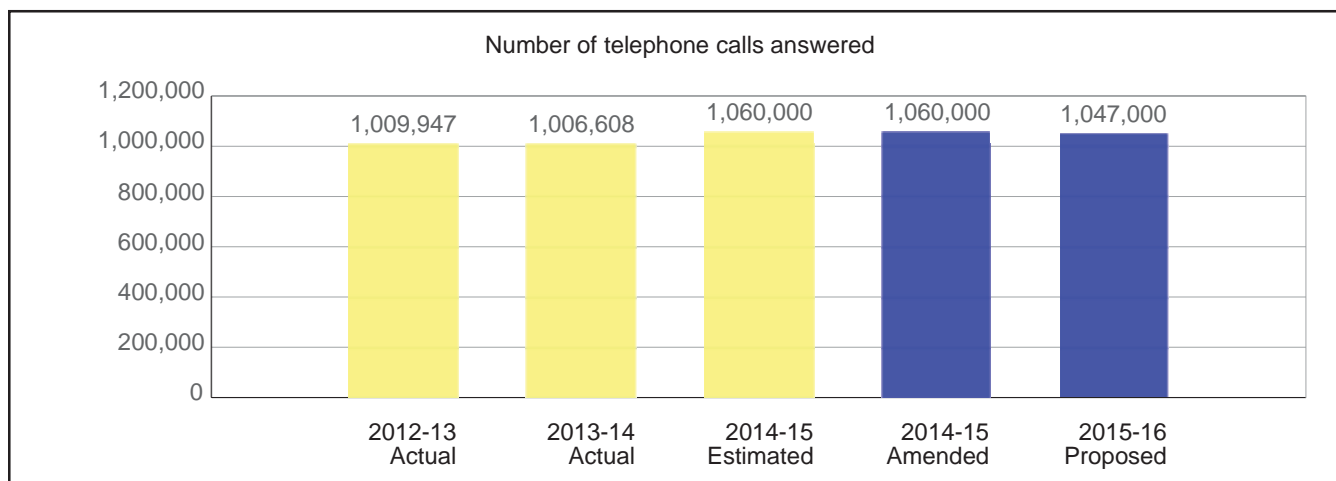
# Austin Energy

## Budget Detail by Activity

Program: Customer Care

Activity: 311 City-Wide Call Center

The purpose of the 311 City-Wide Call Center activity is to provide uncomplicated access to City of Austin services and information.



	2012-13 Actual	2013-14 Actual	2014-15 Estimated	2014-15 Amended	2015-16 Proposed
<b>Requirements</b>					
Austin Energy Fund	1,643,379	1,985,013	2,368,650	2,368,650	2,714,280
Expense Refunds	6,079,223	6,295,998	6,891,485	6,891,485	7,116,040
<b>Total Requirements</b>	<b>\$7,722,602</b>	<b>\$8,281,010</b>	<b>\$9,260,135</b>	<b>\$9,260,135</b>	<b>\$9,830,320</b>
<b>Full-Time Equivalents</b>					
Austin Energy Fund					
Civilian	68.00	69.00	67.00	67.00	69.00
<b>Total FTEs</b>	<b>68.00</b>	<b>69.00</b>	<b>67.00</b>	<b>67.00</b>	<b>69.00</b>
<b>Performance Measures</b>					
Call Service Level	93.5	90.76	90	90	90
Number of service orders issued	214,342	246,382	255,000	214,000	265,600
Number of telephone calls answered	1,009,947	1,006,608	1,060,000	1,060,000	1,047,000

### Services

Provide a single point of contact for Austin's citizens and visitors offering information to callers regarding all City departments including Austin Police Department non-emergency requests.

### Contact

Cindi Perez, Manager, 512-972-9801



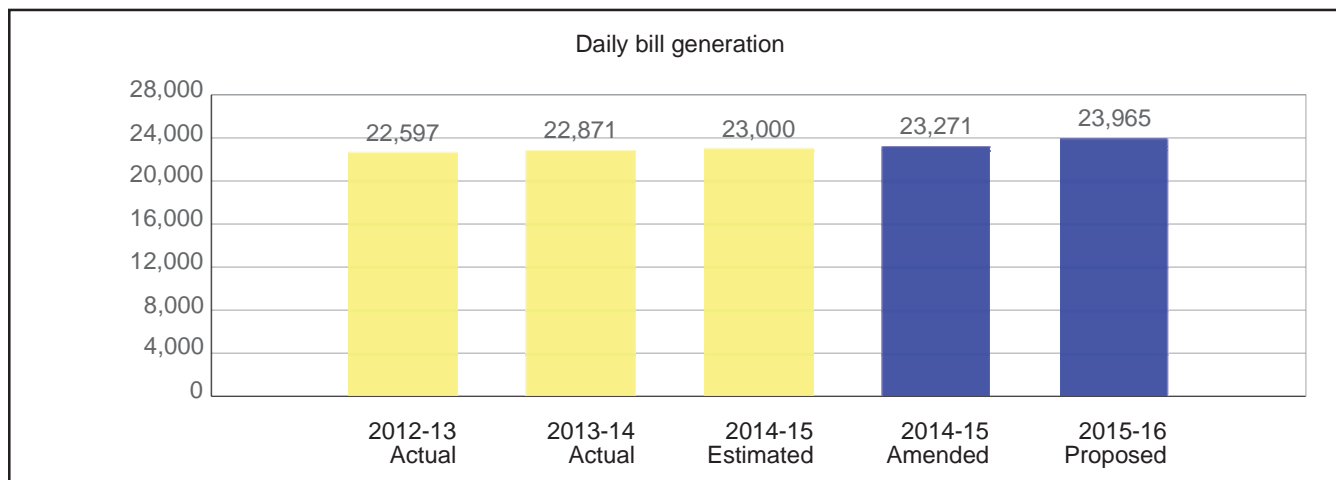
# Austin Energy

## Budget Detail by Activity

Program: Customer Care

Activity: Billing and Revenue Measurement

The purpose of the Billing and Revenue Measurement activity is to provide billing and revenue collection services for all City of Austin utilities including Austin Energy, Austin Water, Austin Resource Recovery, Watershed Protection and the Transportation User fee.



	2012-13 Actual	2013-14 Actual	2014-15 Estimated	2014-15 Amended	2015-16 Proposed
<b>Requirements</b>					
Austin Energy Fund	28,616,066	14,166,333	24,509,372	24,509,372	23,896,339
Expense Refunds	650	12,430,549	10,814,531	10,814,531	12,204,933
<b>Total Requirements</b>	<b>\$28,616,717</b>	<b>\$26,596,882</b>	<b>\$35,323,903</b>	<b>\$35,323,903</b>	<b>\$36,101,272</b>
<b>Full-Time Equivalents</b>					
Austin Energy Fund Civilian	124.00	122.00	143.00	143.00	124.00
<b>Total FTEs</b>	<b>124.00</b>	<b>122.00</b>	<b>143.00</b>	<b>143.00</b>	<b>124.00</b>
<b>Performance Measures</b>					
Daily bill generation	22,597	22,871	23,000	23,271	23,965
Percent of customer billing requests resolved prior to next billing cycle (less than 30 days from date of request)	New Meas	93.87	96.18	99.62	97.5
Percent of high priority customer billing requests resolved within five business days	New Meas	78	83	88	85

### Services

Billing for utility accounts, revenue measurement, credit management and current diversion investigation.

### Contact

Elaine Kelly-Diaz, Vice President, Customer Account Management, 512-322-6667

**Bold Measure = Key Indicator**

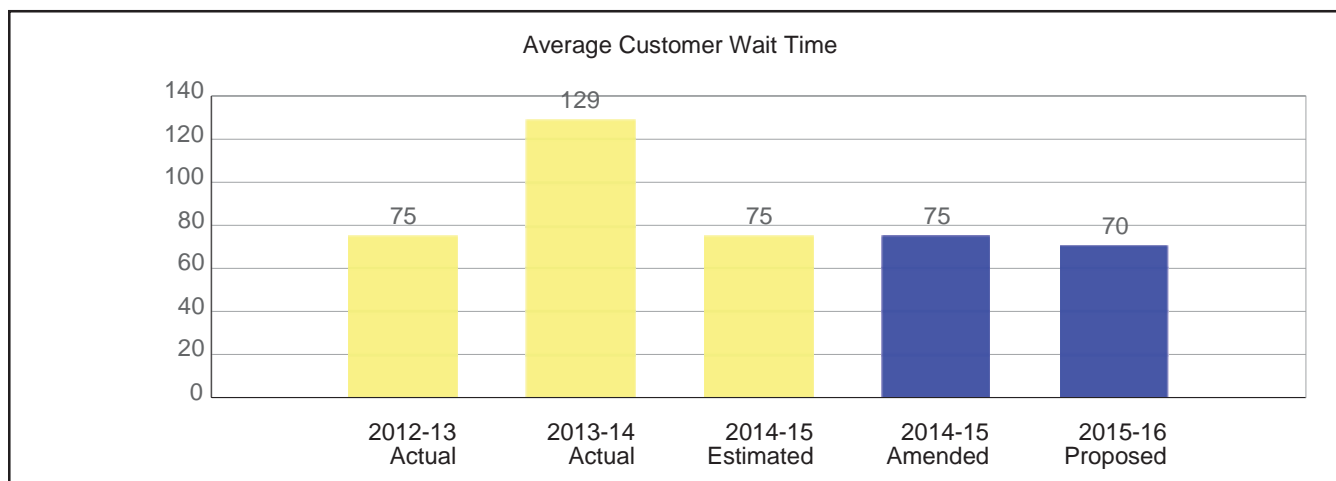
# Austin Energy

## Budget Detail by Activity

Program: Customer Care

Activity: Customer Contact Center

The purpose of the Customer Contact Center activity is to provide excellent customer service and information to all City of Austin utility customers pertaining to billing, service, and City code.



	2012-13 Actual	2013-14 Actual	2014-15 Estimated	2014-15 Amended	2015-16 Proposed
<b>Requirements</b>					
Austin Energy Fund	(3,576,669)	9,986,664	11,320,542	11,331,542	12,351,288
Expense Refunds	20,022,015	6,700,299	8,209,918	8,209,918	8,969,708
<b>Total Requirements</b>	<b>\$16,445,346</b>	<b>\$16,686,963</b>	<b>\$19,530,460</b>	<b>\$19,541,460</b>	<b>\$21,320,996</b>
<b>Full-Time Equivalents</b>					
Austin Energy Fund					
Civilian	160.00	160.00	153.00	153.00	164.00
<b>Total FTEs</b>	<b>160.00</b>	<b>160.00</b>	<b>153.00</b>	<b>153.00</b>	<b>164.00</b>
<b>Performance Measures</b>					
Average Customer Wait Time	75	129	75	75	70
Total Customer Interactions	1,667,361	1,784,258	1,650,000	1,650,000	1,750,000

### Services

Customer account inquiry; Remittance processing; Billing system management.

### Contact

Jawana Gutierrez, Vice President, Customer Care Services, 512-322-6596

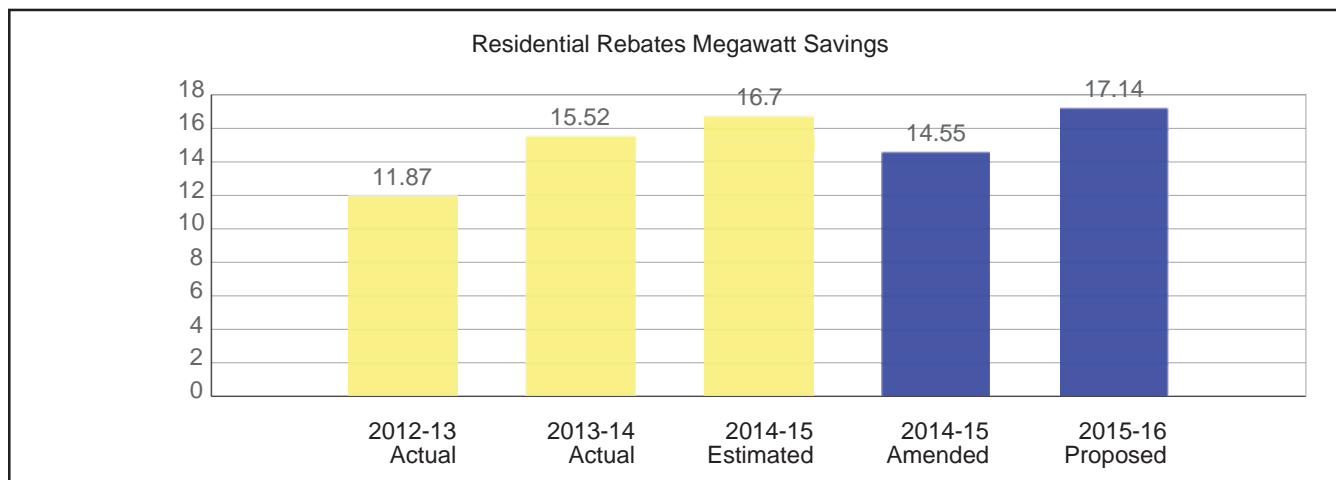
# Austin Energy

## Budget Detail by Activity

Program: Customer Energy Solutions

Activity: Conservation Rebates and Incentives

The purpose of the Conservation Rebates and Incentives activity is to provide rebates for residential, commercial, and industrial customers in order to increase energy efficiency and lower energy demand to ultimately lessen the need for Austin Energy to build or purchase new generation to meet the needs of Austin Energy's customers.



	2012-13 Actual	2013-14 Actual	2014-15 Estimated	2014-15 Amended	2015-16 Proposed
<b>Requirements</b>					
Austin Energy Fund	22,569,294	24,060,314	22,869,000	23,953,221	23,209,000
Expense Refunds	0	40,467	0	0	0
<b>Total Requirements</b>	<b>\$22,569,294</b>	<b>\$24,100,781</b>	<b>\$22,869,000</b>	<b>\$23,953,221</b>	<b>\$23,209,000</b>
<b>Performance Measures</b>					
Commercial Rebate Megawatt savings	27.73	31.84	30.97	30.53	31.04
Peak Load Management Rebate Megawatt Savings	14.73	19.63	9.5	14.24	13.82
Residential Rebates Megawatt Savings	11.87	15.52	16.7	14.55	17.14
Solar Rebate Megawatt Savings	5.02	7.61	8	8	10

### Services

Provide application, inspection and rebates to qualifying Austin Energy customers for energy efficiency.

### Contact

Debbie Kimberly, Vice President, Customer Energy Solutions, 512-322-6327

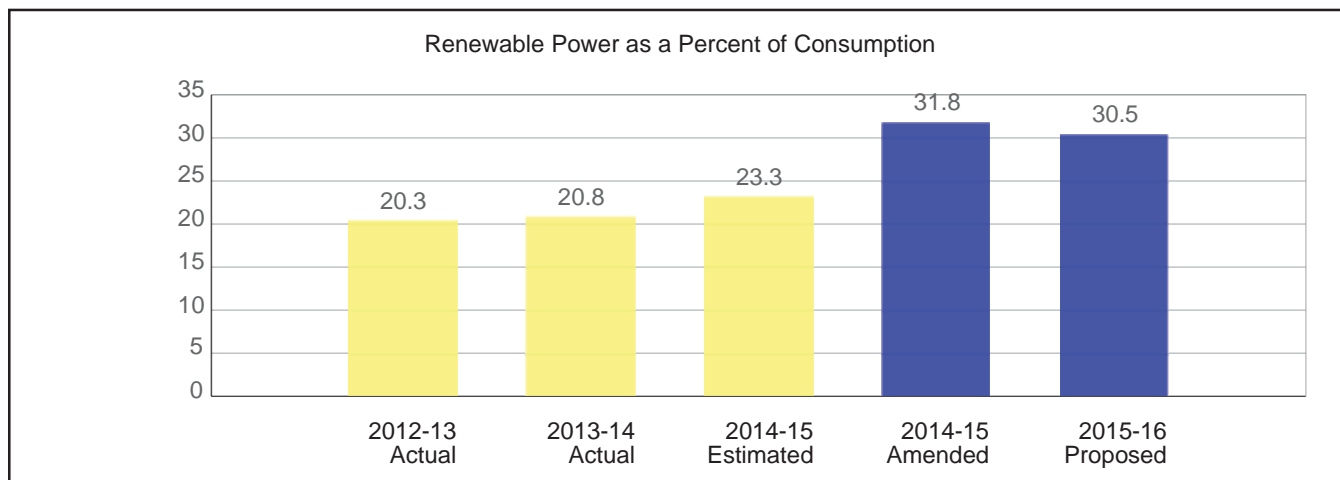
# Austin Energy

## Budget Detail by Activity

Program: Customer Energy Solutions

Activity: Demand Side Management

The purpose of the Demand Side Management activity is to develop, implement, maintain and promote the Austin Energy renewable energy and conservation rebate programs in accordance with the Austin Climate Protection Plan in order for Austin Energy to become a leader in addressing global climate change.



	2012-13 Actual	2013-14 Actual	2014-15 Estimated	2014-15 Amended	2015-16 Proposed
<b>Requirements</b>					
Austin Energy Fund	16,098,460	16,405,150	21,261,541	21,524,499	20,268,043
Expense Refunds	0	1,811	17,835	63,293	0
Grants	2,998,669	325,000	325,000	555,000	55,000
<b>Total Requirements</b>	<b>\$19,097,129</b>	<b>\$16,731,961</b>	<b>\$21,604,376</b>	<b>\$22,142,792</b>	<b>\$20,323,043</b>
<b>Full-Time Equivalents</b>					
Austin Energy Fund					
Civilian	107.00	107.00	107.00	107.00	111.00
Grants	13.00	9.00	3.00	3.00	1.00
<b>Total FTEs</b>	<b>120.00</b>	<b>116.00</b>	<b>110.00</b>	<b>110.00</b>	<b>112.00</b>
<b>Performance Measures</b>					
Megawatts (MW) of solar generation in Austin Energy's energy supply	43.5	52.4	63	59.5	76
Peak Demand Megawatt (MW) savings	371	441.4	496	496	558
Percentage of energy efficiency achieved in customer base	13.1	13.8	12.6	12.6	14.4
<b>Renewable Power as a Percent of Consumption</b>	<b>20.3</b>	<b>20.8</b>	<b>23.3</b>	<b>31.8</b>	<b>30.5</b>

### Services

Promote energy efficiency and peak load demand reduction by promoting energy efficiency programs combined with rebates and incentives to Austin Energy customers.

### Contact

Debbie Kimberly, Vice President, Customer Energy Solutions, 512-322-6327

**Bold Measure = Key Indicator**

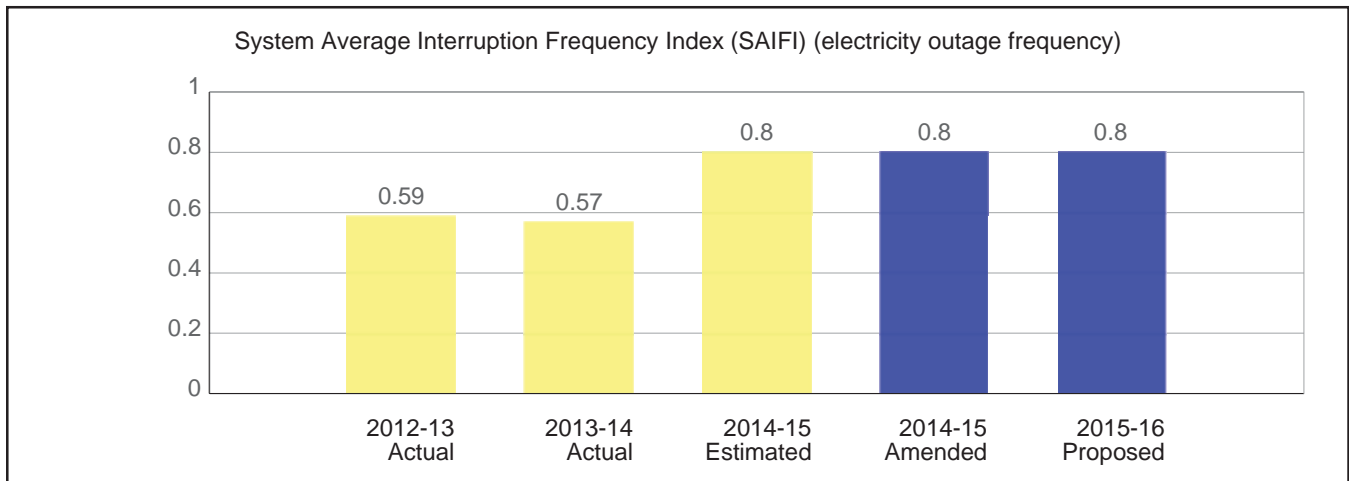
# Austin Energy

## Budget Detail by Activity

Program: Electric Service Delivery

Activity: Distribution Services

The purpose of the Distribution Services activity is to provide construction, operations and maintenance of the Distribution System in Austin Energy's service territory.



	2012-13 Actual	2013-14 Actual	2014-15 Estimated	2014-15 Amended	2015-16 Proposed
<b>Requirements</b>					
Austin Energy Fund	33,209,757	33,685,417	38,121,335	38,121,335	39,462,504
Expense Refunds	10,198,588	10,487,644	11,050,558	11,050,558	10,823,351
<b>Total Requirements</b>	<b>\$43,408,345</b>	<b>\$44,173,061</b>	<b>\$49,171,893</b>	<b>\$49,171,893</b>	<b>\$50,285,855</b>
<b>Full-Time Equivalents</b>					
Austin Energy Fund					
Civilian	296.00	293.00	241.00	241.00	289.00
<b>Total FTEs</b>	<b>296.00</b>	<b>293.00</b>	<b>241.00</b>	<b>241.00</b>	<b>289.00</b>
<b>Performance Measures</b>					
Miles of Distribution Line Cleared	325	298	378	378	380
System Average Interruption Duration Index (SAIDI)	46.24	45.25	60	60	60
<b>System Average Interruption Frequency Index (SAIFI) (electricity outage frequency)</b>	<b>0.59</b>	<b>0.57</b>	<b>0.8</b>	<b>0.8</b>	<b>0.8</b>

### Services

Design, Engineering, Construction of the Distribution System in Austin Energy's service territory. This includes both overhead and underground lines, transformers, feeders, streetlights and other associated equipment to keep the system operating normally. Other services include tree trimming and system restoration.

### Contact

Dan Smith, Vice President, Electric Service Delivery, 512 505-7009

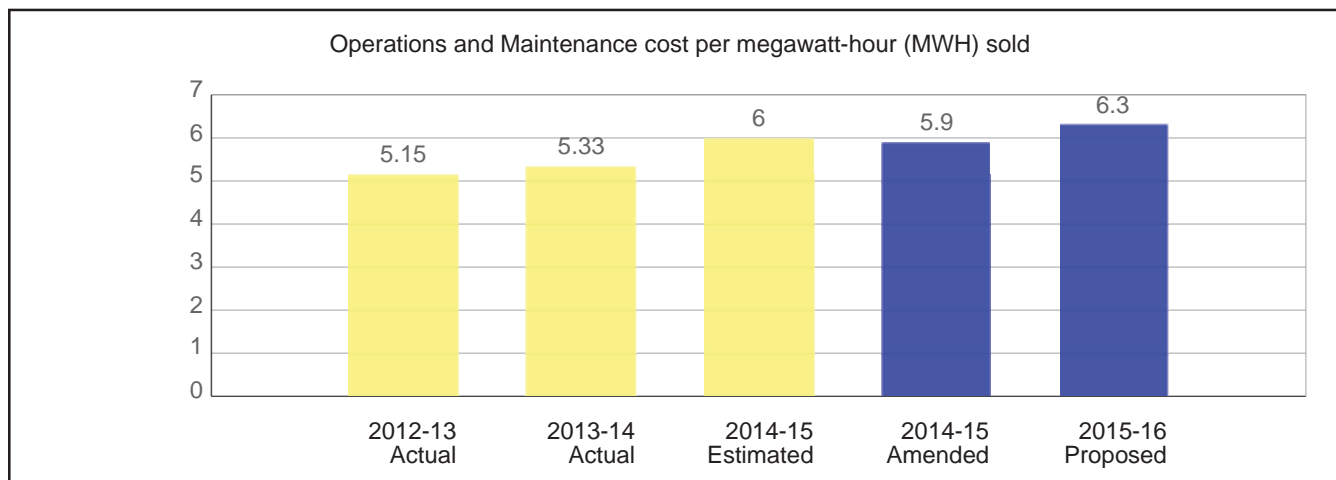
# Austin Energy

## Budget Detail by Activity

Program: Electric Service Delivery

Activity: Power Delivery Support

The purpose of the Power Delivery Support activity is to build, operate and maintain the transmission and distribution systems in the Austin Energy service territory in order to provide clean, reliable and affordable electric service to our customers.



	2012-13 Actual	2013-14 Actual	2014-15 Estimated	2014-15 Amended	2015-16 Proposed
<b>Requirements</b>					
Austin Energy Fund	24,244,056	26,916,918	33,246,084	35,192,410	35,579,932
Expense Refunds	3,580,313	4,283,104	4,037,826	4,037,826	5,568,087
Grants	0	0	0	1,000,000	1,929,000
<b>Total Requirements</b>	<b>\$27,824,369</b>	<b>\$31,200,022</b>	<b>\$37,283,910</b>	<b>\$40,230,236</b>	<b>\$43,077,019</b>
<b>Full-Time Equivalents</b>					
Austin Energy Fund Civilian	191.50	193.75	167.75	167.75	204.75
<b>Total FTEs</b>	<b>191.50</b>	<b>193.75</b>	<b>167.75</b>	<b>167.75</b>	<b>204.75</b>
<b>Performance Measures</b>					
Capital dollars per customer	246.23	249.81	277.49	270.99	254.37
Operations and Maintenance cost per megawatt-hour (MWH) sold	5.15	5.33	6	5.9	6.3

### Services

Public Involvement; System Planning; Administration; Surveying; Substation construction and maintenance; Metering; Project management; System engineering and training.

### Contact

Dan Smith, Vice President, Electric Service Delivery, 512-505-7009

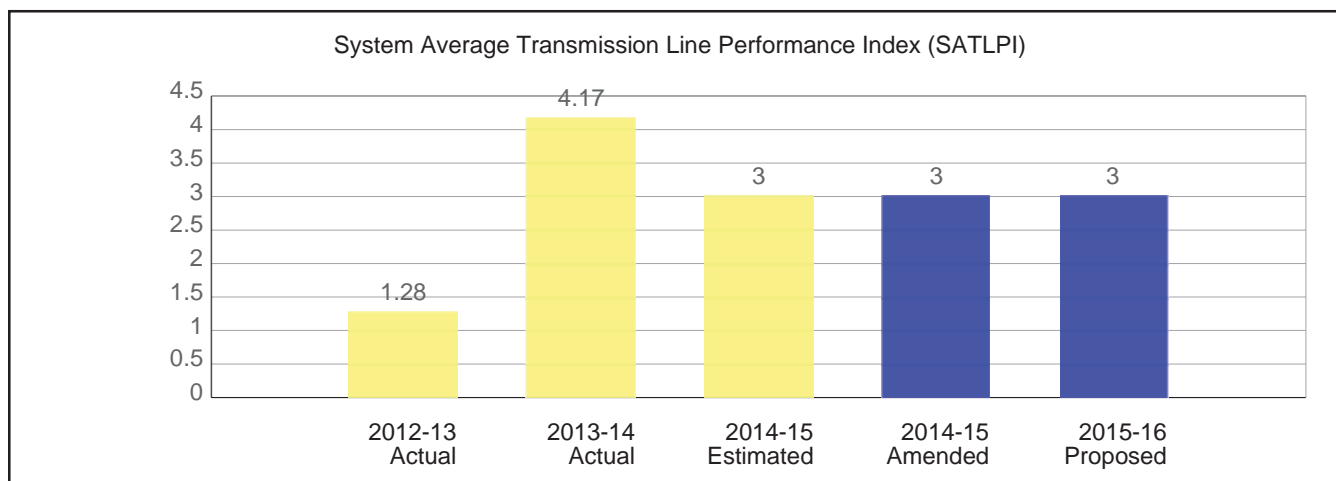
# Austin Energy

## Budget Detail by Activity

Program: Electric Service Delivery

Activity: Transmission Services

The purpose of the Transmission Services activity is to provide construction, operations and maintenance of the Transmission System as it relates to Austin Energy's service territory.



	2012-13 Actual	2013-14 Actual	2014-15 Estimated	2014-15 Amended	2015-16 Proposed
<b>Requirements</b>					
Austin Energy Fund	87,775,844	114,693,879	124,899,818	124,899,818	123,645,383
Expense Refunds	2,177,432	2,225,131	2,611,497	2,611,497	2,728,188
<b>Total Requirements</b>	<b>\$89,953,276</b>	<b>\$116,919,009</b>	<b>\$127,511,315</b>	<b>\$127,511,315</b>	<b>\$126,373,571</b>
<b>Full-Time Equivalents</b>					
Austin Energy Fund					
Civilian	52.00	52.00	134.00	134.00	51.00
<b>Total FTEs</b>	<b>52.00</b>	<b>52.00</b>	<b>134.00</b>	<b>134.00</b>	<b>51.00</b>
<b>Performance Measures</b>					
Miles of Transmission Line Cleared	138.5	138.46	132	132	132
System Average Transmission Line Performance Index (SATLPI)	1.28	4.17	3	3	3

### Services

Construction, Operation and Maintenance of Transmission facilities including relay construction and maintenance, planning & records, tree trimming and compliance. Also includes Austin Energy's Transmission Expenses paid to the Electric Reliability Council of Texas (ERCOT) based on AE's share of the statewide grid.

### Contact

Dan Smith, Vice President, Electric Service Delivery, 512-505-7009



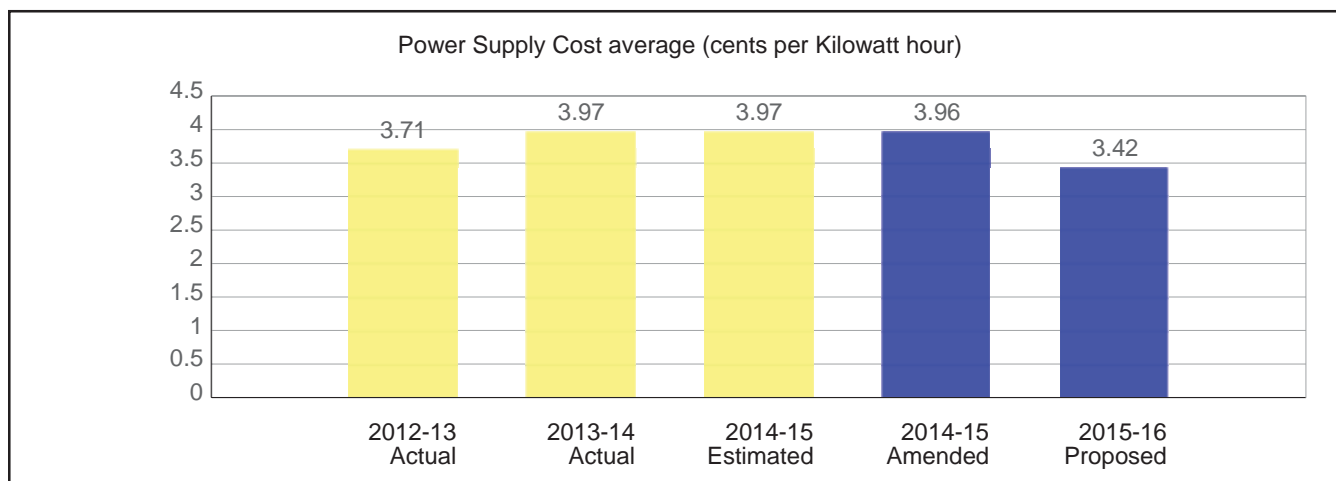
# Austin Energy

## Budget Detail by Activity

Program: Fuel & ERCOT Recoverable

Activity: Fuel & ERCOT Recoverable

The purpose of the Fuel and ERCOT Recoverable activity is to purchase the commodities necessary to operate the Austin Energy-owned and co-owned power plants in order to provide sufficient electric services to AE customers.



	2012-13 Actual	2013-14 Actual	2014-15 Estimated	2014-15 Amended	2015-16 Proposed
<b>Requirements</b>					
Austin Energy Fund	460,610,542	506,791,337	515,318,298	519,482,442	450,667,204
<b>Total Requirements</b>	<b>\$460,610,542</b>	<b>\$506,791,337</b>	<b>\$515,318,298</b>	<b>\$519,482,442</b>	<b>\$450,667,204</b>
<b>Performance Measures</b>					
Fuel Expense	453,813,794	501,593,156	508,373,008	512,537,152	442,553,468
<b>Power Supply Cost average (cents per Kilowatt hour)</b>	<b>3.71</b>	<b>3.97</b>	<b>3.97</b>	<b>3.96</b>	<b>3.42</b>

### Services

To calculate the net effect of purchases for natural gas and fuel oil to operate owned generating plants as well as account for costs of co-owned facilities which use coal and nuclear fuel. Power is bought from and sold into the Electric Reliability Council of Texas (ERCOT) wholesale market and also accounts for the use of purchase power agreements to purchase renewable energy, ERCOT administrative costs and fuel hedging activities.

### Contact

Khalil Shalabi, Vice President, Energy Market Operation & Resource Planning, 512 322-6520

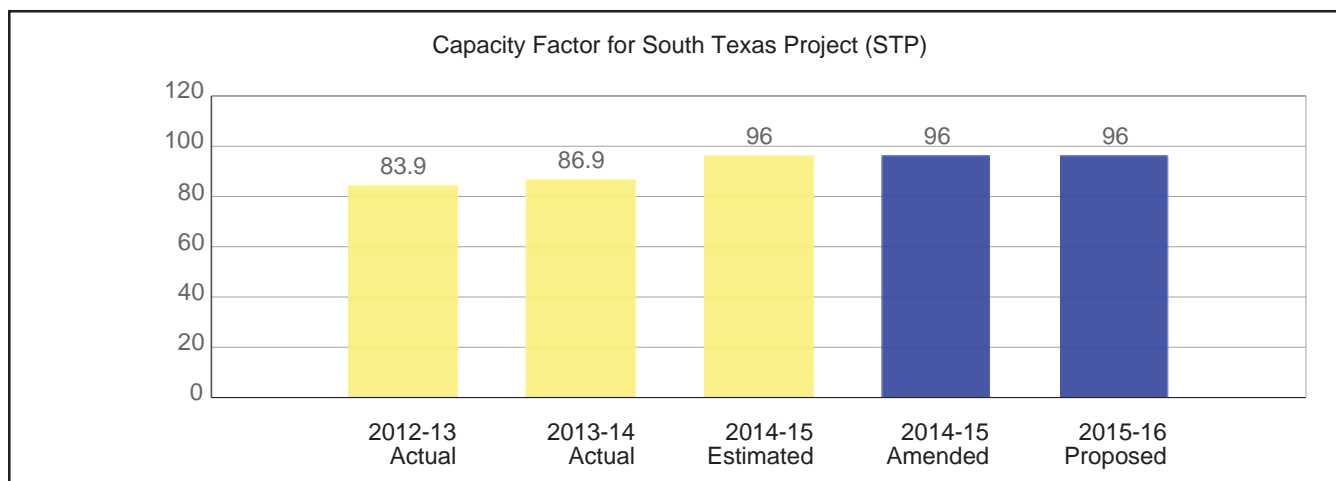
# Austin Energy

## Budget Detail by Activity

Program: Power Supply & Market Operations

Activity: Nuclear and Coal Plants Operating

The purpose of the Nuclear and Coal Plants Operating activity is to account for the costs to operate and maintain the Fayette Power Plant and South Texas Nuclear Plant.



	2012-13 Actual	2013-14 Actual	2014-15 Estimated	2014-15 Amended	2015-16 Proposed
<b>Requirements</b>					
Austin Energy Fund	94,334,368	99,212,988	82,485,990	92,604,390	90,908,789
<b>Total Requirements</b>	<b>\$94,334,368</b>	<b>\$99,212,988</b>	<b>\$82,485,990</b>	<b>\$92,604,390</b>	<b>\$90,908,789</b>
<b>Performance Measures</b>					
Capacity Factor for South Texas Project (STP)	83.9	86.9	96	96	96
Equivalent Availability Factor (EAF) of the Fayette Power Plant	82.71	89.85	95	95	90

### Services

Operation and Maintenance of the coal fired Fayette Power Plant, which Austin Energy owns 50% with LCRA. Operations and Maintenance of the South Texas Nuclear Plant which Austin Energy owns 16% of Units 1 and 2.

### Contact

John Wester, Director, Power Projects & Asset Management

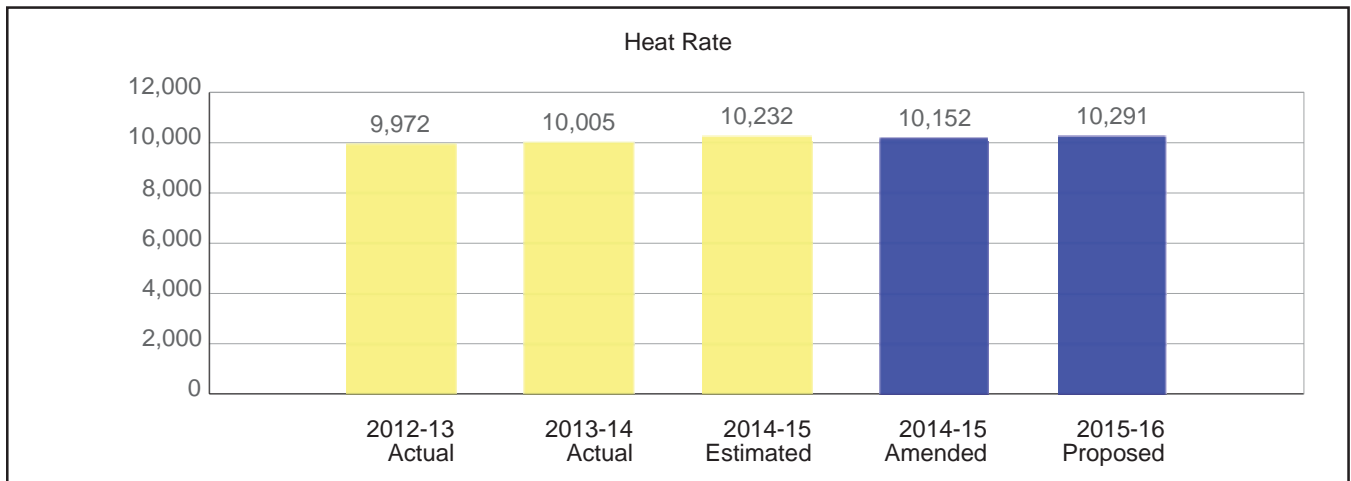
# Austin Energy

## Budget Detail by Activity

Program: Power Supply & Market Operations

Activity: Power Production

The purpose of the Power Production activity is to provide operations, maintenance and engineering services to utility owned and co-owned power plants in order to provide clean, affordable and reliable energy for our customers as well as provide energy market analysis and scheduling in order to ensure that adequate generation is available to meet customer demand and to ensure that Austin Energy is in compliance with all federal, state and local laws pertaining to system generation, sale and purchase of power.



	2012-13 Actual	2013-14 Actual	2014-15 Estimated	2014-15 Amended	2015-16 Proposed
<b>Requirements</b>					
Austin Energy Fund	66,278,040	65,288,932	73,004,193	67,245,867	65,206,729
Expense Refunds	1,624,792	1,585,469	1,147,628	1,147,628	1,059,818
<b>Total Requirements</b>	<b>\$67,902,832</b>	<b>\$66,874,400</b>	<b>\$74,151,821</b>	<b>\$68,393,495</b>	<b>\$66,266,547</b>
<b>Full-Time Equivalents</b>					
Austin Energy Fund Civilian	251.50	245.00	232.00	232.00	243.00
<b>Total FTEs</b>	<b>251.50</b>	<b>245.00</b>	<b>232.00</b>	<b>232.00</b>	<b>243.00</b>
<b>Performance Measures</b>					
Emissions by Plant	New Meas	4,615,680	4,300,000	4,500,000	4,500,000
Production Cost	4.795	4.7	4.7	5.015	4.7
<b>Heat Rate</b>	<b>9,972</b>	<b>10,005.17</b>	<b>10,232</b>	<b>10,151.85</b>	<b>10,290.81</b>

### Services

Operate Power Plants both owned and co-owned, procure power from Purchase Power Agreements, procure sufficient fuel supply to operate power plants.

### Contact

Elaina Ball, Vice President, Power Production, 512-322-6062

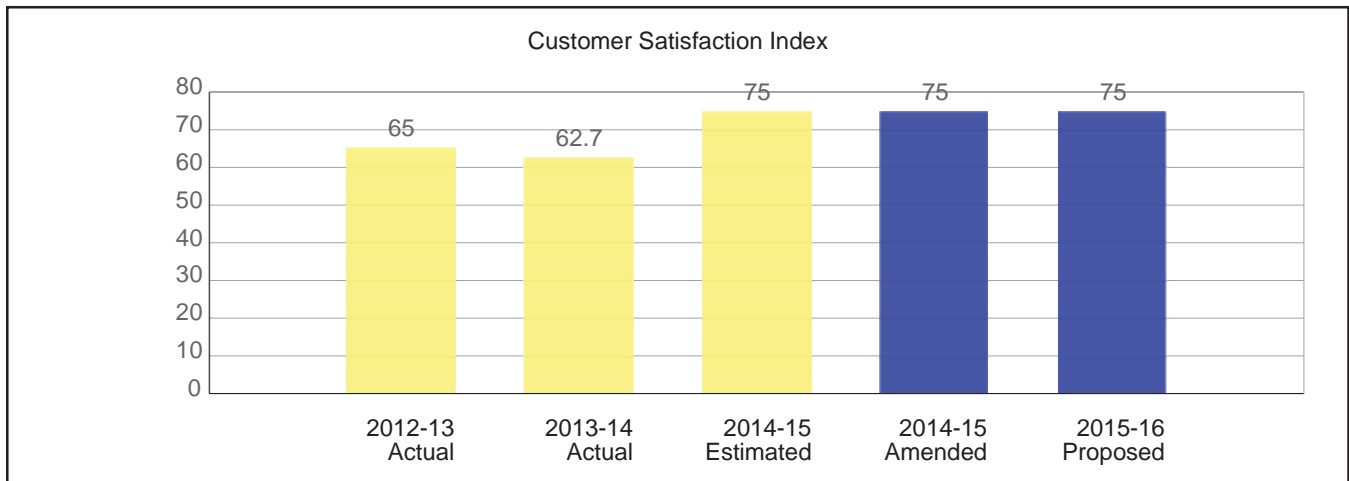
# Austin Energy

## Budget Detail by Activity

Program: Support Services

Activity: Departmental Support Services

The purpose of the Departmental Support Services activity is to provide operational support to the department so they have the necessary tools to perform their jobs.



	2012-13 Actual	2013-14 Actual	2014-15 Estimated	2014-15 Amended	2015-16 Proposed
<b>Requirements</b>					
Austin Energy Fund	69,483,044	78,994,120	84,080,440	83,862,440	88,447,003
Expense Refunds	20,613,945	17,064,795	18,740,048	18,740,048	19,595,747
<b>Total Requirements</b>	<b>\$90,096,988</b>	<b>\$96,058,915</b>	<b>\$102,820,488</b>	<b>\$102,602,488</b>	<b>\$108,042,750</b>
<b>Full-Time Equivalents</b>					
Austin Energy Fund					
Civilian	409.00	431.00	428.00	428.00	417.00
<b>Total FTEs</b>	<b>409.00</b>	<b>431.00</b>	<b>428.00</b>	<b>428.00</b>	<b>417.00</b>
<b>Performance Measures</b>					
Employee Turnover Rate	8.7	7.72	4.5	4.5	4.5
Lost Time Injury Rate Per the Equivalent of 100 Employees	1.31	1.22	0.7	1	0.7
Sick leave hours used per 1,000 hours	35.62	33.97	35	35	35
<b>Customer Satisfaction Index</b>	<b>65</b>	<b>62.7</b>	<b>75</b>	<b>75</b>	<b>75</b>
<b>Credit rating for separate-lien electric utility system revenue bonds</b>	<b>AA-</b>	<b>AA-</b>	<b>AA-</b>	<b>AA-</b>	<b>AA-</b>

### Services

Corporate communications, workforce development, safety, security and facility management, legal, information technology, financial monitoring & budget, materials and fleet management, governmental relations issues & market policy, strategic planning & development.

### Contact

David Kutach, Director, Budget & Finance, 512-322-6357

**Bold Measure = Key Indicator**

# Austin Energy

## Budget Detail by Activity

Program: Transfers and Other Requirements

Activity: All Activities

The purpose of the Transfers and Other Requirements program is to account for transfers and other department requirements.

*Graph Not Applicable*

	2012-13 Actual	2013-14 Actual	2014-15 Estimated	2014-15 Amended	2015-16 Proposed
<b>Requirements</b>					
Austin Energy Fund	345,190,351	379,285,235	395,909,777	395,338,238	394,011,674
<b>Total Requirements</b>	<b>\$345,190,351</b>	<b>\$379,285,235</b>	<b>\$395,909,777</b>	<b>\$395,338,238</b>	<b>\$394,011,674</b>

### Services

Accrued payroll; Utility billing system support; 311 Call Center support; Bad debt expenses; Interest on Debt; Depreciation

Debt service requirements for revenue bonds, General Obligation debt and commercial paper

General Fund transfer; Capital Improvement Program; Reserves; Citywide administrative and information technology support; Workers' compensation; Liability reserve; Economic Development

### Contact

David Kutach, Director, Budget & Finance, 512-322-6357

# Austin Energy: 2015-16

<i>Austin Energy Fund</i>	2012-13 Actual	2013-14 Actual	2014-15 Estimated	2014-15 Amended	2015-16 Proposed
<b>Requirements</b>					
<b>Customer Care</b>	<b>\$26,682,777</b>	<b>\$26,138,010</b>	<b>\$38,198,564</b>	<b>\$38,209,564</b>	<b>\$38,961,907</b>
311 City-Wide Call Center	1,643,379	1,985,013	2,368,650	2,368,650	2,714,280
Billing and Revenue Measurement	28,616,066	14,166,333	24,509,372	24,509,372	23,896,339
Customer Contact Center	(3,576,669)	9,986,664	11,320,542	11,331,542	12,351,288
<b>Customer Energy Solutions</b>	<b>\$38,667,754</b>	<b>\$40,465,464</b>	<b>\$44,130,541</b>	<b>\$45,477,720</b>	<b>\$43,477,043</b>
Conservation Rebates and Incentives	22,569,294	24,060,314	22,869,000	23,953,221	23,209,000
Demand Side Management	16,098,460	16,405,150	21,261,541	21,524,499	20,268,043
<b>Electric Service Delivery</b>	<b>\$145,229,657</b>	<b>\$175,296,214</b>	<b>\$196,267,237</b>	<b>\$198,213,563</b>	<b>\$198,687,819</b>
Distribution Services	33,209,757	33,685,417	38,121,335	38,121,335	39,462,504
Power Delivery Support	24,244,056	26,916,918	33,246,084	35,192,410	35,579,932
Transmission Services	87,775,844	114,693,879	124,899,818	124,899,818	123,645,383
<b>Fuel &amp; ERCOT Recoverable</b>	<b>\$460,610,542</b>	<b>\$506,791,337</b>	<b>\$515,318,298</b>	<b>\$519,482,442</b>	<b>\$450,667,204</b>
Fuel & ERCOT Recoverable	460,610,542	506,791,337	515,318,298	519,482,442	450,667,204
<b>Power Supply &amp; Market Operations</b>	<b>\$160,612,408</b>	<b>\$164,501,919</b>	<b>\$155,490,183</b>	<b>\$159,850,257</b>	<b>\$156,115,518</b>
Nuclear and Coal Plants Operating	94,334,368	99,212,988	82,485,990	92,604,390	90,908,789
Power Production	66,278,040	65,288,932	73,004,193	67,245,867	65,206,729
<b>Support Services</b>	<b>\$69,483,044</b>	<b>\$78,994,120</b>	<b>\$84,080,440</b>	<b>\$83,862,440</b>	<b>\$88,447,003</b>
Departmental Support Services	69,483,044	78,994,120	84,080,440	83,862,440	88,447,003
<b>Transfers and Other Requirements</b>	<b>\$345,190,351</b>	<b>\$379,285,235</b>	<b>\$395,909,777</b>	<b>\$395,338,238</b>	<b>\$394,011,674</b>
Debt Transfers	0	0	115,747,889	119,963,323	116,982,894
Interfund Transfers	326,127,806	358,729,798	255,297,550	255,297,550	256,032,171
Other Requirements	19,062,545	20,555,437	24,864,338	20,077,365	20,996,609
<b>Total</b>	<b>\$1,246,476,534</b>	<b>\$1,371,472,299</b>	<b>\$1,429,395,040</b>	<b>\$1,440,434,224</b>	<b>\$1,370,368,168</b>

## Full-Time Equivalents (FTEs)

<b>Customer Care</b>	<b>352.00</b>	<b>351.00</b>	<b>363.00</b>	<b>363.00</b>	<b>357.00</b>
311 City-Wide Call Center	68.00	69.00	67.00	67.00	69.00
Billing and Revenue Measurement	124.00	122.00	143.00	143.00	124.00
Customer Contact Center	160.00	160.00	153.00	153.00	164.00
<b>Customer Energy Solutions</b>	<b>107.00</b>	<b>107.00</b>	<b>107.00</b>	<b>107.00</b>	<b>111.00</b>
Demand Side Management	107.00	107.00	107.00	107.00	111.00
<b>Electric Service Delivery</b>	<b>539.50</b>	<b>538.75</b>	<b>542.75</b>	<b>542.75</b>	<b>544.75</b>
Distribution Services	296.00	293.00	241.00	241.00	289.00
Power Delivery Support	191.50	193.75	167.75	167.75	204.75
Transmission Services	52.00	52.00	134.00	134.00	51.00
<b>Power Supply &amp; Market Operations</b>	<b>251.50</b>	<b>245.00</b>	<b>232.00</b>	<b>232.00</b>	<b>243.00</b>
Power Production	251.50	245.00	232.00	232.00	243.00
<b>Support Services</b>	<b>409.00</b>	<b>431.00</b>	<b>428.00</b>	<b>428.00</b>	<b>417.00</b>
Departmental Support Services	409.00	431.00	428.00	428.00	417.00
<b>Total</b>	<b>1,659.00</b>	<b>1,672.75</b>	<b>1,672.75</b>	<b>1,672.75</b>	<b>1,672.75</b>

# Austin Energy: 2015-16

<i>Grants</i>	2012-13 Actual	2013-14 Actual	2014-15 Estimated	2014-15 Amended	2015-16 Proposed
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## Requirements

<b>Customer Energy Solutions</b>	<b>\$2,998,669</b>	<b>\$325,000</b>	<b>\$325,000</b>	<b>\$555,000</b>	<b>\$55,000</b>
Demand Side Management	2,998,669	325,000	325,000	555,000	55,000
<b>Electric Service Delivery</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,000,000</b>	<b>\$1,929,000</b>
Power Delivery Support	0	0	0	1,000,000	1,929,000
<b>Total</b>	<b>\$2,998,669</b>	<b>\$325,000</b>	<b>\$325,000</b>	<b>\$1,555,000</b>	<b>\$1,984,000</b>

## Full-Time Equivalents (FTEs)

<b>Customer Energy Solutions</b>	<b>13.00</b>	<b>9.00</b>	<b>3.00</b>	<b>3.00</b>	<b>1.00</b>
Demand Side Management	13.00	9.00	3.00	3.00	1.00
<b>Total</b>	<b>13.00</b>	<b>9.00</b>	<b>3.00</b>	<b>3.00</b>	<b>1.00</b>



# Austin Energy: 2015-16

<i>Expense Refunds</i>	2012-13 Actual	2013-14 Actual	2014-15 Estimated	2014-15 Amended	2015-16 Proposed
<b>Requirements</b>					
<b>Customer Care</b>	<b>\$26,101,888</b>	<b>\$25,426,846</b>	<b>\$25,915,934</b>	<b>\$25,915,934</b>	<b>\$28,290,681</b>
311 City-Wide Call Center	6,079,223	6,295,998	6,891,485	6,891,485	7,116,040
Billing and Revenue Measurement	650	12,430,549	10,814,531	10,814,531	12,204,933
Customer Contact Center	20,022,015	6,700,299	8,209,918	8,209,918	8,969,708
<b>Customer Energy Solutions</b>	<b>\$0</b>	<b>\$42,277</b>	<b>\$17,835</b>	<b>\$63,293</b>	<b>\$0</b>
Conservation Rebates and Incentives	0	40,467	0	0	0
Demand Side Management	0	1,811	17,835	63,293	0
<b>Electric Service Delivery</b>	<b>\$15,956,332</b>	<b>\$16,995,878</b>	<b>\$17,699,881</b>	<b>\$17,699,881</b>	<b>\$19,119,626</b>
Distribution Services	10,198,588	10,487,644	11,050,558	11,050,558	10,823,351
Power Delivery Support	3,580,313	4,283,104	4,037,826	4,037,826	5,568,087
Transmission Services	2,177,432	2,225,131	2,611,497	2,611,497	2,728,188
<b>Power Supply &amp; Market Operations</b>	<b>\$1,624,792</b>	<b>\$1,585,469</b>	<b>\$1,147,628</b>	<b>\$1,147,628</b>	<b>\$1,059,818</b>
Power Production	1,624,792	1,585,469	1,147,628	1,147,628	1,059,818
<b>Support Services</b>	<b>\$20,613,945</b>	<b>\$17,064,795</b>	<b>\$18,740,048</b>	<b>\$18,740,048</b>	<b>\$19,595,747</b>
Departmental Support Services	20,613,945	17,064,795	18,740,048	18,740,048	19,595,747
<b>Total</b>	<b>\$64,296,957</b>	<b>\$61,115,266</b>	<b>\$63,521,326</b>	<b>\$63,566,784</b>	<b>\$68,065,872</b>

## Austin Energy Fund

	2012-13 ACTUAL	2013-14 ACTUAL	2014-15 ESTIMATED	2014-15 AMENDED	2015-16 PROPOSED
<b>BEGINNING BALANCE</b>	128,465,886	214,764,108	274,985,273	253,718,538	269,082,295
<b>REVENUE</b>					
Base Revenue	636,221,871	634,464,672	653,140,477	653,700,521	658,773,854
Power Supply Revenue	455,275,095	501,593,156	508,373,008	512,537,152	442,553,468
Community Benefit Revenue	36,320,391	45,599,475	55,972,099	57,728,976	57,721,995
Regulatory Revenue	75,274,157	98,453,903	79,619,723	81,732,390	132,627,587
Transmission Revenue	63,333,472	68,974,261	74,193,664	74,193,664	73,751,931
Transmission Rider	283,305	575,375	150,000	150,000	0
Other Revenue	39,098,148	39,402,908	48,875,735	47,718,452	54,350,276
Interest Income	2,366,678	2,176,913	3,167,356	3,167,356	3,167,356
<b>Total Revenue</b>	<b>1,308,173,117</b>	<b>1,391,240,663</b>	<b>1,423,492,062</b>	<b>1,430,928,511</b>	<b>1,422,946,467</b>
<b>TRANSFERS IN</b>					
Conservation Rebates and Incentives Fund	853,291	0	0	0	0
Strategic Reserve Fund	10,900,000	0	0	0	0
<b>Total Transfers In</b>	<b>11,753,291</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL AVAILABLE FUNDS</b>	<b>1,319,926,408</b>	<b>1,391,240,663</b>	<b>1,423,492,062</b>	<b>1,430,928,511</b>	<b>1,422,946,467</b>
<b>PROGRAM REQUIREMENTS</b>					
Power Supply	453,813,794	501,593,156	508,373,008	512,537,152	442,553,468
Recoverable Expenses	88,412,053	113,221,998	125,581,534	125,581,534	124,950,969
Non-Fuel Operations & Maintenance	223,409,129	237,180,183	279,002,125	275,142,378	281,465,371
Conservation	12,694,638	12,940,926	16,703,849	16,807,554	15,626,609
Conservation Rebates	22,569,294	24,060,314	22,869,000	23,953,221	23,209,000
Nuclear & Coal Plants Operating	94,334,368	99,212,988	82,485,990	92,604,390	90,908,789
Other Operating Expenses	18,936,801	23,289,872	23,068,183	17,919,932	17,218,230
<b>Total Program Requirements</b>	<b>914,170,077</b>	<b>1,011,499,437</b>	<b>1,058,083,689</b>	<b>1,064,546,161</b>	<b>995,932,436</b>
<b>OTHER REQUIREMENTS</b>					
Accrued Payroll	339,239	527,699	265,912	627,190	1,420,667
<b>Total Other Requirements</b>	<b>339,239</b>	<b>527,699</b>	<b>265,912</b>	<b>627,190</b>	<b>1,420,667</b>
<b>DEBT SERVICE</b>					
General Obligation Debt Service	155,041	150,366	149,300	149,300	150,449
Capital Lease	0	123,888	125,209	116,023	125,209
Debt Service (Principal and Interest)	130,772,349	130,881,466	115,473,380	119,698,000	116,707,236
<b>Total Debt Service</b>	<b>130,927,390</b>	<b>131,155,720</b>	<b>115,747,889</b>	<b>119,963,323</b>	<b>116,982,894</b>
<b>TRANSFERS OUT</b>					
Electric Capital Improvement Program	68,835,000	79,846,580	67,787,565	67,787,565	64,624,113
General Fund	105,000,000	105,000,000	105,000,000	105,000,000	105,000,000
Strategic Reserve	0	0	44,000,000	44,000,000	36,000,000
Voluntary Utility Assistance Fund	0	600,000	600,000	600,000	600,000
Trunked Radio	311,703	328,471	282,961	282,961	366,816
Workers' Compensation	1,855,537	2,188,084	2,338,903	2,338,903	1,875,196
Liability Reserve	500,000	400,000	400,000	400,000	400,000
Support Services Fund	18,364,843	21,002,536	20,132,282	20,132,282	22,403,492
CTM Support	5,839,411	7,037,555	5,985,656	5,985,656	6,946,625
Economic Incentives Reserve Fund	333,333	333,333	0	0	0
Repair and Replacement Fund	0	0	0	0	9,000,000
Economic Development Fund	11,294,237	11,437,520	8,770,183	8,770,183	8,815,929
<b>Total Transfers Out</b>	<b>212,334,064</b>	<b>228,174,079</b>	<b>255,297,550</b>	<b>255,297,550</b>	<b>256,032,171</b>
<b>TOTAL REQUIREMENTS</b>	<b>1,257,770,770</b>	<b>1,371,356,935</b>	<b>1,429,395,040</b>	<b>1,440,434,224</b>	<b>1,370,368,168</b>
<b>EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS</b>	62,155,638	19,883,728	(5,902,978)	(9,505,713)	52,578,299
<b>ADJUSTMENT TO GAAP</b>	24,142,584	40,337,437	0	0	0
<b>ENDING BALANCE</b>	<b>214,764,108</b>	<b>274,985,273</b>	<b>269,082,295</b>	<b>244,212,825</b>	<b>321,660,594</b>

Note: Numbers may not add due to rounding.

# Austin Energy Repair And Replacement Fund

	2012-13 ACTUAL	2013-14 ACTUAL	2014-15 ESTIMATED	2014-15 AMENDED	2015-16 PROPOSED
<b>BEGINNING BALANCE</b>	64,071	64,071	64,071	64,071	64,071
<b>TRANSFERS IN</b>					
Austin Energy	0	0	0	0	9,000,000
<b>Total Transfers In</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,000,000</b>
<b>TOTAL AVAILABLE FUNDS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,000,000</b>
<b>TOTAL REQUIREMENTS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS</b>	0	0	0	0	9,000,000
<b>ADJUSTMENT TO GAAP</b>	0	0	0	0	0
<b>ENDING BALANCE</b>	<b>64,071</b>	<b>64,071</b>	<b>64,071</b>	<b>64,071</b>	<b>9,064,071</b>

*Note: Numbers may not add due to rounding.*

# Austin Energy Strategic Reserve Fund

	2012-13 ACTUAL	2013-14 ACTUAL	2014-15 ESTIMATED	2014-15 AMENDED	2015-16 PROPOSED
<b>BEGINNING BALANCE</b>	113,017,320	103,953,476	105,444,118	103,953,476	149,444,118
<b>REVENUE</b>					
Interest	1,836,156	1,490,642	0	0	0
<b>Total Revenue</b>	<b>1,836,156</b>	<b>1,490,642</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TRANSFERS IN</b>					
Austin Energy	0	0	44,000,000	44,000,000	36,000,000
<b>Total Transfers In</b>	<b>0</b>	<b>0</b>	<b>44,000,000</b>	<b>44,000,000</b>	<b>36,000,000</b>
<b>TOTAL AVAILABLE FUNDS</b>	<b>1,836,156</b>	<b>1,490,642</b>	<b>44,000,000</b>	<b>44,000,000</b>	<b>36,000,000</b>
<b>TRANSFERS OUT</b>					
Trf to Electric Operating Fund	10,900,000	0	0	0	0
<b>Total Transfers Out</b>	<b>10,900,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL REQUIREMENTS</b>	<b>10,900,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS OVER TOTAL REQUIREMENTS</b>	(9,063,844)	1,490,642	44,000,000	44,000,000	36,000,000
<b>ADJUSTMENT TO GAAP</b>	0	0	0	0	0
<b>ENDING BALANCE</b>	<b>103,953,476</b>	<b>105,444,118</b>	<b>149,444,118</b>	<b>147,953,476</b>	<b>185,444,118</b>

Note: Numbers may not add due to rounding.

# Austin Energy Repair and Replacement Fund

## Purpose and Nature of Fund

The Repair and Replacement Fund was created and established with the City Council's adoption of the FY 2001-02 Budget. In accordance with the City's Financial Policies, the Repair and Replacement Fund shall be used for providing extensions, additions, replacements and improvements to the electric system.

Net revenue available after meeting the General Fund Transfer, capital investment (equity contributions from current revenue), and 45 days of working capital may be deposited in the Repair and Replacement Fund.

The targeted balance shall not exceed 50% of the previous year's electric utility depreciation expense, which is at a level necessary to keep the electric system in good operating condition or to prevent a loss of revenue.

## Factors Affecting Revenue

Revenue is generated through transfers into the fund from the Austin Energy Operating Fund and Strategic Reserve Fund. Inception to-date transfers from other funds total \$74,714,071.

The FY 2015-16 Budget includes a \$9,000,000 transfer in from the Austin Energy Operating Fund.

## Factors Affecting Requirements

Expenditure requirements in the Repair and Replacement Fund are related to extensions, additions, and improvements to the electric system. A detail of inception to-date expenditures totaling \$74,650,000 follows:

- In FY 2003-04, \$7,650,000 was transferred to the Austin Energy Operating Fund to fund the first two years of Holly Power Plant decommissioning costs.
- In FY 2007-08, \$30,000,000 was transferred to the Austin Energy Operating Fund to begin funding additional generation peaking capacity at the Sand Hill Energy Center through the Austin Energy Capital Improvement Program.
- In FY 2008-09, an additional \$35,000,000 was transferred to the Austin Energy Operating Fund to continue funding additional generation peaking capacity at the Sand Hill Energy Center through the Austin Energy Capital Improvement Program.
- In FY 2009-10, the Budget included a \$2,000,000 transfer to the Austin Energy Operating Fund to return ending balance not needed for funding Sand Hill Energy Center.
- The FY 2011-12 through 2015-16 Budgets do not include a transfer to other funds.

	2012-13 Actual	2013-14 Actual	2014-15 Estimated	2014-15 Amended	2015-16 Proposed
Revenue	\$0	\$0	\$0	\$0	\$9,000,000
Requirements	\$0	\$0	\$0	\$0	\$0

# Austin Energy Strategic Reserve Fund

## Purpose and Nature of Fund

The Austin Energy Strategic Reserve Fund as defined in the City's Financial Policies has three components:

- An Emergency Reserve with a minimum of 60 days of non-power supply operating requirements;
- Up to a maximum of 60 days additional non-power supply operating requirements set aside as a Contingency Reserve;
- Any additional funds over the maximum 120 days of non-power supply operating requirements may be set aside in a Rate Stabilization Reserve. The Rate Stabilization Reserve balance shall not exceed 90 days of net power supply costs.

The Emergency Reserve shall only be used as a last resort to provide funding in the event of an unanticipated or unforeseen extraordinary need of an emergency nature such as costs related to natural disasters, emergencies or unexpected costs created by Federal or State legislation. The Emergency Reserve shall be used only after the Contingency Reserve has been exhausted.

The Contingency Reserve shall be used for unanticipated or unforeseen events that reduce revenues or increase obligations such as extended unplanned plant outages, insurance deductibles, unexpected costs created by Federal or State legislation, and liquidity support for unexpected changes in fuel costs or purchased-power which stabilize fuel rates for customers. In the event any portion of the Contingency Reserve is used, the balance will be replenished to the targeted amount within two years.

A Rate Stabilization Reserve shall be used to stabilize electric utility rates in future periods. The Rate Stabilization Reserve may provide funding for: (1) deferring or minimizing future rate increases, (2) new generation capacity construction and acquisition costs and (3) balancing of annual power supply costs (net power supply/energy settlement cost). The balance shall not exceed 90 days of net power supply costs.

Funding may be provided from net revenues available after meeting the General Fund Transfer, capital investment (equity contributions from current revenues), Austin Energy Repair and Replacement Fund, and 45 days of working capital.

## Factors Affecting Revenue

The FY 2014-15 Amended Budget included a transfer from Austin Energy Operating to the Strategic Reserve Fund in the amount of \$44,000,000.

The FY 2015-16 Budget includes a transfer from Austin Energy Operating to the Strategic Reserve Fund in the amount of \$36,000,000.

## Factors Affecting Requirements

Requirements may include, but are not limited to, costs related to extended unplanned plant outages, insurance deductibles, unexpected costs due to Federal or State legislation, and liquidity support to stabilize fuel rates for customers due to unexpected changes in fuel costs or purchased power.

	2012-13 Actual	2013-14 Actual	2014-15 Estimated	2014-15 Amended	2015-16 Proposed
Revenue	\$1,836,156	\$1,490,642	\$0	\$0	\$0
Transfers In	\$0	\$0	\$44,000,000	\$44,000,000	\$36,000,000
Requirements	\$10,900,000	\$0	\$0	\$0	\$0

# How to Read the Capital Budget

- **Appropriation Category**— The Capital Budget Appropriation Pages give detail on all projects or programs that are receiving new or additional appropriations in FY 2015-16. Departments often receive appropriation by program to allow for multiple, similar projects to receive funding. To review a detailed listing of department projects, please refer to the CIP Plan located on [Austin Finance Online](#).
- **Appropriation**— The Capital Budget, as adopted by City Council, includes appropriations to support the approved capital projects. The appropriation listed is for Council's approval for FY 2015-16. Unlike the Operating Budget, which authorizes expenditures for only one fiscal year, Capital Budget appropriations are multi-year. They last until the funds are expended, unavailable, or cancelled.
- **2015-16 Spending Plan**— The Capital Budget is a multi-year spending authorization, and as a result, there is a distinction between what the City plans to spend in the next fiscal year and the new appropriations required to be approved in the budget. In addition, full appropriations for capital projects are required for contract awards to ensure adequate funding even though that appropriation will most likely not be fully spent in the same fiscal year. Spending is associated with the department providing the funding for each project. For example, a street reconstruction project is the responsibility of the Public Works Department, yet these projects often include the participation of the Austin Water Utility as they take the opportunity of the opened street to replace water and wastewater lines. To show the true cost of a department's capital program, the AWU funding for the project is included in the AWU budget.
- **Appropriation Detail**— The Appropriation Detail provides the accounting and funding sources for each new 2014-15 appropriation. In order to finance capital expenditures, various City funds transfer current revenue to the Capital Budget as well as utilize grants and other outside sources. The City also issues debt to finance projects. To avoid incurring debt and borrowing costs until cash is actually needed, cities can begin the preliminary phases of a project and reimburse the costs incurred with the sale of bonds at a later date through the use of a reimbursement resolution.

## Sample Appropriation Detail Page

Account	Funding Source	Appropriation
<b>Building Improvements</b>		
Funding to acquire, design, construct, improve and equip library facilities. This includes new and expanded facilities and facility renovations.		
8118 8507 A002	2012 GO Bonds P18 <i>Reimbursement Resolution</i>	\$2,065,000
<b>New Central Library</b>		
A new central library constructed to replace the existing, Faulk Central Library. The grand opening is expected in late 2016.		
8410 8507 0417	Certificates of Obligation <i>Reimbursement Resolution</i>	\$3,550,000
<b>Total New Appropriation</b>		<b>\$5,615,000</b>



# Austin Energy

## Background

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Austin Energy's mission is to deliver clean, affordable, reliable energy, and excellent customer service. The Capital Improvements Program (CIP) of Austin Energy provides the infrastructure and system assets necessary to accomplish its mission. Austin Energy (AE) formulates the CIP plan based on several factors including economic growth, customer needs, aging infrastructure, generation resource planning, technology improvements, and regulatory requirements. One important factor is the annual update and analysis of AE's system load requirements, which takes into consideration economic growth in AE's service territory as well as large customer requests for service. Consideration is also given to internal schedules for replacement of aging infrastructure and technology improvements.

## Prior Year Accomplishments

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The FY 2014-15 CIP included several on-going projects from prior fiscal years as well as the completion of several major projects, such as upgrades to various systems and transformers at the Sand Hill Energy Center, upgrades at the Fayette Power Project (FPP) to help meet federal emission standards for mercury, and plant upgrades at the South Texas Project. Major transmission projects included the completion of the re-conductor from Decker to McNeil and Dessau to Sprinkle substations as well as the Bergstrom to Onion Creek Relay upgrade, and the Braker, Sprinkle, Lost Pines, McNeil, Daffin Gin, Salem Walk, Warren and Northland Substation upgrades. Major distribution projects included an on-site dual feed design for the Veteran's Administration and the Commons Ford Park re-conductor. The FY 2014-15 CIP also included PowerPlan, Open Link, and ROAM (streetlight management) systems upgrades and the telecommunication make ready pole replacements. On-site generation projects included the completion of the Seaholm Development District Coordination, Fairmont Hotel piping, Central Library mechanical room, and a new chiller installation at the Domain Chilled Water Plant.

## FY 2015-16 Spending

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The \$229.1 million FY 2015-16 CIP spending plan is funded with \$119.2 million issuance of commercial paper and \$109.4 million of transfers from operations (internally generated cash), line extension fees, and beginning cash balances. The spending plan includes projects for additional generation resources deriving from the updated Generation Resource Plan including engineering work for the 500 megawatt natural gas plant at Decker, on-site energy Resource projects, and upgrades for the Sand Hill Energy Center as well for the jointly owned South Texas Project and Fayette Power Plants. Additional projects include community solar projects, system reliability improvements, residential and commercial system expansion projects, meter related and other reliability projects, network improvement projects, distribution substation upgrades, relocation of existing distribution services, streetlight projects, transmission substation upgrades, transmission circuit upgrades, walk-in customer service improvements and telephone system improvements, billing system upgrades, various information technology projects and software upgrades, initial construction of an office building, and other facility and security improvements.

## Operations and Maintenance Impact

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No additional operating and maintenance costs are anticipated in FY 2015-16 as a result of planned capital improvements.

## Funding Sources

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AE's financial policies, approved by the City Council, outline the funding requirements for its CIP projects with a mixture of current revenue and debt providing funding resources for CIP projects.

# Austin Energy

Account	Funding Source	Appropriation
<b>Power Production</b>		
Additions/improvements to generation plants.		
3220 1107 7101	Current Revenue	\$10,100,000
3220 1107 7101	Debt - Commercial Paper	\$88,800,000
3060 1107 1171	Debt - Taxable	\$44,000,000
<b>Transmission</b>		
Circuit upgrades and various transmissions substations.		
3230 1107 2900	Current Revenue	\$13,700,000
3230 1107 2900	Debt - Commercial Paper	\$25,800,000
<b>Distribution &amp; Distribution Substation</b>		
Additions/improvements to and extension of the existing distribution system and substations.		
3250 1107 3101	Current Revenue	\$33,900,000
3250 1107 3101	Debt - Commercial Paper	\$45,200,000
<b>Support Services</b>		
Facility and security improvement and information technology system projects.		
3290 1107 5101	Current Revenue	\$900,000
<b>Total New Appropriation</b>		<b>\$262,400,000</b>



City of Austin  
2015-16  
Proposed  
Fee Schedule

Utilities

## 2015-16 Fee Schedule

	Amended 2014-15	Proposed 2015-16	Change
<b>Austin Energy</b>			
<b>Customer Call Center</b>			
Continuous Service Program Initiation Fee - For owners and apartment managers to enroll in the continuous service program	\$20.00	per unit, one-time charged upon joining the program	\$20.00
Continuous Service Program Disconnect Fee - to disconnect service at the meter for owners and apartment managers participating in the continuous service program	\$20.00	per unit, one-time charged upon joining the program	\$20.00
Broken Seal Fee - to replace a broken meter seal; charged to the customer who could reasonably be expected to benefit from service received through the meter; may be waived one time if no other tampering is found	\$25.00		\$25.00
Construction Loop Fee - to install an electric meter for construction purposes only	\$25.00		\$25.00
Re-Initiation of Service Fee - to reinitiate utility service at an address where a customer had previous service at the same address	\$25.00		\$25.00
Initiation Fee - to initiate new utility service; except for participants in the continuing service program	\$20.00		\$20.00
Customer Requested Meter Test Fee - to test a meter upon a customer's request when a test at the address was performed during the preceding 36 months & over-registration is not in excess of industry standards	\$25.00		\$25.00
Returned Payment Fee - to process account payments that are returned, dishonored or denied by a bank, lender or 3rd party payer	\$30.00		\$30.00
Return Trip/Customer Initiated Trip Fee - For:	\$75.00		\$75.00
1) Follow-up trips required due to customer and or electricians actions that prevent AE from completing scheduled work on the first trip			
2) Trips requested by customers and or electricians for service problems that are determined not to be the responsibility of AE			
Non-Scheduled Disconnect (Non-Emergency) - Trips requested by customer for emergency service disconnections that are determined to be non-emergency by an AE employee responding to the request.	\$170.00		\$170.00
Automated Meter Opt out and switch to manual meter	\$75.00		\$75.00
Automated Meter Opt out monthly manual read fee	\$10.00		\$10.00
Meter Tampering Fee - to investigate tampered meters (in addition to utility diversion charges)	\$106.80		\$106.80
Utility Diversion Charges:			
Administrative Costs	\$100.00		\$100.00
Burnt Meter Blocks - 1	\$7.80		\$7.80
Burnt Meter Blocks - 2	\$15.60		\$15.60
Damaged Meter Base	\$34.00		\$34.00
Labor and Support	\$89.60		\$89.60
Meter Can	\$15.95		\$15.95
Meter Test and Repairs	\$5.01		\$5.01
Damaged A-Base Adapter	\$17.50		\$17.50
Broken Test Seal	\$20.00		\$20.00
1 Phase Meter	\$34.00		\$34.00
Damaged Lock	\$19.50		\$19.50
Damaged Lid	\$6.50		\$6.50

# 2015-16 Fee Schedule

## Austin Energy

	Amended 2014-15	Proposed 2015-16	Change
<b>Damaged Lockring</b>	\$13.00	\$13.00	
<b>Damaged Sealing Ring</b>	\$3.90	\$3.90	
<b>Missing Blank Off</b>	\$1.50	\$1.50	
<b>Latch Kit</b>	\$6.50	\$6.50	
<b>Broken Glass</b>	\$4.00	\$4.00	
<b>Other Utility Diversion Charges</b>	Cost	Cost	
<b>Automated Meter (using radio wave transmission)</b>	\$75.00	\$75.00	
<b>Account Records Fee-</b>	\$25.00 /hour	\$25.00 /hour	
to research and or compile customer records, account information or billing information			
<b>Streetlight Installation</b>			
Cost per lot for Underground (UG) Street lighting Installation	\$375.00	\$375.00	
Cost per lot for Overhead (OH) Street lighting Installation	\$250.00	\$250.00	
<b>Distribution Design</b>			
Additional Electric Facility Design(s) due to customer changes (No cost for first design)	Cost + 15%	Cost + 15%	per design
Prepare Customer Requested Cost Estimates for:			
New Install			
Single Resident	\$30.00	\$30.00	
Small Commercial or Subdivision (Under 350 Amps)	\$100.00	\$100.00	
Large Commercial or Subdivision (Over 350 Amps)	\$200.00	\$200.00	
Overhead to Underground Conversion			
Per 300ft	\$75.00	\$75.00	
Max	\$500.00	\$500.00	
Relocations			
Overhead	\$25.00 per removed pole	\$25.00 per removed pole	
Underground	\$75.00 per 300ft	\$75.00 per 300ft	
Service Upgrades			
Single Resident	\$15.00	\$15.00	
Small Commercial or Subdivision (Under 350 Amps)	\$25.00	\$25.00	
Large Commercial or Subdivision (Over 350 Amps)	\$100.00	\$100.00	
<b>Construction/Installation</b>			
After hours Outage requested by customer outside of normal working hour:	\$250.00 minimum 2 hours	\$250.00 minimum 2 hours per trip	
Normal working hours 8 a.m. to 4 p.m. Monday through Friday, excluding City recognized holidays	\$150.00 each additional hour	\$150.00 each additional hour	
Relocating existing distribution or secondary circuits	Cost + 15%	Cost + 15%	
Constructing electrical facilities for primary metered customers	Cost + 15%	Cost + 15%	
Constructing overhead distribution or secondary circuits to underground or vice versa	Cost + 15%	Cost + 15%	
Excess Facilities - Customer requested work beyond the standard of service delivery required of AE, and that is only performed by AE on our electric system	Cost + 15%	Cost + 15%	
Installing customer conduit in the vicinity of Austin Energy Facilities Installation of and Billing for Meter Totalization except when required by Austin Energy	Cost + 15%	Cost + 15%	

# 2015-16 Fee Schedule

	Amended 2014-15	Proposed 2015-16	Change
<b>Austin Energy</b>			
Repair to Damaged Austin Energy Facilities		Cost	
Impacted streetlight pole (without replacement)	\$360.00 per pole	\$350.00 per pole	-\$10.00
Hit and damaged Streetlight Pole	\$3,460.00	\$3,270.00	-\$190.00
Impacted utility pole (without replacement)	\$560.00 per pole	\$640.00 per pole	\$80.00
Hit and Damaged Utility Pole	\$5,750.00	\$6,640.00	\$890.00
Hit and Damaged Pad Mount Transformer	\$7,020.00	\$7,170.00	\$150.00
New Banner Linker Locations	\$925.00	\$925.00	
New Banner Site Evaluations	\$75.00	\$75.00	
Re-inspection Fee for Conduit in the vicinity of Austin Energy Facilities	\$75.00	\$75.00	
Setting and Removing Single-Phase Voltage Recorder	\$150.00	\$150.00	
Setting and Removing Three-Phase Voltage Recorder	\$200.00	\$200.00	
Special Locates of Underground AE Electric Facilities	\$250.00	\$250.00 up to 2 hours	
	\$125.00	\$125.00 each additional hour	
Tree Trimming Consultation	\$100.00	\$100.00	
Temporary Service	Cost + 15%	Cost + 15%	
Distributed Resource Interconnect Study Fee		\$6,000.00 per site	New
Dual Feed Service			
Initial Assessment Fee	\$6,000.00 per site	\$6,000.00 per site	
Customer Requested Changes to the Initial Assessment	\$2,000.00	\$2,000.00 per change	
Facilities Design and Construction	Cost + 15%	Cost + 15%	
Capacity Reservation & Maintenance Fee (unless customer is served under the LPS Special Contract Rider, State of Texas Large Service Contract, and Primary Voltage >3 MW)	\$3,100.00 / MVA per month	\$1,600.00 / MW per month	-\$1,500 / MW per mc
Transformer Oil Testing (Secondary Pad Mounted Only)			
Outage Required. Cost includes two hours	\$800.00 per transformer	\$800.00 per transformer	
Labor in excess of two hours	\$150.00 per hour	\$150.00 per hour	

## 2015-16 Fee Schedule

	Amended 2014-15	Proposed 2015-16	Change
<b>Austin Energy</b>			
<b>Green Building</b>			
Single Family Homes Green Building Consulting			
For single family designers, builders and owners who desire to have their homes certified as green built	\$50.00 per home certified	\$50.00 per home certified	
Applies inside and outside Austin Energy's service area, except to City of Austin SMART Housing projects			
Commercial / Multi-family Green Building Consulting	\$250.00 per building	\$250.00 per building	
Plus:			
Building Conditioned Sq Ft. less than 50,000	\$1,000.00 per building	\$1,000.00 per building	
Building Conditioned Sq Ft. between 50,000 and 250,000	\$3,500.00 per building	\$3,500.00 per building	
Building Conditioned Sq Ft. greater than 250,000	\$7,000.00 per building	\$7,000.00 per building	
For designers, builders and owners who desire to have their buildings certified as green built			
Applies inside and outside Austin Energy's service area, except to City of Austin SMART Housing projects			
<b>Research Real Estate Easements and Maps</b>			
	\$75.00 / hour plus expenses	\$75.00 / hour plus expenses	
<b>Austin Energy Logo Items (available for AE employees only)</b>			
Shirts- Polo	\$22.00	\$22.00	
Shirts- Denim	\$19.00	\$19.00	
Shirts- Moonlight Tower	\$10.55	\$10.55	
<b>Infrastructure Rental</b>			
Pole Attachments			
Pole Attachments Filing Fee (per application)			
First 1 - 50 Poles	\$35.00 per Pole	\$25.00 per Pole	
Next 51 - 100 Poles	\$25.00 per Pole	\$25.00 per Pole	
Next 100 + Poles	\$20.00 per Pole	\$25.00 per Pole	
Make ready assessment/report fee	direct costs + overhead & general/administrative	direct costs + overhead & general/administrative	
Mobilization fee for AE crews that are dispatched	direct costs + overhead & general/administrative	direct costs + overhead & general/administrative	
Transfer fee for transferring licensee's attachments	direct costs + overhead & general/administrative	direct costs + overhead & general/administrative	
Pole change out fee for setting new pole	direct costs + overhead & general/administrative	direct costs + overhead & general/administrative	
Construction assistance fee for aiding in construction	direct costs + overhead & general/administrative costs	direct costs + overhead & general/administrative costs	
Inspection / Engineering Assistance:	\$100 minimum charge	\$100 minimum charge	
Customer Planner C			
Regular time	\$52.00 / hour	\$52.00 / hour	
Overtime (Regular time X 2.55)	\$132.60 / hour	\$132.60 / hour	
Holiday (Regular time hourly rate X 3.05)	\$100.65 / hour	\$158.60 / hour	
Power System Graduate Engineer			
Regular time	\$50.00 / hour	\$50.00 / hour	
Overtime (Regular time X 2.55)	\$127.50 / hour	\$127.50 / hour	

## 2015-16 Fee Schedule

	Amended 2014-15	Proposed 2015-16	Change
<b>Austin Energy</b>			
Holiday (Regular time hourly rate X 3.05)	152.5 / hour	152.5 / hour	
Power System Engineer			
Regular time	56 / hour	56 / hour	
Overtime (Regular time X 2.55)	142.8 / hour	142.8 / hour	
Holiday (Regular time hourly rate X 3.05)	170.8 / hour	170.8 / hour	
Inspection / Engineering Assistance (continued)			
Power System Engineer Senior			
Regular time	\$66.00 / hour	\$66.00 / hour	
Overtime (Regular time X 2.55)	\$168.30 / hour	\$168.30 / hour	
Holiday (Regular time hourly rate X 3.05)	\$201.30 / hour	\$201.30 / hour	
Pole loading analysis fee			
Basic analysis	\$75.00 per Pole	\$75.00 per Pole	
Detailed analysis	\$225.00 per Pole	\$225.00 per Pole	
Annual usage and occupancy charge	per contract	per contract	
Wireless Attachment	per contract	per contract	
<b>Cell Tower and other Transmission and Substation Services</b>			
Tower attachment			
Filing fee	\$1,800.00	\$1,800.00	
Filing fee renewal	\$2,000.00	\$2,000.00	
Escort fee for non-Austin Energy personnel in locked sites			
Regular time	\$52.00 / hour	\$52.00 / hour	
Overtime (Regular time X 2.55)	\$132.60 / hour	\$132.60 / hour	
Holiday (Regular time hourly rate X 3.05)	\$158.60 / hour	\$158.60 / hour	
Austin Energy support personnel and engineers			
Regular time	\$48.00 to	\$48.00 to	
Overtime (Regular time X 2.55)	\$72.00 / hour	\$72.00 / hour	
Holiday (Regular time hourly rate X 3.05)	\$122.40 to	\$122.40 to	
High Voltage clearance lose of use fee	\$183.60 / hour	\$183.60 / hour	
High Voltage clearance personnel fee	\$146.40 to	\$146.40 to	
Regular time (Austin Energy staff rate)	\$219.60 / hour	\$219.60 / hour	
Overtime hourly rate	\$400.00 / hour	\$400.00 / hour	
Holiday hourly rate			
Vehicle / Equipment use charge	staff rate / hour	staff rate / hour	
Ground space fee for ground equipment	staff rate x 2.55 /hour	staff rate x 2.55 /hour	
Within or attached to the substation enclosure	staff rate x 3.05 /hour	staff rate x 3.05 /hour	
Area outside the substation enclosure or on other AE property	direct costs	direct costs	
Annual usage and occupancy charge	\$50.00 per sq. ft.	\$50.00 per sq. ft.	
Building Rooftop Fee	\$15.00 per sq. ft.	\$15.00 per sq. ft.	
	per contract	per contract	
	\$100.00 per sq. ft.	\$100.00 per sq. ft.	



## 2015-16 Fee Schedule

		Amended 2014-15	Proposed 2015-16	Change
<b>Austin Energy</b>				
<b>Commercial Film/Advertisement Productions</b>				
Non-Shooting Days (Set Preparation; Set strike)				
Production Days: Working Power Plant or Hazardous Facility-Interior				
1 Day		\$500.00 /day	\$500.00 /day	
2 Day		\$2,500.00 /day	\$2,500.00 /day	
3 Days or More		\$1,500.00 /day	\$1,500.00 /day	
Production Days: Working Power Plant or Hazardous Facility-Exterior				
And Other AE Facilities-Interior or Exterior				
1 Day		\$2,000.00 /day	\$2,000.00 /day	
2 Day		\$1,000.00 /day	\$1,000.00 /day	
3 Days or More		\$700.00 /day	\$700.00 /day	
Security or AE Personnel Costs in excess of 10 hours/day		Cost	Cost	
Site Modifications / Returning Site to prior conditions		Cost	Cost	
<b>Public Service Announcements, Documentaries &amp; Student Film Productions</b>				
Per Project Fee		\$100.00	\$100.00	
<b>Service Extensions/Switchovers</b>				
Line Extension Fee - Facilities to establish new service.		Cost	Estimated Cost	
Electric Service Application Fee		\$100.00	\$100.00	
Customer Switchover - for customers in a dually certified area all costs of disconnecting service shall be paid in advance of switchover, and customers must pay all current balances owed.		Cost	Cost	

# 2015-16 Fee Schedule

## *Austin Energy*

### **PRICING GUIDELINES FOR ELECTRIC UTILITY PRODUCTS AND SERVICES**

The pricing of electric products and services shall be derived from a competition-based pricing strategy. Competition-based pricing, also known as going-rate pricing, shall correlate prices for Austin Energy electric utility products and services to those of competitors for like goods and services in Austin, Texas or similar marketplaces. By including market-based surveys in the pricing process, competition based pricing includes within the pricing calculation the consumer's perception of the value of the product or service. The competition-based prices for products and services shall be selected by combining two standard pricing data sets and using pricing based on marginal cost.

- (1) The first pricing data set is the price range between the average lowest and average highest prices of the product or service. This price range shall be determined by researching the prices of the product or service in the current marketplace. Both internal and external market price surveys may be used. This range becomes the competition-based price range as established by competition in the market place.
- (2) The second pricing data set is the internally computed marginal cost of the product or service. Marginal cost is calculated by combining the determined total fixed and total variable costs to establish the floor of the profit margin.
- (3) The final price of the product or service shall not be offered below the marginal cost of the product or service and must be within the determined competition-based price range.
- (4) Calculation of the final price shall assume a product life cycle (to be determined for each product) for the purposes of determining the number of units or amount of service that will be sold.
- (5) The final price for a particular product or service shall be a ratio of the sum of the marginal cost and targeted profit to the anticipated number of units to be sold.

Competition-based pricing assumes that the selected price represents the collective pricing wisdom of the electric utility product and service marketplace. It reflects a price that affords a fair profit in a competitive marketplace.

### **LIGHTING PRODUCTS AND SERVICES**

This service includes the supply and installation of lights or poles for commercial facilities and residences. Lights and poles may be owned and maintained by the Utility.

### **MAINTENANCE CONTRACTS FOR CUSTOMER-OWNED MEDIUM-VOLTAGE EQUIPMENT**

This service provides specific maintenance contracts for customers requesting assistance in repairing or providing maintenance on medium-voltage equipment (over 600 volts). A maintenance contract will be prepared for each customer.

# 2015-16 Fee Schedule

## *Austin Energy*

### **POWER QUALITY OR RELIABILITY CONTRACTING**

This service provides contracts to improve customer power quality or reliability through the sale, lease, installation and maintenance of electrical devices. The final product or service offering will be based on that customer's specific needs.

### **SURGE PROTECTION**

This service provides whole building and point-of-use surge protection from voltage spikes. These products will be suitable for residential and commercial establishments. Customers have the option of choosing either whole building surge protection installed at the meter or high quality surge protection strips for individual or grouped devices, or both.

### **AUSTIN ANALYTICAL SERVICES**

Austin Analytical laboratory services can benefit other customers as well as the City of Austin. The laboratory is equipped to provide PCB, lead, asbestos, and other environmental and analytical testing to customers.

### **EDUCATIONAL SERVICES**

This service provides information and education on utility and competitive issues such as safety, power quality, planning, and energy services.

### **GREEN BUILDING PROGRAM**

The Green Building Program is a voluntary building rating system that encourages environmentally sound building, remodeling, and building maintenance practices. This program includes those services connected with providing "green building" practices: professional consulting, educational and informational "green building" services, and marketing of the same, all connected with providing and promoting environmentally sound building practices and systems ("green building"). Green Building services are available to individuals and business outside the City of Austin's electric service area as well to businesses within the service area boundary.

### **DISTRICT HEATING AND COOLING SERVICE**

This service provides customers and their facilities with thermal energy (in the form of chilled water, heated water, or steam) from central plant facilities and distribution systems operated by Austin Energy.

# 2015-16 Fee Schedule

## *Austin Energy*

### **CONSTRUCTION / INSTALLATION**

This service consists of pole or tower construction and conduit installation for electric or communications companies.

### **PULSE METERING, SUBMETERING, AND INTERVAL LOAD DATA SERVICES**

This service provides installation of pulse metering, submetering, or interval load data recorders at a customer's facility, and electronic collection of relevant data from a customer's facility, and provides customers with timely operating data to assist with the efficient operation of its equipment and facility.

### **ENERGY MANAGEMENT SERVICES**

Services include energy audits, feasibility studies, cost estimates, project management, providing, installing, and/or maintaining energy-efficient equipment, and arranging for project financing for governmental, commercial, and industrial customers.

### **DISTRIBUTED GENERATION**

This service provides on-site analysis for large industrial or commercial customers to assess opportunities for on-site electrical generation for these customers for peak shaving or emergency outage situations. If circumstances for on-site generation are favorable, Austin Energy may provide or assist customers in obtaining distributed generation equipment. Austin Energy may own, operate, and/or maintain such equipment.

### **ELECTRIC RELIABILITY COUNCIL OF TEXAS WHOLESALE MARKET SERVICES**

These services may be offered to eligible parties desiring to participate in the Electric Reliability Council of Texas (ERCOT) wholesale market. Austin Energy is currently registered as a Qualified Scheduling Entity in ERCOT and, as such, may provide scheduling, dispatching, communication, and a broad range of other services related to the ERCOT wholesale market.

## CITY OF AUSTIN – ELECTRIC RATE SCHEDULES

### **Residential Service**

#### **Application:**

Applies to all electric service for domestic purposes in each individual metered residence, apartment unit, mobile home, or other dwelling unit whose point of delivery is located within the limits of Austin Energy's service territory. The appropriate General Service schedules are applicable where a portion of the dwelling unit is used for either: a) conducting a business or other non-domestic purposes, unless such use qualifies as a home occupation pursuant to City Code Chapter 25-2-900; or b) for separately-metered uses at the same premises, including, but not limited to: water wells, gates, barns, garages, boat docks, pools, and lighting.

#### **Character of Service:**

Service provided under this rate schedule are pursuant to City Code Chapter 15-9 (*Utility Service Regulations*) and the City of Austin Utility Criteria Manual, as both may be amended from time to time, and such other rules and regulations as may be prescribed by the City of Austin. Electric service of one standard character will be delivered to one point of service on the customer's premises and measured through one meter unless, at Austin Energy's sole discretion, additional metering is required.

#### **Terms and Conditions:**

Customers shall permit Austin Energy to install all equipment necessary for metering and allow reasonable access to all electric service facilities installed by Austin Energy for inspection, maintenance, repair, removal, or data recording purposes. All non-kilowatt-hour charges under this schedule shall remain unaffected by the application of a rider(s).

The Customer Charge will not be applied to a customer's bill until the customer has received service for at least ten days during the billing cycle.

The rate tables below reflect rates with an effective date of November 1, 2015. For information on rates (*i.e.*, power supply adjustment, community benefit, and regulatory) prior to this effective date, please see corresponding schedules in the tariff (if applicable). For definition of charges listed below, see "Glossary of Terms" at the back of this tariff.

#### **Discounts:**

Residential customers who receive, or who reside with a household member who receives assistance from the Comprehensive Energy Assistance Program (CEAP), Travis County Hospital District Medical Assistance Program (MAP), Supplemental Security Income Program (SSI), Medicaid, the Supplemental Nutritional Assistance Program (SNAP), the Children's Health Insurance Program (CHIP), or the Telephone Lifeline Program are eligible for a discount under the Customer Assistance Program (CAP). The priority for program funding is CEAP, MAP, SSI, Medicaid, and SNAP followed by CHIP and then Telephone Lifeline recipients. Eligible residential customers will be automatically enrolled in the discount program through a third-party matching process, with self-enrollment also available directly through Austin Energy.

Customers enrolled in the discount program are exempt from the monthly Customer Charge and the CAP component of the Community Benefit Charge and shall receive a 10 percent bill reduction on kilowatt-hour-based charges. Customers in the discount program, as well as other low income and disadvantaged residential customers, may be eligible for bill payment assistance through Plus 1 and free weatherization assistance.

#### **Rider Schedules:**

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Services under this rate schedule are eligible for application of GreenChoice® Energy (Rider) and Value-Of-Solar (Rider).

### *Standard Rates*

This is the default rate option under this schedule.

	Inside City Limits	Outside City Limits
<b>Basic Charges (\$/month)</b>		
<i>Customer</i>	\$10.00	\$10.00
<i>Delivery</i>	\$0.00	\$0.00
<b>Summer Energy Charges (\$/kWh) – June through September</b>		
<i>0 – 500 kWh</i>	\$0.03300	\$0.03750
<i>501 – 1,000 kWh</i>	\$0.08000	\$0.08000
<i>1,001 – 1,500 kWh</i>	\$0.09100	\$0.09325
<i>1,501 – 2,500 kWh</i>	\$0.11000	\$0.09325
<i>Over 2,500 kWh</i>	\$0.11400	\$0.09325
<b>Non-Summer Energy Charges (\$/kWh) – October through May</b>		
<i>0 – 500 kWh</i>	\$0.01800	\$0.01800
<i>501 – 1,000 kWh</i>	\$0.05600	\$0.05600
<i>1,001 – 1,500 kWh</i>	\$0.07200	\$0.07170
<i>1,501 – 2,500 kWh</i>	\$0.08400	\$0.07170
<i>Over 2,500 kWh</i>	\$0.09600	\$0.07170
<b>Power Supply Adjustment Charge (\$/kWh)</b>		
<i>Power Supply</i>	\$0.03139	\$0.03139
<b>Community Benefit Charges (\$/kWh)</b>		
<i>Customer Assistance Program</i>	\$0.00172	\$0.00118
<i>Service Area Lighting</i>	\$0.00093	\$0.00000
<i>Energy Efficiency Services</i>	\$0.00400	\$0.00400
<b>Regulatory Charges (\$/kWh)</b>		
<i>Regulatory</i>	\$0.01414	\$0.01414
<i>Supplemental Regulatory</i>	\$0.00000	\$0.00057

### *Time-Of-Use Rates*

In lieu of the Standard Rates above, customers receiving service under this rate schedule may choose the following time-of-use charges to be applied for a term of not less than twelve consecutive billing months. Charges apply to all of Austin Energy's service territory. Customers selecting this option are not eligible to participate in levelized billing. Austin Energy may administratively suspend availability of this time-of-use rate option to additional customers.

#### *Time-Of-Use Periods*

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	<b>Summer</b> (June through September)	<b>Non-Summer</b> (October through May)
<b>On-Peak Hours</b>		
2:00 P.M. – 8:00 P.M.	Monday – Friday	None
<b>Mid-Peak Hours</b>		
6:00 A.M. – 2:00 P.M.	Monday – Friday	
8:00 P.M. – 10:00 P.M.	Monday – Friday	
6:00 A.M. – 10:00 P.M.	Saturday and Sunday	Everyday
<b>Off-Peak Hours</b>		
10:00 P.M. – 6:00 A.M.	Everyday	Everyday

Time-Of-Use Charges

	<b>Summer</b> (June through September)	<b>Non-Summer</b> (October through May)
<b>Basic Charges (\$/month)</b>		
Customer	\$12.00	\$12.00
Delivery	\$0.00	\$0.00
<b>Total Energy Charges (\$/kWh)</b>		
<i>0 – 500 kWh</i>		
Off-Peak	\$0.00493	(\$0.00924)
Mid-Peak	\$0.05040	\$0.01201
On-Peak	\$0.09761	\$0.09761
<i>501 – 1,000 kWh</i>		
Off-Peak	\$0.01188	(\$0.00427)
Mid-Peak	\$0.06218	\$0.03673
On-Peak	\$0.11003	\$0.11003
<i>1,001 – 1,500 kWh</i>		
Off-Peak	\$0.02182	(\$0.00014)
Mid-Peak	\$0.07134	\$0.04891
On-Peak	\$0.12196	\$0.12196
<i>1,501 – 2,500 kWh</i>		
Off-Peak	\$0.02679	\$0.00692
Mid-Peak	\$0.07934	\$0.06282
On-Peak	\$0.13031	\$0.13031
<i>Over 2,500 kWh</i>		
Off-Peak	\$0.06158	\$0.04170
Mid-Peak	\$0.09512	\$0.09761
On-Peak	\$0.14979	\$0.14979
<b>Power Supply Adjustment Charge (\$/kWh)</b>		
Power Supply	\$0.03139	\$0.03139

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<b>Community Benefit Charges (\$/kWh)</b>		
<i>Customer Assistance Program</i>	\$0.00172	\$0.00118
<i>Service Area Lighting</i>	\$0.00093	\$0.00000
<i>(Only applies to Inside City Limits Accounts)</i>		
<i>Energy Efficiency Services</i>	\$0.00400	\$0.00400
<b>Regulatory Charges (\$/kWh)</b>		
<i>Regulatory</i>	\$0.01414	\$0.01414
<i>Supplemental Regulatory</i>	\$0.00000	\$0.00057
<i>(Only applies to Outside City Limits Accounts)</i>		



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## General Service

### Application:

Applies to all metered, non-residential secondary voltage electric service whose point of delivery is located within the limits of Austin Energy's service territory. These rates apply to secondary voltage less than 12,470 volts nominal line to line.

### Character of Service:

Service provided under these rate schedules are pursuant to City Code Chapter 15-9 (*Utility Service Regulations*) and the City of Austin Utility Criteria Manual, as both may be amended from time to time, and such other rules and regulations as may be prescribed by the City of Austin. Electric service of one standard character will be delivered to one point of service on the customer's premises and measured through one meter unless, at Austin Energy's sole discretion, additional metering is required.

### Terms and Conditions:

Customers shall permit Austin Energy to install all equipment necessary for metering and permit reasonable access to all electric service facilities installed by Austin Energy for inspection, maintenance, repair, removal, or data recording purposes. All non-kilowatt-hour charges under this schedule shall remain unaffected by the application of a rider(s).

All demand (kW) is referred to as "Billed kW" and shall be measured as the metered kilowatt demand during the fifteen-minute interval of greatest use during the billing month as determined by Austin Energy's metering equipment, adjusted for power factor corrections.

When power factor during the interval of greatest use is less than 90 percent, as determined by metering equipment installed by Austin Energy, the Billed kW shall be determined by multiplying metered kilowatt demand during the fifteen-minute interval of greatest use by a 90 percent power factor divided by the actual recorded power factor during the interval of greatest use.

For example, the metered kilowatt demand during the fifteen-minute interval of greatest monthly use is 13.5 kW, and the power factor during the fifteen-minute interval of greatest monthly use is 86.7 percent; therefore, the Billed kW equals 14.0 kW ( $13.5 \text{ kW} \times 0.90 / 0.867$  power factor).

The rate tables below reflect rates with an effective date of November 1, 2015. For information on rates (*i.e.*, power supply adjustment, community benefit, and regulatory) prior to this effective date, please see corresponding schedules in the tariff (if applicable). For definition of charges listed below, see "Glossary of Terms" at the back of this tariff.

### Time-Of-Use Option

In lieu of the Standard Rates below, customers receiving service under these rate schedules may choose time-of-use charges to be applied for a term of no less than twelve consecutive billing months. Charges apply to all of Austin Energy's service territory. Customers selecting this option are not eligible to participate in levelized billing. Austin Energy may administratively suspend availability of this time-of-use rate option to additional customers.

### Time-Of-Use Periods

	<b>Summer</b> (June through September)	<b>Non-Summer</b> (October through May)
<b>On-Peak Hours</b>		

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2:00 P.M. – 8:00 P.M.	Monday – Friday	None
<b>Mid-Peak Hours</b>		
6:00 A.M. – 2:00 P.M.	Monday – Friday	
8:00 P.M. – 10:00 P.M.	Monday – Friday	
6:00 A.M. – 10:00 P.M.	Saturday and Sunday	Everyday
<b>Off-Peak Hours</b>		
10:00 P.M. – 6:00 A.M.	Everyday	Everyday

Discounts:

The Customer Charge will not be applied to a customer's bill until the customer has received service for at least ten days during the billing cycle.

For any Independent School District account, the monthly electric charges billed pursuant to these rate schedules will be discounted by an effective rate of 10 percent.

Electric service provided to a "religious sanctuary" that is a permanent or temporary building or facility that is primarily used for regular, organized group religious worship services that are open to the public; is eligible for the House of Worship Discount. To be eligible for the House of Worship Discount, a customer must be a tax-exempt 501(c)(3) organization for federal tax purposes and a tax-exempt religious organization under Sections 151.310, 156.102 and 171.058 of the Texas Tax Code. The House of Worship Discount is not available for electric service provided to any school, educational facility, community recreational facility, child care facility, dormitory, residence, lodge, parking facility, gymnasium, meeting hall, office or event center.

For a customer eligible for the House of Worship Discount, Billed kW shall be the kilowatt demand during the fifteen-minute interval of greatest use during weekdays, excluding weekends, during the current billing month as determined by metering equipment installed by Austin Energy, adjusted for power factor as described above in Terms and Conditions.

The customer's total monthly electric charges billed pursuant to these rate schedules for service delivered to a religious sanctuary shall not exceed an amount equaling the billed kWh usage times the rate specified below, but shall not be less than the applicable Customer Charge.

Effective Dates	House of Worship Rates (\$/kWh)
November 1, 2014	\$0.13353
November 1, 2015	\$0.13140

GreenChoice® Energy Rider:

Service under these rate schedules are eligible for application of the GreenChoice® Energy (Rider).

## Secondary Voltage (Demand less than 10 kW)

These rates apply to any customer whose metered demand was less than 10 kW at any interval during the most recent June through September billing months, or as decided by Austin Energy, if insufficient usage history is available.

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### *Standard Rates*

This is the default rate option under this schedule.

	Inside City Limits	Outside City Limits
<b>Basic Charges (\$/month)</b>		
<i>Customer</i>	\$18.00	\$18.00
<i>Delivery</i>	\$0.00	\$0.00
<b>Summer Energy Charges (\$/kWh) – June through September</b>		
<i>All kWh</i>	\$0.06198	\$0.06198
<b>Non-Summer Energy Charges (\$/kWh) – October through May</b>		
<i>All kWh</i>	\$0.04598	\$0.04598
<b>Power Supply Adjustment Charge (\$/kWh)</b>		
<i>Power Supply</i>	\$0.03139	\$0.03139
<b>Community Benefit Charges (\$/kWh)</b>		
<i>Customer Assistance Program</i>	\$0.00065	\$0.00065
<i>Service Area Lighting</i>	\$0.00096	\$0.00000
<i>Energy Efficiency Services</i>	\$0.00466	\$0.00466
<b>Regulatory Charges (\$/kWh)</b>		
<i>Regulatory</i>	\$0.01530	\$0.01530
<i>Supplemental Regulatory</i>	\$0.00000	\$0.00058

### *Time-Of-Use Rates*

	Summer (June through September)	Non-Summer (October through May)
<b>Basic Charges (\$/month)</b>		
<i>Customer</i>	\$21.60	\$21.60
<i>Delivery</i>	\$0.00	\$0.00
<b>Total Energy Charges (\$/kWh)</b>		
<i>Off-Peak</i>	\$0.00798	\$0.00798
<i>Mid-Peak</i>	\$0.06336	\$0.06336
<i>On-Peak</i>	\$0.12437	\$0.12437
<b>Power Supply Adjustment Charge (\$/kWh)</b>		
<i>Power Supply</i>	\$0.03139	\$0.03139
<b>Community Benefit Charges (\$/kWh)</b>		
<i>Customer Assistance Program</i>	\$0.00065	\$0.00065
<i>Service Area Lighting</i>	\$0.00096	\$0.00000
<i>(Only applies to Inside City Limits Accounts)</i>		
<i>Energy Efficiency Services</i>	\$0.00466	\$0.00466

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<b>Regulatory Charges (\$/kWh)</b>		
<i>Regulatory</i>	\$0.01530	\$0.01530
<i>Supplemental Regulatory</i>	\$0.00000	\$0.00058
<i>(Only applies to Outside City Limits Accounts)</i>		

**Secondary Voltage (Demand greater than or equal to 10 kW but less than 50 kW)**

These rates apply to any customer whose metered demand was greater than or equal to 10 kW but was less than 50 kW at any interval during the most recent June through September billing months, or as decided by Austin Energy, if insufficient usage history is available.

These rates shall apply for no less than twelve months following the last month in which the required metered demand level was met. The twelve month requirement may be waived by Austin Energy if a customer has made significant changes in their connected load which prevents the customer from meeting or exceeding the minimum-metered demand threshold of this rate schedule and Austin Energy has verified these changes.

**Standard Rates**

This is the default rate option under this schedule.

	<b>Inside City Limits</b>	<b>Outside City Limits</b>
<b>Basic Charges</b>		
<i>Customer (\$/month)</i>	\$25.00	\$25.00
<i>Delivery (\$/kW)</i>	\$4.00	\$3.98
<b>Summer Charges – June through September</b>		
<i>Demand Charges (\$/kW)</i>	\$6.15	\$6.11
<i>Energy Charges (\$/kWh)</i>	\$0.02914	\$0.02896
<b>Non-Summer Charges – October through May</b>		
<i>Demand Charges (\$/kW)</i>	\$5.15	\$5.12
<i>Energy Charges (\$/kWh)</i>	\$0.02414	\$0.02399
<b>Power Supply Adjustment Charge (\$/kWh)</b>		
<i>Power Supply</i>	\$0.03139	\$0.03139
<b>Community Benefit Charges (\$/kWh)</b>		
<i>Customer Assistance Program</i>	\$0.00065	\$0.00065
<i>Service Area Lighting</i>	\$0.00076	\$0.00000
<i>Energy Efficiency Services</i>	\$0.00522	\$0.00522
<b>Regulatory Charges (\$/kW)</b>		
<i>Regulatory</i>	\$4.57	\$4.57
<i>Supplemental Regulatory</i>	\$0.00	\$0.13

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***Time-Of-Use Rates***

	<b>Summer</b> (June through September)	<b>Non-Summer</b> (October through May)
<b>Basic Charges</b>		
<i>Customer (\$/month)</i>	\$30.00	\$30.00
<i>Delivery (\$/kW)</i>	\$4.00	\$4.00
<b>Demand Charges (\$/kW)</b>		
<i>Mid-Peak</i>	\$0.00	\$3.25
<i>On-Peak</i>	\$6.50	\$0.00
<b>Energy Charges (\$/kWh)</b>		
<i>Off-Peak</i>	(\$0.00067)	(\$0.00067)
<i>Mid-Peak</i>	\$0.03912	\$0.03912
<i>On-Peak</i>	\$0.06544	\$0.06544
<b>Power Supply Adjustment Charge (\$/kWh)</b>		
<i>Power Supply</i>	\$0.03139	\$0.03139
<b>Community Benefit Charges (\$/kWh)</b>		
<i>Customer Assistance Program</i>	\$0.00065	\$0.00065
<i>Service Area Lighting</i>	\$0.00076	\$0.00000
<i>(Only applies to Inside City Limits Accounts)</i>		
<i>Energy Efficiency Services</i>	\$0.00522	\$0.00522
<b>Regulatory Charges (\$/kW)</b>		
<i>Regulatory</i>	\$4.57	\$4.57
<i>Supplemental Regulatory</i>	\$0.00	\$0.13
<i>(Only applies to Outside City Limits Accounts)</i>		

**Secondary Voltage (Demand greater than or equal to 50 kW)**

These rates apply to any customer whose metered demand was greater than or equal to 50 kW at any interval during the most recent June through September billing months, or as decided by Austin Energy, if insufficient usage history is available.

These rates shall apply for not less than twelve months following the last month in which the required metered demand level was met. The twelve month requirement may be waived by Austin Energy if a customer has made significant changes in their connected load which prevents the customer from meeting or exceeding the minimum-metered demand threshold of this rate schedule and Austin Energy has verified these changes.

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***Standard Rates***

This is the default rate option under this schedule.

	Inside City Limits	Outside City Limits
<b>Basic Charges</b>		
<i>Customer (\$/month)</i>	\$65.00	\$65.00
<i>Delivery (\$/kW)</i>	\$4.50	\$4.47
<b>Summer Charges – June through September</b>		
<i>Demand Charges (\$/kW)</i>	\$7.85	\$7.81
<i>Energy Charges (\$/kWh)</i>	\$0.02247	\$0.02234
<b>Non-Summer Charges – October through May</b>		
<i>Demand Charges (\$/kW)</i>	\$6.85	\$6.81
<i>Energy Charges (\$/kWh)</i>	\$0.01747	\$0.01737
<b>Power Supply Adjustment Charge (\$/kWh)</b>		
<i>Power Supply</i>	\$0.03139	\$0.03139
<b>Community Benefit Charges (\$/kWh)</b>		
<i>Customer Assistance Program</i>	\$0.00065	\$0.00065
<i>Service Area Lighting</i>	\$0.00068	\$0.00000
<i>Energy Efficiency Services</i>	\$0.00274	\$0.00274
<b>Regulatory Charges (\$/kW)</b>		
<i>Regulatory</i>	\$4.43	\$4.43
<i>Supplemental Regulatory</i>	\$0.00	\$0.17

***Time-Of-Use Rates***

	Summer (June through September)	Non-Summer (October through May)
<b>Basic Charges</b>		
<i>Customer (\$/month)</i>	\$68.25	\$68.25
<i>Delivery (\$/kW)</i>	\$4.50	\$4.50
<b>Demand Charges (\$/kW)</b>		
<i>Mid-Peak</i>	\$0.00	\$4.00
<i>On-Peak</i>	\$8.00	\$0.00
<b>Energy Charges (\$/kWh)</b>		
<i>Off-Peak</i>	(\$0.00222)	(\$0.00222)
<i>Mid-Peak</i>	\$0.03565	\$0.03565
<i>On-Peak</i>	\$0.06070	\$0.06070
<b>Power Supply Adjustment Charge (\$/kWh)</b>		
<i>Power Supply</i>	\$0.03139	\$0.03139
<b>Community Benefit Charges (\$/kWh)</b>		

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<i>Customer Assistance Program</i>	\$0.00065	\$0.00065
<i>Service Area Lighting</i> <i>(Only applies to Inside City Limits Accounts)</i>	\$0.00068	\$0.00000
<i>Energy Efficiency Services</i>	\$0.00274	\$0.00274
<b>Regulatory Charges (\$/kW)</b>		
<i>Regulatory</i>	\$4.43	\$4.43
<i>Supplemental Regulatory</i> <i>(Only applies to Outside City Limits Accounts)</i>	\$0.00	\$0.17

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## **Large General Service**

### **Application:**

Applies to all primary voltage electric service whose point of delivery is located within the limits of Austin Energy's service territory. These rates apply to primary voltage between 12,470 and 69,000 volts nominal line to line.

### **Character of Service:**

Service provided under these rate schedules are pursuant to City Code Chapter 15-9 (*Utility Service Regulations*) and the City of Austin Utility Criteria Manual, as both may be amended from time to time, and such other rules and regulations as may be prescribed by the City of Austin. Electric service of one standard character will be delivered to one point of service on the customer's premises and measured through one meter unless, at Austin Energy's sole discretion, additional metering is required.

### **Terms and Conditions:**

The customer shall own, maintain, and operate all facilities and equipment on the customer's side of the point of delivery. Customers shall permit Austin Energy to install all equipment necessary for metering and permit reasonable access to all electric service facilities installed by Austin Energy for inspection, maintenance, repair, removal, or data recording purposes. All non-kilowatt-hour charges under this schedule shall remain unaffected by the application of a rider(s).

All demand (kW) is referred to as "Billed kW" and shall be measured as the metered kilowatt demand during the fifteen-minute interval of greatest use during the billing month as determined by Austin Energy's metering equipment, adjusted for power factor corrections.

When the power factor during the interval of greatest use is less than 90 percent, as determined by metering equipment installed by Austin Energy, the Billed kW shall be determined by multiplying the metered kilowatt demand during the fifteen-minute interval of greatest use by a 90 percent power factor divided by the actual recorded power factor during the interval of greatest use.

For example, the metered kilowatt demand during the fifteen-minute interval of greatest monthly use is 10,350 kW, and the power factor during the fifteen-minute interval of greatest monthly use is 86.7 percent; therefore, the Billed kW equals 10,744 kW ( $10,350 \text{ kW} \times 0.90 / 0.867$  power factor).

The Customer Charge will not be applied to a customer's bill until the customer has received service for at least ten days during the billing cycle.

The rate tables below reflect rates with an effective date of November 1, 2015. For information on rates (*i.e.*, power supply adjustment, community benefit, and regulatory) prior to this effective date, please see corresponding schedules in the tariff (if applicable). For definition of charges listed below, see "Glossary of Terms" at the back of this tariff.

### **Time-Of-Use Rates:**

In lieu of the Standard Rates below, customers receiving service under these rate schedules may choose time-of-use charges to be applied for a term of no less than twelve consecutive billing months. Charges apply to all of Austin Energy's service territory. Customers selecting this option are not eligible to participate in levelized billing. Austin Energy may administratively suspend availability of this time-of-use rate option to additional customers.

### **Time-Of-Use Periods:**



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	<b>Summer</b> (June through September)	<b>Non-Summer</b> (October through May)
<b>On-Peak Hours</b>		
2:00 P.M. – 8:00 P.M.	Monday – Friday	None
<b>Mid-Peak Hours</b>		
6:00 A.M. – 2:00 P.M.	Monday – Friday	
8:00 P.M. – 10:00 P.M.	Monday – Friday	
6:00 A.M. – 10:00 P.M.	Saturday and Sunday	Everyday
<b>Off-Peak Hours</b>		
10:00 P.M. – 6:00 A.M.	Everyday	Everyday

Discounts:

For any Independent School District account, the monthly electric charges billed pursuant to these rate schedules will be discounted by an effective rate of 10 percent.

GreenChoice® Energy Rider:

Service under these rate schedules are eligible for application of the GreenChoice® Energy (Rider).

## Primary Voltage (Demand less than 3 MW)

These rates apply to any customer whose metered demand was less than 3,000 kW at any interval during the most recent June through September billing months, or as decided by Austin Energy if insufficient usage history is available.

### Standard Rates

This is the default rate option under this schedule.

	<b>Inside City Limits</b>	<b>Outside City Limits</b>
<b>Basic Charges</b>		
Customer (\$/month)	\$250.00	\$236.00
Delivery (\$/kW)	\$2.50	\$2.36
<b>Summer Charges – June through September</b>		
Demand Charges (\$/kW)	\$10.00	\$9.44
Energy Charges (\$/kWh)	\$0.01263	\$0.01192
<b>Non-Summer Charges – October through May</b>		
Demand Charges (\$/kW)	\$9.00	\$8.44
Energy Charges (\$/kWh)	\$0.00763	\$0.00720
<b>Power Supply Adjustment Charge (\$/kWh)</b>		
Power Supply	\$0.03068	\$0.03068
<b>Community Benefit Charges (\$/kWh)</b>		
Customer Assistance Program	\$0.00065	\$0.00065

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<i>Service Area Lighting</i>	\$0.00058	\$0.00000
<i>Energy Efficiency Services</i>	\$0.00349	\$0.00349
<b>Regulatory Charges (\$/kW)</b>		
<i>Regulatory</i>	\$6.75	\$6.75
<i>Supplemental Regulatory</i>	\$0.00	\$0.15

***Time-Of-Use Rates***

	<b>Summer</b> (June through September)	<b>Non-Summer</b> (October through May)
<b>Basic Charges</b>		
<i>Customer (\$/month)</i>	\$262.50	\$262.50
<i>Delivery (\$/kW)</i>	\$2.50	\$2.50
<b>Demand Charges (\$/kW)</b>		
<i>Mid-Peak</i>	\$0.00	\$9.10
<i>On-Peak</i>	\$10.50	\$0.00
<b>Energy Charges (\$/kWh)</b>		
<i>Off-Peak</i>	(\$0.00862)	(\$0.00862)
<i>Mid-Peak</i>	\$0.02042	\$0.02042
<i>On-Peak</i>	\$0.03963	\$0.03963
<b>Power Supply Adjustment Charge (\$/kWh)</b>		
<i>Power Supply</i>	\$0.03068	\$0.03068
<b>Community Benefit Charges (\$/kWh)</b>		
<i>Customer Assistance Program</i>	\$0.00065	\$0.00065
<i>Service Area Lighting</i>	\$0.00058	\$0.00000
<i>(Only applies to Inside City Limits Accounts)</i>		
<i>Energy Efficiency Services</i>	\$0.00349	\$0.00349
<b>Regulatory Charges (\$/kW)</b>		
<i>Regulatory</i>	\$6.75	\$6.75
<i>Supplemental Regulatory</i>	\$0.00	\$0.15
<i>(Only applies to Outside City Limits Accounts)</i>		

**Primary Voltage (Demand greater than or equal to 3 MW and less than 20 MW)**

These rates apply to any customer whose metered demand was greater than or equal to 3,000 kW but was less than 20,000 kW at any interval during the most recent June through September billing months, or as decided by Austin Energy, if insufficient usage history is available. These rates shall apply for no less than twelve months following the last month in which the required metered demand level was met. The

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twelve month requirement may be waived by Austin Energy, if a customer has made significant changes in their connected load which prevents the customer from meeting or exceeding the minimum-metered kW threshold of this rate schedule and Austin Energy has verified these changes. Dual Feed Service charges are not applicable to this rate schedule.

### ***Standard Rates***

This is the default rate option under this schedule.

	<b>Inside City Limits</b>	<b>Outside City Limits</b>
<b>Basic Charges</b>		
<i>Customer (\$/month)</i>	\$2,000.00	\$1,872.00
<i>Delivery (\$/kW)</i>	\$3.50	\$3.28
<b>Summer Charges – June through September</b>		
<i>Demand Charges (\$/kW)</i>	\$11.25	\$10.53
<i>Energy Charges (\$/kWh)</i>	\$0.01265	\$0.01184
<b>Non-Summer Charges – October through May</b>		
<i>Demand Charges (\$/kW)</i>	\$10.25	\$9.53
<i>Energy Charges (\$/kWh)</i>	\$0.00765	\$0.00716
<b>Power Supply Adjustment Charge (\$/kWh)</b>		
<i>Power Supply</i>	\$0.03068	\$0.03068
<b>Community Benefit Charges (\$/kWh)</b>		
<i>Customer Assistance Program</i>	\$0.00065	\$0.00065
<i>Service Area Lighting</i>	\$0.00054	\$0.00000
<i>Energy Efficiency Services</i>	\$0.00068	\$0.00068
<b>Regulatory Charges (\$/kW)</b>		
<i>Regulatory</i>	\$0.69	\$0.69
<i>Supplemental Regulatory</i>	\$0.00	\$0.23

### ***Time-Of-Use Rates***

	<b>Summer</b> (June through September)	<b>Non-Summer</b> (October through May)
<b>Basic Charges</b>		
<i>Customer (\$/month)</i>	\$2,000.00	\$2,000.00
<i>Delivery (\$/kW)</i>	\$3.50	\$3.50
<b>Demand Charges (\$/kW)</b>		
<i>Mid-Peak</i>	\$0.00	\$11.50
<i>On-Peak</i>	\$12.90	\$0.00
<b>Energy Charges (\$/kWh)</b>		
<i>Off-Peak</i>	(\$0.01211)	(\$0.01211)

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<i>Mid-Peak</i>	\$0.01263	\$0.01263
<i>On-Peak</i>	\$0.02899	\$0.02899
<b>Power Supply Adjustment Charge (\$/kWh)</b>		
<i>Power Supply</i>	\$0.03068	\$0.03068
<b>Community Benefit Charges (\$/kWh)</b>		
<i>Customer Assistance Program</i>	\$0.00065	\$0.00065
<i>Service Area Lighting</i>	\$0.00054	\$0.00000
<i>(Only applies to Inside City Limits Accounts)</i>		
<i>Energy Efficiency Services</i>	\$0.00068	\$0.00068
<b>Regulatory Charges (\$/kW)</b>		
<i>Regulatory</i>	\$0.69	\$0.69
<i>Supplemental Regulatory</i>	\$0.00	\$0.23
<i>(Only applies to Outside City Limits Accounts)</i>		

**Primary Voltage (Demand greater than or equal to 20 MW)**

This rate apply to any customer whose metered demand for power met or exceeded 20,000 kW at any interval during the most recent June through September billing months, or as decided by Austin Energy, if insufficient usage history is available. This rate shall apply for not less than twelve months following the last month in which the required metered demand level was met. If a customer has made significant changes in their connected load which prevents the customer from meeting or exceeding the minimum metered kW threshold of this rate schedule and these changes have been verified by Austin Energy, the twelve month requirement may be waived by Austin Energy. Dual Feed Service charges are not applicable to this rate schedule.

**Standard Rates**

This is the default rate option under this schedule.

	<b>Inside City Limits</b>	<b>Outside City Limits</b>
<b>Basic Charges</b>		
<i>Customer (\$/month)</i>	\$2,500.00	\$2,500.00
<i>Delivery (\$/kW)</i>	\$3.50	\$3.50
<b>Summer Charges – June through September</b>		
<i>Demand Charges (\$/kW)</i>	\$12.00	\$12.00
<i>Energy Charges (\$/kWh)</i>	\$0.00760	\$0.00760
<b>Non-Summer Charges – October through May</b>		
<i>Demand Charges (\$/kW)</i>	\$11.00	\$11.00
<i>Energy Charges (\$/kWh)</i>	\$0.00260	\$0.00260
<b>Power Supply Adjustment Charge (\$/kWh)</b>		
<i>Power Supply</i>	\$0.03068	\$0.03068

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<b>Community Benefit Charges (\$/kWh)</b>		
<i>Customer Assistance Program</i>	\$0.00065	\$0.00065
<i>Service Area Lighting</i>	\$0.00051	\$0.00000
<i>Energy Efficiency Services</i>	\$0.00158	\$0.00158
<b>Regulatory Charges (\$/kW)</b>		
<i>Regulatory</i>	\$5.18	\$5.18
<i>Supplemental Regulatory</i>	\$0.00	\$0.00

***Time-Of-Use Rates***

	<b>Summer</b> (June through September)	<b>Non-Summer</b> (October through May)
<b>Basic Charges</b>		
<i>Customer (\$/month)</i>	\$2,500.00	\$2,500.00
<i>Delivery (\$/kW)</i>	\$3.50	\$3.50
<b>Demand Charges (\$/kW)</b>		
<i>Mid-Peak</i>	\$0.00	\$11.73
<i>On-Peak</i>	\$13.13	\$0.00
<b>Energy Charges (\$/kWh)</b>		
<i>Off-Peak</i>	(\$0.01302)	(\$0.01302)
<i>Mid-Peak</i>	\$0.01057	\$0.01057
<i>On-Peak</i>	\$0.02618	\$0.02618
<b>Power Supply Adjustment Charge (\$/kWh)</b>		
<i>Power Supply</i>	\$0.03068	\$0.03068
<b>Community Benefit Charges (\$/kWh)</b>		
<i>Customer Assistance Program</i>	\$0.00065	\$0.00065
<i>Service Area Lighting</i>	\$0.00051	\$0.00000
<i>(Only applies to Inside City Limits Accounts)</i>		
<i>Energy Efficiency Services</i>	\$0.00158	\$0.00158
<b>Regulatory Charges (\$/kW)</b>		
<i>Regulatory</i>	\$5.18	\$5.18
<i>Supplemental Regulatory</i>	\$0.00	\$0.00
<i>(Only applies to Outside City Limits Accounts)</i>		

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## High Load Factor Primary Voltage (Demand greater than or equal to 20 MW)

This rate apply to any customer whose average monthly billed demand for power met or exceeded 20,000 kW and has an annual average monthly load factor of at least 85 percent.

### Contract Term:

For a term ending at the end of the billing month that includes October 31, 2024, the customer shall enter into an exclusive sole supplier agreement to purchase its entire bundled electric service requirements for the facilities and equipment at the account service location, with an exception for on-site back-up generation and up to 1 MW of on-site renewable generation capacity. The City Manager or his designee may establish and agree to terms and conditions for a service contract.

### Block Power Supply Pricing:

In lieu of the Power Supply Adjustment, the customer's service contract may provide a fixed power supply charge for a monthly block quantity of energy for a defined term, based on the cost of wholesale power market prices. Block pricing is contingent on the availability of authorized funding and the customer's satisfaction of credit requirements. All billed energy not subject to block pricing is subject to the variable Power Supply Adjustment (or Green Choice Energy rider), as may be amended from time to time, or any other successor power or fuel adjustment schedules.

The kWh block price shall be the actual wholesale kWh cost to Austin Energy of the block quantity supplied, plus a renewable portfolio charge based upon the forecast kWh price of renewable energy credits in the ERCOT market during the term of the block pricing.

In lieu of the renewable portfolio charge, the customer may opt to designate an equal renewable portfolio dollar value as a monthly block quantity of GreenChoice Energy by paying the per-kWh price difference between the wholesale power price paid by Austin Energy and the applicable GreenChoice Charge for the specified quantity.

### Minimum Bill:

The minimum monthly bill is the highest billed demand established during the most recent 12-month billing period multiplied by the Summer Demand Charge, in addition to any associated fuel, power supply, or block pricing charges.

### Maximum Community Benefit Charges:

During the term of a service contract, Customer Assistance Program charges shall not exceed \$200,000 during any fiscal year of October 1 through September 30 (prorated for any partial fiscal year). Charges for Service Area Lighting and Energy Efficiency Services (EES) do not apply under this rate schedule.

### Terms and Conditions:

This schedule is effective through the end of the customer's billing month that includes October 31, 2024. Austin Energy may provide service under this schedule as a bundled entity or, if retail deregulation is implemented in its service area, as separate, unbundled entities. The customer is ineligible for participation in energy efficiency, retail demand response, and renewable energy incentive programs. Billed amounts due and owing shall incur a penalty of one percent per month until paid.

Average annual monthly load factor is the sum of the customer's load factor percentages for the previous twelve billing months divided by twelve. Verified reductions in energy consumption made in response to a request for Emergency Response Service or another demand response program operated by ERCOT

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shall be credited in calculating load factor. Dual Feed Service charges are not applicable to this rate schedule.

### *Standard Rates*

Basic, energy, demand, and community benefits charges will be fixed for the initial contract period ending October 31, 2018. The Austin City Council may amend these charges to be fixed for the period November 1, 2018, through October 31, 2021, and again for the period November 1, 2021, through October 31, 2024.

Regulatory charge will remain fixed for the initial contract period ending October 31, 2018. For each subsequent three-year period, the regulatory charge will be reset and fixed in accordance with the regulatory charge schedule, plus an adjustment for any over- or under-recovery of regulatory charges from the previous three-year period. The regulatory charge may be adjusted during any three-year period if an over-recovery of more than 110 percent or an under-recovery of less than 90 percent of costs occurs.

	<b>Summer</b> (June through September)	<b>Non-Summer</b> (October through May)
<b>Basic Charges</b>		
<i>Customer (\$/month)</i>	\$12,000.00	\$12,000.00
<i>Delivery (\$/kW)</i>	\$3.75	\$3.75
<b>Demand Charges (\$/kW)</b>		
<i>All Billed kW</i>	\$11.10	\$11.10
<b>Energy Charges (\$/kWh)</b>		
<i>All kWhs</i>	\$0.00370	\$0.00370
<b>Power Supply Adjustment Charge (\$/kWh)</b>		
<i>Power Supply</i>	\$0.03068	\$0.03068
<b>Community Benefit Charges (\$/kWh)</b>		
<i>Customer Assistance Program</i>	\$0.00065	\$0.00065
<b>Regulatory Charges (\$/kW)</b>		
<i>All Billed kW</i>	\$5.18	\$5.18

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## Transmission Service

### Application:

Applies to all transmission voltage electric service at 69,000 volts or above nominal line to line, and whose point of delivery is located within the limits of Austin Energy's service territory.

### Character of Service:

Service provided under this rate schedule is pursuant to City Code Chapter 15-9 (*Utility Service Regulations*) and the City of Austin Utility Criteria Manual, as both may be amended from time to time, and such other rules and regulations as may be prescribed by the City of Austin. Electric service of one standard character will be delivered to one point of service on the customer's premises and measured through one meter unless, at Austin Energy's sole discretion, additional metering is required.

### Terms and Conditions:

The customer shall own, maintain, and operate all facilities and equipment on the customer's side of the point of delivery. Customers shall permit Austin Energy to install all equipment necessary for metering and permit reasonable access to all electric service facilities installed by Austin Energy for inspection, maintenance, repair, removal, or data recording purposes. All non-kilowatt-hour charges under this schedule shall remain unaffected by the application of a rider(s).

All demand (kW) is referred to as "Billed kW" and shall be measured as the metered kilowatt demand during the fifteen-minute interval of greatest use during the billing month as determined by Austin Energy's metering equipment, adjusted for power factor corrections.

When the power factor during the interval of greatest use is less than 90 percent, as determined by metering equipment installed by Austin Energy, the Billed kW shall be determined by multiplying metered kilowatt demand during the fifteen-minute interval of greatest use by a 90 percent power factor divided by the actual recorded power factor during the interval of greatest use.

For example, the metered kilowatt demand during the fifteen-minute interval of greatest monthly use is 31,000 kW, and the power factor during the fifteen-minute interval of greatest monthly use is 86.7 percent; therefore, the Billed kW equals 32,180 kW ( $31,000 \text{ kW} \times 0.90 / 0.867$  power factor).

The rate tables below reflect rates with an effective date of November 1, 2015. For information on rates (*i.e.*, power supply adjustment, community benefit, and regulatory) prior to this effective date, please see corresponding schedules in the tariff (if applicable). For definition of charges listed below, see "Glossary of Terms" at the back of this tariff.

The Customer Charge will not be applied to a customer's bill until the customer has received service for at least ten days during the billing cycle.

### GreenChoice® Energy Rider:

Service under this rate schedule is eligible for application of the GreenChoice® Energy (Rider).

## **Transmission Voltage**

These rates apply to any customer whose metered demand was less than 3,000 kW at any interval during the most recent June through September billing months, or as decided by Austin Energy if insufficient usage history is available.



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### *Standard Rates*

This is the default rate option under this schedule.

	Inside City Limits	Outside City Limits
<b>Basic Charges</b>		
<i>Customer (\$/month)</i>	\$2,500.00	\$2,500.00
<i>Delivery (\$/kW)</i>	\$0.00	\$0.00
<b>Summer Charges – June through September</b>		
<i>Demand Charges (\$/kW)</i>	\$12.00	\$12.00
<i>Energy Charges (\$/kWh)</i>	\$0.00815	\$0.00815
<b>Non-Summer Charges – October through May</b>		
<i>Demand Charges (\$/kW)</i>	\$11.00	\$11.00
<i>Energy Charges (\$/kWh)</i>	\$0.00615	\$0.00615
<b>Power Supply Adjustment Charge (\$/kWh)</b>		
<i>Power Supply</i>	\$0.03029	\$0.03029
<b>Community Benefit Charges (\$/kWh)</b>		
<i>Customer Assistance Program</i>	\$0.00065	\$0.00065
<i>Service Area Lighting</i>	\$0.00045	\$0.00000
<i>Energy Efficiency Services</i>	\$0.00202	\$0.00202
<b>Regulatory Charges (\$/kW)</b>		
<i>Regulatory</i>	\$2.79	\$2.79
<i>Supplemental Regulatory</i>	\$0.00	\$0.17

### *Time-Of-Use Rates*

In lieu of the Standard Rates above, customers receiving service under this rate schedule may choose the following time-of-use charges to be applied for a term of no less than twelve consecutive billing months. Charges apply to all of Austin Energy's service territory. Customers selecting this option are not eligible to participate in levelized billing. Austin Energy may administratively suspend availability of this time-of-use rate option to additional customers.

#### Time-Of-Use Periods

	Summer (June through September)	Non-Summer (October through May)
<b>On-Peak Hours</b>		
<i>2:00 P.M. – 8:00 P.M.</i>	Monday – Friday	None
<b>Mid-Peak Hours</b>		
<i>6:00 A.M. – 2:00 P.M.</i>	Monday – Friday	
<i>8:00 P.M. – 10:00 P.M.</i>	Monday – Friday	
<i>6:00 A.M. – 10:00 P.M.</i>	Saturday and Sunday	Everyday

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<b>Off-Peak Hours</b>		
<i>10:00 P.M. – 6:00 A.M.</i>	Everyday	Everyday
<u><i>Time-Of-Use Charges</i></u>		
	<b>Summer</b> (June through September)	<b>Non-Summer</b> (October through May)
<b>Basic Charges</b>		
<i>Customer (\$/month)</i>	\$2,500.00	\$2,500.00
<i>Delivery (\$/kW)</i>	\$0.00	\$0.00
<b>Demand Charges (\$/kW)</b>		
<i>Mid-Peak</i>	\$0.00	\$10.05
<i>On-Peak</i>	\$11.45	\$0.00
<b>Energy Charges (\$/kWh)</b>		
<i>Off-Peak</i>	(\$0.00974)	(\$0.00974)
<i>Mid-Peak</i>	\$0.01741	\$0.01741
<i>On-Peak</i>	\$0.03537	\$0.03537
<b>Power Supply Adjustment Charge (\$/kWh)</b>		
<i>Power Supply</i>	\$0.03029	\$0.03029
<b>Community Benefit Charges (\$/kWh)</b>		
<i>Customer Assistance Program</i>	\$0.00065	\$0.00065
<i>Service Area Lighting</i> <i>(Only applies to Inside City Limits Accounts)</i>	\$0.00045	\$0.00000
<i>Energy Efficiency Services</i>	\$0.00202	\$0.00202
<b>Regulatory Charges (\$/kW)</b>		
<i>Regulatory</i>	\$2.79	\$2.79
<i>Supplemental Regulatory</i> <i>(Only applies to Outside City Limits Accounts)</i>	\$0.00	\$0.17

## High Load Factor Transmission Voltage (Demand greater than or equal to 20 MW)

This rate apply to any customer whose average monthly billed demand for power met or exceeded 20,000 kW and has an annual average monthly load factor of at least 85 percent.

### Contract Term:

For a term ending at the end of the billing month that includes October 31, 2024, the customer shall enter into an exclusive sole supplier agreement to purchase its entire bundled electric service requirements for the facilities and equipment at the account service location, with an exception for on-site back-up generation and up to 1 MW of on-site renewable generation capacity. The City Manager or his designee may establish and agree to terms and conditions for a service contract.

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### Block Power Supply Pricing:

In lieu of the Power Supply Adjustment, the customer's service contract may provide a fixed power supply charge for a monthly block quantity of energy for a defined term, based on the cost of wholesale power market prices. Block pricing is contingent on the availability of authorized funding and the customer's satisfaction of credit requirements. All billed energy not subject to block pricing is subject to the variable Power Supply Adjustment (or Green Choice Energy rider), as may be amended from time to time, or any other successor power or fuel adjustment schedules.

The kWh block price shall be the actual wholesale kWh cost to Austin Energy of the block quantity supplied, plus a renewable portfolio charge based upon the forecast kWh price of renewable energy credits in the ERCOT market during the term of the block pricing.

In lieu of the renewable portfolio charge, the customer may opt to designate an equal renewable portfolio dollar value as a monthly block quantity of GreenChoice Energy by paying the per-kWh price difference between the wholesale power price paid by Austin Energy and the applicable GreenChoice Charge for the specified quantity.

### Minimum Bill:

The minimum monthly bill is the highest billed demand established during the most recent 12-month billing period multiplied by the Summer Demand Charge, in addition to any associated fuel, power supply, or block pricing charges.

### Maximum Community Benefit Charges:

During the term of a service contract, Customer Assistance Program charges shall not exceed \$200,000 during any fiscal year of October 1 through September 30 (prorated for any partial fiscal year). Charges for Service Area Lighting and Energy Efficiency Services (EES) do not apply under this rate schedule.

### Terms and Conditions:

This schedule is effective through the end of the customer's billing month that includes October 31, 2024. Austin Energy may provide service under this schedule as a bundled entity or, if retail deregulation is implemented in its service area, as separate, unbundled entities. The customer is ineligible for participation in energy efficiency, retail demand response, and renewable energy incentive programs. Billed amounts due and owing shall incur a penalty of one percent per month until paid.

Average annual monthly load factor is the sum of the customer's load factor percentages for the previous twelve billing months divided by twelve. Verified reductions in energy consumption made in response to a request for Emergency Response Service or another demand response program operated by ERCOT shall be credited in calculating load factor.

## **Standard Rates**

Basic, energy, demand, and community benefits charges will be fixed for the initial contract period ending October 31, 2018. The Austin City Council may amend these charges to be fixed for the period November 1, 2018, through October 31, 2021, and again for the period November 1, 2021, through October 31, 2024.

Regulatory charge will remain fixed for the initial contract period ending October 31, 2018. For each subsequent three-year period, the regulatory charge will be reset and fixed in accordance with the regulatory charge schedule, plus an adjustment for any over- or under-recovery of regulatory charges

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from the previous three-year period. The regulatory charge may be adjusted during any three-year period if an over-recovery of more than 110 percent or an under-recovery of less than 90 percent of costs occurs.

	<b>Summer</b> (June through September)	<b>Non-Summer</b> (October through May)
<b>Basic Charges</b>		
<i>Customer (\$/month)</i>	\$2,500.00	\$2,500.00
<b>Demand Charges (\$/kW)</b>		
<i>All Billed kW</i>	\$10.06	\$9.10
<b>Energy Charges (\$/kWh)</b>		
<i>All kWh</i>	\$0.00476	\$0.00276
<b>Power Supply Adjustment Charge (\$/kWh)</b>		
<i>Power Supply</i>	\$0.03029	\$0.03029
<b>Community Benefit Charges (\$/kWh)</b>		
<i>Customer Assistance Program</i>	\$0.00065	\$0.00065
<b>Regulatory Charges (\$/kW)</b>		
<i>All Billed kW</i>	\$4.12	\$4.12

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## **Thermal Energy Storage**

### **Application:**

Applies to any customer who, at a minimum, shifts from the “Thermal Energy Storage Periods” the lesser of 20 percent of the customer’s normal on-peak billed demand or 1,000 kW using thermal energy storage technology, whose point of delivery is located within the limits of Austin Energy’s service territory. The normal on-peak billed demand is defined as the maximum-billed demand recorded prior to taking service on these rate schedules during June through September, or as may be determined by Austin Energy.

### **Character of Service:**

Service provided under these rate schedules are pursuant to City Code Chapter 15-9 (*Utility Service Regulations*) and the City of Austin Utility Criteria Manual, as both may be amended from time to time, and such other rules and regulations as may be prescribed by the City of Austin. Electric service of one standard character will be delivered to one point of service on the customer’s premises and measured through one meter unless, at Austin Energy’s sole discretion, additional metering is required.

### **Terms and Conditions:**

The customer shall enter into a separate agreement with Austin Energy for these rates. Customer shall permit Austin Energy to install all equipment necessary for metering and permit reasonable access to all electric service facilities installed by Austin Energy for inspection, maintenance, repair, removal, or data recording purposes. All non-kilowatt-hour charges under this schedule shall remain unaffected by the application of a rider(s).

All demand (kW) is referred to as “Billed kW” and shall be measured as the metered kilowatt demand during the fifteen-minute interval of greatest use during the billing month as determined by Austin Energy’s metering equipment, adjusted for power factor corrections, unless otherwise specified.

When the power factor during the interval of greatest use is less than 90 percent, as determined by metering equipment installed by Austin Energy, the Billed kW shall be determined by multiplying the metered kilowatt demand during the fifteen-minute interval of greatest use by 90 percent power factor divided by the actual recorded power factor during the interval of greatest use.

For example, the metered kilowatt demand during the fifteen-minute interval of greatest monthly use is 1,000 kW, and the power factor during the fifteen-minute interval of greatest monthly use is 86.7 percent; therefore, the Billed kW equals 1,038 kW ( $1,000 \text{ kW} \times 0.90 / 0.867 \text{ power factor}$ ).

The Billed kW used to determine the Electric Delivery Charge shall be measured as the metered kilowatt demand during the fifteen-minute interval of greatest use during the billing month and adjusted for power factor corrections.

The Billed kW used to determine the Demand and Regulatory Charges shall be calculated and adjusted for power factor as set forth:

- For the June through September billing months, the Billed kW shall be the highest 15-minute metered demand recorded during the Thermal Energy Storage on-peak period.
- For Demand Charges, the June through September billed demand shall not be less than 50 percent of the normal on-peak June through September billed on-peak demand. If more than 50 percent of the customer’s load is attributable to cooling, the 50 percent floor will be waived.

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- For the October through May billing months, the Billed kW shall be the highest 15-minute metered demand recorded during the Thermal Energy Storage off-peak period, or 90 percent of the June through September billed on-peak demand set in the previous June through September billing months, whichever is less.

The Thermal Energy Storage on-peak period load shall be shifted, not eliminated, nor replaced by the use of alternative fuels.

The Customer Charge will not be applied to a customer's bill until the customer has received service for at least ten days during the billing cycle.

The rate tables below reflect rates with an effective date of November 1, 2015. For information on rates (*i.e.*, power supply adjustment, community benefit, and regulatory) prior to this effective date, please see corresponding schedules in the tariff (if applicable). For definition of charges listed below, see "Glossary of Terms" at the back of this tariff.

Discounts:

For any Independent School District account, the monthly electric charges billed pursuant to these rate schedules will be discounted by an effective rate of 10 percent.

GreenChoice® Energy Rider:

Service under these rate schedules are eligible for application of the GreenChoice® Energy (Rider).

Time-Of-Use Periods (kWh)

	<b>Summer</b> (June through September)	<b>Non-Summer</b> (October through May)
<b>On-Peak Hours</b>		
2:00 P.M. – 8:00 P.M.	Monday – Friday	None
<b>Mid-Peak Hours</b>		
6:00 A.M. – 2:00 P.M.	Monday – Friday	
8:00 P.M. – 10:00 P.M.	Monday – Friday	
6:00 A.M. – 10:00 P.M.	Saturday and Sunday	Everyday
<b>Off-Peak Hours</b>		
10:00 P.M. – 6:00 A.M.	Everyday	Everyday

Thermal Energy Storage Periods (kW)

	<b>Summer</b> (June through September)	<b>Non-Summer</b> (October through May)
<b>On-Peak Hours</b>		
3:30 P.M. – 6:30 P.M.	Monday – Friday	None
<b>Off-Peak Hours</b>		
6:30 P.M. – 3:30 P.M.	Monday – Friday	Everyday
All Day (24 hours)	Saturday, Sunday, and National Holidays	

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## Secondary Voltage

	Summer (June through September)	Non-Summer (October through May)
<b>Basic Charges</b>		
<i>Customer (\$/month)</i>	\$206.02	\$206.02
<i>Delivery (\$/kW)</i>	\$5.19	\$5.19
<b>Demand Charges (\$/kW)</b>		
<i>Off-Peak</i>	\$0.00	\$10.34
<i>On-Peak</i>	\$11.77	\$0.00
<b>Energy Charges (\$/kWh)</b>		
<i>Off-Peak</i>	(\$0.01380)	(\$0.01380)
<i>Mid-Peak</i>	\$0.00930	\$0.00930
<i>On-Peak</i>	\$0.02500	\$0.02500
<b>Power Supply Adjustment Charge (\$/kWh)</b>		
<i>Power Supply</i>	\$0.03139	\$0.03139
<b>Community Benefit Charges (\$/kWh)</b>		
<i>Customer Assistance Program</i>	\$0.00065	\$0.00065
<i>Service Area Lighting</i>	\$0.00068	\$0.00000
<i>(Only applies to Inside City Limits Accounts)</i>		
<i>Energy Efficiency Services</i>	\$0.00274	\$0.00274
<b>Regulatory Charges (\$/kW)</b>		
<i>Regulatory</i>	\$4.43	\$4.43
<i>Supplemental Regulatory</i>	\$0.00	\$0.17
<i>(Only applies to Outside City Limits Accounts)</i>		

## Primary Voltage (Demand less than 3 MW)

	Summer (June through September)	Non-Summer (October through May)
<b>Basic Charges</b>		
<i>Customer (\$/month)</i>	\$850.21	\$850.21
<i>Delivery (\$/kW)</i>	\$2.73	\$2.73
<b>Demand Charges (\$/kW)</b>		
<i>Off-Peak</i>	\$0.00	\$8.86
<i>On-Peak</i>	\$10.23	\$0.00
<b>Energy Charges (\$/kWh)</b>		
<i>Off-Peak</i>	(\$0.01410)	(\$0.01410)

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<i>Mid-Peak</i>	\$0.00870	\$0.00870
<i>On-Peak</i>	\$0.02330	\$0.02330
<b>Power Supply Adjustment Charge (\$/kWh)</b>		
<i>Power Supply</i>	\$0.03068	\$0.03068
<b>Community Benefit Charges (\$/kWh)</b>		
<i>Customer Assistance Program</i>	\$0.00065	\$0.00065
<i>Service Area Lighting</i>	\$0.00058	\$0.00000
<i>(Only applies to Inside City Limits Accounts)</i>		
<i>Energy Efficiency Services</i>	\$0.00349	\$0.00349
<b>Regulatory Charges (\$/kW)</b>		
<i>Regulatory</i>	\$6.75	\$6.75
<i>Supplemental Regulatory</i>	\$0.00	\$0.15
<i>(Only applies to Outside City Limits Accounts)</i>		

**Primary Voltage (Demand 3 MW to less than 20 MW)**

	<b>Summer</b> (June through September)	<b>Non-Summer</b> (October through May)
<b>Basic Charges</b>		
<i>Customer (\$/month)</i>	\$2,000.00	\$2,000.00
<i>Delivery (\$/kW)</i>	\$2.73	\$2.73
<b>Demand Charges (\$/kW)</b>		
<i>Off-Peak</i>	\$0.00	\$8.86
<i>On-Peak</i>	\$10.23	\$0.00
<b>Energy Charges (\$/kWh)</b>		
<i>Off-Peak</i>	(\$0.01690)	(\$0.01690)
<i>Mid-Peak</i>	\$0.00819	\$0.00819
<i>On-Peak</i>	\$0.02396	\$0.02396
<b>Power Supply Adjustment Charge (\$/kWh)</b>		
<i>Power Supply</i>	\$0.03068	\$0.03068
<b>Community Benefit Charges (\$/kWh)</b>		
<i>Customer Assistance Program</i>	\$0.00065	\$0.00065
<i>Service Area Lighting</i>	\$0.00054	\$0.00000
<i>(Only applies to Inside City Limits Accounts)</i>		
<i>Energy Efficiency Services</i>	\$0.00068	\$0.00068
<b>Regulatory Charges (\$/kW)</b>		
<i>Regulatory</i>	\$0.69	\$0.69
<i>Supplemental Regulatory</i>	\$0.00	\$0.23
<i>(Only applies to Outside City Limits Accounts)</i>		



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## Lighting

Application:

Applies to any customer whose point of delivery is located within the limits of Austin Energy's service territory.

Character of Service:

Service provided under these rate schedules are pursuant to City Code Chapter 15-9 (*Utility Service Regulations*) and the City of Austin Utility Criteria Manual, as both may be amended from time to time, and such other rules and regulations as may be prescribed by the City of Austin. Electric service of one standard character will be delivered to one point of service on the customer's premises and measured through one meter unless, at Austin Energy's sole discretion, additional metering is required.

Terms and Conditions:

Customers shall permit Austin Energy to install all equipment necessary for metering and permit reasonable access to all electric service facilities installed by Austin Energy for inspection, maintenance, repair, removal, or data recording purposes. All non-kilowatt-hour charges under this schedule shall remain unaffected by the application of a rider(s).

The Customer Charge will not be applied to a customer's bill until the customer has received service for at least ten days during the billing cycle.

The rate tables below reflect rates with an effective date of November 1, 2015. For information on rates (*i.e.*, power supply adjustment, community benefit, and regulatory) prior to this effective date, please see corresponding schedules in the tariff (if applicable). For definition of charges listed below, see "Glossary of Terms" at the back of this tariff.

Discounts:

For any Independent School District account, the monthly electric charges billed pursuant to these rate schedules will be discounted by an effective rate of 10 percent.

GreenChoice® Energy Rider:

Service under these rate schedules are eligible for application of the GreenChoice® Energy (Rider).

## Customer-Owned, Non-Metered Lighting

This rate applies to non-metered electric service to the Texas Department of Transportation for sign lighting and safety illumination at various locations.

	Inside City Limits	Outside City Limits
<b>Energy Charges (\$/kWh)</b>		
<i>All kWh</i>	\$0.02604	\$0.02604
<b>Power Supply Adjustment Charge (\$/kWh)</b>		
<i>Power Supply</i>	\$0.03139	\$0.03139
<b>Community Benefit Charges (\$/kWh)</b>		
<i>Customer Assistance Program</i>	\$0.00065	\$0.00065

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<i>Service Area Lighting</i>	\$0.00048	\$0.00000
<i>Energy Efficiency Services</i>	\$0.00000	\$0.00000
<b>Regulatory Charges (\$/kWh)</b>		
<i>Regulatory</i>	\$0.00065	\$0.00065
<i>Supplemental Regulatory</i>	\$0.00000	\$0.00000

## Customer-Owned, Metered Lighting

This rate applies to electric service to metered athletic field accounts whose connected load is more than 85 percent attributable to lighting, as verified by Austin Energy.

	Inside City Limits	Outside City Limits
<b>Basic Charges (\$/month)</b>		
<i>Customer</i>	\$15.00	\$15.00
<i>Delivery</i>	\$0.00	\$0.00
<b>Summer Energy Charges (\$/kWh) – June through September</b>		
<i>All kWh</i>	\$0.06983	\$0.06983
<b>Non-Summer Energy Charges (\$/kWh) – October through May</b>		
<i>All kWh</i>	\$0.05483	\$0.05483
<b>Power Supply Adjustment Charge (\$/kWh)</b>		
<i>Power Supply</i>	\$0.03139	\$0.03139
<b>Community Benefit Charges (\$/kWh)</b>		
<i>Customer Assistance Program</i>	\$0.00065	\$0.00065
<i>Service Area Lighting</i>	\$0.00081	\$0.00000
<i>Energy Efficiency Services</i>	\$0.00000	\$0.00000
<b>Regulatory Charges (\$/kWh)</b>		
<i>Regulatory</i>	\$0.00544	\$0.00544
<i>Supplemental Regulatory</i>	\$0.00000	\$0.00117

## City of Austin - Owned Outdoor Lighting

This rate applies to electric service to non-metered outdoor lighting owned and operated by the City of Austin other than Service Area Lighting.

	Inside City Limits	Outside City Limits
<b>Fixture Charges (\$/fixture/month)</b>		
<i>100 Watt or Less (Billable 35 kWh)</i>	\$7.03	\$7.03

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<i>101 - 175 Watt (Billable 60 kWh)</i>	\$12.05	\$12.05
<i>176 - 250 Watt (Billable 90 kWh)</i>	\$18.07	\$18.07
<i>251 Watt or Greater (Billable 140 kWh)</i>	\$28.12	\$28.12
<b>Power Supply Adjustment Charge (\$/kWh)</b>		
<i>Power Supply</i>	\$0.03139	\$0.03139
<b>Regulatory Charges (\$/kWh)</b>		
<i>Regulatory</i>	\$0.00000	\$0.00000
<i>Supplemental Regulatory</i>	\$0.00000	\$0.00117

**Service Area Lighting**

This rate applies to electric service for illumination and the operation of traffic signals on all public streets, highways, expressways, or thoroughfares; other than non-metered lighting maintained by the Texas Department of Transportation. Revenues received through the Service Area Lighting component of the Community Benefit Charge are applied to offset these charges inside the City of Austin.

	<b>Inside City Limits</b>	<b>Outside City Limits</b>
<b>Summer Energy Charges (\$/kWh) – June through September</b>		
<i>All kWh</i>	\$0.23219	\$0.23219
<b>Non-Summer Energy Charges (\$/kWh) – October through May</b>		
<i>All kWh</i>	\$0.23219	\$0.23219
<b>Power Supply Adjustment Charge (\$/kWh)</b>		
<i>Power Supply</i>	\$0.03139	\$0.03139
<b>Regulatory Charges (\$/kWh)</b>		
<i>Regulatory</i>	\$0.00036	\$0.00036
<i>Supplemental Regulatory</i>	\$0.00000	\$0.00039

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## Power Supply Adjustment

### Application

The Power Supply Adjustment (PSA) provides for the recovery and crediting of Electric Reliability Council of Texas (ERCOT) settlements, fuel costs, and purchased power agreement costs, and an adjustment for the over/under-recovery balance for the period preceding the adjustment of the PSA. The PSA, to the extent not recovered through the closed Fuel Adjustment Clause, comprises the following costs (PSA costs):

- ERCOT Settlements – charges and credits from ERCOT, other than the Administrative and Nodal Fees.
- Fuel Costs – costs for fuel and fuel transportation, and hedging gains and losses.
- Net Purchased Power Costs – costs and offsetting revenues associated with short- and long-term purchased power agreements, and costs for distributed generation production.

The PSA shall be determined as part of the City of Austin’s annual budgeting process, including a public hearing. The PSA shall be determined by estimating the sum of all net costs that will be attributable to the PSA Costs during the twelve month period following the effective date of the PSA, and adding to that sum the positive or negative balance of any existing over- or under-recovery of PSA Costs. The PSA shall be the resulting sum divided by projected service area sales, for the twelve month period following the effective date of the PSA. For any particular customer, the PSA shall be adjusted by the following voltage level factors:

<b>Voltage Level</b>	<b>Adjustment Factor</b>
<i>Secondary</i>	1.0049
<i>Primary</i>	0.9821
<i>Transmission</i>	0.9696

The PSA may be adjusted to eliminate any over- or under-recovery as described below. Within 30 days of any adjustment of the PSA to eliminate over- or under-recovery of costs, the City Manager will publicly present a report to the City Council that provides the underlying calculations for the PSA both pre- and post-adjustment by customer class.

If, at any time, the balance of PSA costs recovered since the date of the last PSA adjustment is more than 110 percent of PSA costs actually incurred during such period, and such over-recovery is projected to remain above 110 percent after 12 months from the date of the last PSA adjustment, the PSA shall be adjusted to eliminate the over-recovery balance within the next 12 months.

If, at any time, the balance of PSA costs recovered since the date of the last PSA adjustment is less than 90 percent of PSA costs actually incurred, and such under-recovery is projected to remain less than 90 percent after 12 months from the date of the last PSA adjustment, the PSA may be adjusted to eliminate the under-recovery balance within the next 12 months.

At least once each year, the City Manager will publicly present a report to the City Council that provides the underlying calculations for the PSA by customer class. These calculations will break out fuel costs, ERCOT charges and credits, including ancillary service sales, and purchased power costs and revenues, including bilateral sales. They will also show the extent of over- or under-recovery of PSA costs for the previous twelve months.

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The PSA charges by voltage level are:

<b>Voltage Level</b>	<b>Adjustment Factor</b>	<b>Effective Date November 1, 2014 Fuel Rate (\$/kWh)</b>	<b>Effective Date November 1, 2015 Fuel Rate (\$/kWh)</b>
<i>System Average</i>	1.0000	\$0.03926	\$0.03124
<i>Secondary</i>	1.0049	\$0.03945	\$0.03139
<i>Primary</i>	0.9821	\$0.03856	\$0.03068
<i>Transmission</i>	0.9696	\$0.03807	\$0.03029

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## Community Benefit Charge

Application:

The Community Benefit Charge recovers certain costs incurred by the utility as a benefit to Austin Energy's service area customers and the greater community. This charge shall be determined through the City budget process, and includes three specific programs and services provided to customers.

1. Service Area Lighting (SAL) recovers the cost of street lighting (other than lighting maintained by Texas Dept. of Transportation) and the operation of traffic signals located inside the city limits of Austin. Customers whose point of delivery is located outside the city limits of Austin are not subject to the Service Area Lighting component of the Community Benefit Charge.
2. Energy Efficiency Services (EES) recovers the cost of energy efficiency rebates and related costs, solar rebates, and the Green Building program offered by Austin Energy throughout its service area.
3. The Customer Assistance Program (CAP) funds projects that help qualifying low-income and other disadvantaged residential customers through bill discounts, payment assistance (Plus 1), and free weatherization services. Funding for CAP shall be provided through the CAP component of the Community Benefit Charge and unexpended and re-appropriated funds. Information regarding CAP shall be made available quarterly, including the number of residential customers enrolled automatically and through self-enrollment, the total and average amount of benefits provided, and the number of residential customers referred to the low-income weatherization program. With Council approval, funds unspent at the end of a fiscal year shall be rolled over to the next fiscal year's budget for the CAP program.

Effective Date	Service Area	Energy Efficiency	Customer Assistance
November 1, 2013	Lighting	Services	Program
<b>Residential (\$/kWh)</b>			
<i>Inside City Limits</i>	\$0.00093	\$0.00400	\$0.00172
<i>Outside City Limits</i>	\$0.00000	\$0.00400	\$0.00118
<b>Secondary Voltage &lt; 10 kW (\$/kWh)</b>			
<i>Inside City Limits</i>	\$0.00096	\$0.00466	\$0.00065
<i>Outside City Limits</i>	\$0.00000	\$0.00466	\$0.00065
<b>Secondary Voltage ≥ 10 &lt; 50 kW (\$/kWh)</b>			
<i>Inside City Limits</i>	\$0.00076	\$0.00522	\$0.00065
<i>Outside City Limits</i>	\$0.00000	\$0.00522	\$0.00065
<b>Secondary Voltage ≥ 50 kW (\$/kWh)</b>			
<i>Inside City Limits</i>	\$0.00068	\$0.00274	\$0.00065
<i>Outside City Limits</i>	\$0.00000	\$0.00274	\$0.00065
<b>Primary Voltage &lt; 3 MW (\$/kWh)</b>			
<i>Inside City Limits</i>	\$0.00058	\$0.00349	\$0.00065
<i>Outside City Limits</i>	\$0.00000	\$0.00349	\$0.00065
<b>Primary Voltage ≥ 3 &lt; 20 MW (\$/kWh)</b>			
<i>Inside City Limits</i>	\$0.00054	\$0.00068	\$0.00065
<i>Outside City Limits</i>	\$0.00000	\$0.00068	\$0.00065

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<b>Primary Voltage ≥ 20 MW (\$/kWh)</b>			
<i>Inside City Limits</i>	\$0.00051	\$0.00158	\$0.00065
<i>Outside City Limits</i>	\$0.00000	\$0.00158	\$0.00065
<b>Primary Voltage ≥ 20 MW @ 85% aLF (\$/kWh)</b>			
<i>Inside City Limits</i>	\$0.00000	\$0.00000	\$0.00065
<i>Outside City Limits</i>	\$0.00000	\$0.00000	\$0.00065
<b>Transmission Voltage (\$/kWh)</b>			
<i>Inside City Limits</i>	\$0.00045	\$0.00202	\$0.00065
<i>Outside City Limits</i>	\$0.00000	\$0.00202	\$0.00065
<b>Transmission Voltage ≥ 20 MW @ 85% aLF (\$/kWh)</b>			
<i>Inside City Limits</i>	\$0.00000	\$0.00000	\$0.00065
<i>Outside City Limits</i>	\$0.00000	\$0.00000	\$0.00065
<b>Thermal Energy Storage, Secondary Voltage (\$/kWh)</b>			
<i>Inside City Limits</i>	\$0.00068	\$0.00274	\$0.00065
<i>Outside City Limits</i>	\$0.00000	\$0.00274	\$0.00065
<b>Thermal Energy Storage, Primary Voltage &lt; 3 MW (\$/kWh)</b>			
<i>Inside City Limits</i>	\$0.00058	\$0.00349	\$0.00065
<i>Outside City Limits</i>	\$0.00000	\$0.00349	\$0.00065
<b>Thermal Energy Storage, Primary Voltage ≥ 3 &lt; 20 MW (\$/kWh)</b>			
<i>Inside City Limits</i>	\$0.00054	\$0.00068	\$0.00065
<i>Outside City Limits</i>	\$0.00000	\$0.00068	\$0.00065
<b>Customer-Owned, Non-Metered Lighting (\$/kWh)</b>			
<i>Inside City Limits</i>	\$0.00048	\$0.00000	\$0.00065
<i>Outside City Limits</i>	\$0.00000	\$0.00000	\$0.00065
<b>Customer-Owned, Metered Lighting (\$/kWh)</b>			
<i>Inside City Limits</i>	\$0.00081	\$0.00000	\$0.00065
<i>Outside City Limits</i>	\$0.00000	\$0.00000	\$0.00065

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## Regulatory Charges

### Application:

Applies to all electric service whose point of delivery is located within the limits of Austin Energy's service territory, unless otherwise stated.

### Character of Service:

The Regulatory Charge recovers the following costs, excluding any costs recovered through the closed Fuel Adjustment Clause: 1) ERCOT transmission service charges and credits; 2) NERC/TRE regulatory fees and penalties; 3) the ERCOT Nodal and Administrative Fees; and 4) other material regulatory fees or penalties specific to the electric industry. The Regulatory Charge may be adjusted to eliminate any over- or under-recovery. Changes to the Regulatory Charge shall be determined after notice and public hearing under City Code Chapter 2-5-45.

The Supplemental Regulatory Charge is a temporary surcharge applied only to Outside City Limits accounts for the City of Austin to recover the appeals cost to the Public Utility Commission of Texas in Docket 40627. The temporary surcharge will remain in effect through the end of the billing month that the total appeals costs recovery equals \$1,557,416. Expected total appeals costs recovery to be in 24 months from the effective date.

Customer Class	Regulatory Charge		Supplemental Regulatory Charge (Outside City Limits)
	Effective Date November 1, 2014	Effective Date November 1, 2015	Effective Date November 1, 2013
<b>Residential (\$/kWh)</b>	\$0.00830	\$0.01414	\$0.00057
<b>Secondary Voltage</b>			
<i>Demand &lt; 10 kW (\$/kWh)</i>	\$0.00898	\$0.01530	\$0.00058
<i>Demand ≥ 10 &lt; 50 kW (\$/kW)</i>	\$2.68	\$4.57	\$0.13
<i>Demand ≥ 50 kW (\$/kW)</i>	\$2.60	\$4.43	\$0.17
<b>Primary Voltage (\$/kW)</b>			
<i>Demand &lt; 3 MW</i>	\$3.96	\$6.75	\$0.15
<i>Demand ≥ 3 &lt; 20 MW</i>	\$0.40	\$0.69	\$0.23
<i>Demand ≥ 20 MW</i>	\$3.04	\$5.18	\$0.00
<i>Demand ≥ 20 MW @ 85% aLF</i>	\$5.18	\$5.18	\$0.00
<b>Transmission Voltage (\$/kW)</b>			
<i>Demand</i>	\$1.64	\$2.79	\$0.17
<i>Demand ≥ 20 MW @ 85% aLF</i>	\$4.12	\$4.12	\$0.00
<b>Thermal Energy Storage (\$/kW)</b>			
<i>Secondary</i>	\$2.60	\$4.43	\$0.17
<i>Primary &lt; 3 MW</i>	\$3.96	\$6.75	\$0.15
<i>Primary ≥ 3 &lt; 20 MW</i>	\$0.40	\$0.69	\$0.23
<b>Lighting (\$/kWh)</b>			
<i>Customer-Owned, Non-Metered</i>	\$0.00038	\$0.00065	\$0.00171
<i>Customer-Owned, Metered</i>	\$0.00319	\$0.00544	\$0.00117
<i>Service Area Lighting</i>	\$0.00021	\$0.00036	\$0.00039



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### **Standby Capacity**

**Application:**

These rates apply to electric service for standby power provided by Austin Energy during a scheduled or unscheduled outage of customer's production facilities whose point of delivery is located within the limits of Austin Energy's service territory.

**Character of Service:**

Service provided under this rate schedule are pursuant to City Code Chapter 15-9 (*Utility Service Regulations*) and the City of Austin Utility Criteria Manual, as both may be amended from time to time, and such other rules and regulations as may be prescribed by the City of Austin. Electric service of one standard character will be delivered to one point of service on the customer's premises and measured through one meter unless, at Austin Energy's sole discretion, additional metering is required.

**Terms and Conditions:**

Customers shall permit Austin Energy to install all equipment necessary for metering and permit reasonable access to all electric service facilities installed by Austin Energy for inspection, maintenance, repair, removal, or data recording purposes.

For definition of charges listed below, see "Glossary of Terms" at the back of this tariff.

The Standby Capacity will be equivalent to the maximum demand of the load to be served by Austin Energy during a scheduled or unscheduled outage of the customer's power production facilities or as stipulated in the contract between Austin Energy and the customer.

Customer will be assessed a monthly Minimum Bill equal to the Standby Capacity Rate times the Standby Capacity.

<b>Voltage Level</b>	<b>Monthly Standby Capacity Rate (\$/kW)</b>
<i>Primary</i>	\$2.80
<i>Transmission</i>	\$2.60

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### **Rider Rate Schedules**

**Application:**

These rider rates apply to electric service whose point of delivery is located within the limits of Austin Energy's service territory.

**Character of Service:**

Service provided under these rate schedules are pursuant to City Code Chapter 15-9 (*Utility Service Regulations*) and the City of Austin Utility Criteria Manual, as both may be amended from time to time, and such other rules and regulations as may be prescribed by the City of Austin. Electric service of one standard character will be delivered to one point of service on the customer's premises and measured through one meter unless, at Austin Energy's sole discretion, additional metering is required.

**Terms and Conditions:**

Customers shall permit Austin Energy to install all equipment necessary for metering and permit reasonable access to all electric service facilities installed by Austin Energy for inspection, maintenance, repair, removal, or data recording purposes. All non-kilowatt-hour charges under this schedule shall remain unaffected by the application of a rider(s).

For definition of charges listed below, see "Glossary of Terms" at the back of this tariff.

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## Non-Residential Distributed Generation from Renewable Sources (Rider)

### Application:

This Rider is available to any non-residential customer who owns or hosts an on-site generating system powered by a renewable resource with a capacity of not more than 20 kW-ac that is interconnected with Austin Energy's electric system. Non-residential customers who own or host an on-site generating system powered by a renewable resource with a capacity of more than 20 kW-ac shall not be subject to this rider, and instead will be subject to the terms and conditions of the rate schedule under which the customer receives service, for all energy delivered by Austin Energy.

A renewable energy technology is any technology that exclusively relies on an energy source that is naturally regenerated over a short time and derived directly from the sun, indirectly from the sun, or from moving water or other natural movements and mechanisms of the environment. Renewable energy technologies include those that rely on energy derived directly from the sun, wind, geothermal, hydroelectric, wave, or tidal energy, or on biomass or biomass-based waste products, including landfill gas. A renewable energy technology does not rely on energy resources derived from fossil fuels, waste products from fossil fuels, or waste products from inorganic sources.

### Terms and Conditions:

All charges, character of service, and terms and conditions of the rate schedule under which the customer receives service apply except as expressly altered by this rider. The customer shall comply with applicable Austin Energy interconnection requirements, including submittal of any required interconnection application and signed agreement. The customer is responsible for the costs of interconnecting with Austin Energy's electric system, including transformers, service lines, or other equipment determined necessary by Austin Energy for safe installation and operation of the customer's equipment. The customer is responsible for any costs associated with required inspections and permits.

Metering under this rider shall be by a single master meter capable of registering the flow of electricity in both directions to determine the customer's net energy flow. Other meters may be required to track renewable energy generation for regulatory compliance or incentive purposes, or as otherwise required by Austin Energy's Interconnection Guidelines and Design Criteria.

The customer's billed kilowatt-hour (kWh) shall be the customer's monthly net energy (kWh) use, which is the energy delivered by Austin Energy to the customer less any energy received from the customer's system to the Austin Energy distribution system during the billing month. If in any billing month the customer's monthly net energy use is negative, the customer's electric bill shall be credited as follows:

- If the Power Supply Adjustment applies, the monthly credit equals the monthly net energy times the Power Supply Adjustment (¢/kWh).
- If the GreenChoice® Energy (Rider) applies, the monthly credit equals the monthly net energy times the Power Supply Adjustment (¢/kWh).

Any charges not collected on a kWh basis are not altered by this calculation. Any credit shall be applied to the customer's bill for electric service. Any credit in excess of the customer's total charges for electric service, excluding the customer charge, shall be carried forward and applied to the customer's next electric bill.

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## GreenChoice® Energy (Rider)

Subscriptions under the GreenChoice® program support the City of Austin's inclusion of renewable fuel sources in its power generation portfolio. This energy cannot be directed to any one particular destination on the Electric Reliability Council of Texas electric grid, including participant's premises.

### Application:

This rider applies to electric service to a customer subscribed to the City of Austin's GreenChoice® program.

### Terms and Conditions:

Except for subscriptions of 1.2 million kilowatt-hours or more annually, subscriptions entered into after September 30, 2013, must be for 100 percent of a meter's monthly energy usage and will receive the adjustable GreenChoice® Charges. Non-residential customers may opt to enter into a written subscription contract for a one-year term after which the subscription will continue on a monthly basis. Customers not under contract may unsubscribe from the program at any time. A customer who unsubscribes may not re-subscribe until the following calendar year.

After September 30, 2014, a customer who subscribes a total annual amount of 1.2 million kilowatt-hours or more may receive the adjustable GreenChoice® Charges as provided below or may enter into a written subscription contract for a fixed GreenChoice® Charges until December 31, 2019. Each account subscribed to the program for the fixed charge must be subscribed for either: 1) 100 percent of the account's energy usage; or 2) a specified amount of energy usage of at least 100,000 kilowatt-hours per billing month.

Under subscriptions to Batches 5 or 6, the GreenChoice® Charges will be applied to 100 percent of the customer's energy usage, unless otherwise specified in a subscription contract in effect on September 30, 2013, through the Batch's end date. Batches 5 and 6 are closed to additional subscriptions. A non-residential account that has been subscribed to Batch 5 or 6 may not be re-subscribed under new terms before the subscription Batch's end date.

The terms of a subscription contract in effect on December 31, 2014, shall prevail in the event of a conflict with this rider. The director of Austin Energy shall develop the contract terms and conditions for subscriptions entered into after December 31, 2014.

### Green Choice® Charges:

While subscribed to the GreenChoice® program, a customer will be billed a Green Choice® Charges in lieu of the Power Supply Adjustment (PSA) that would otherwise apply to the customer's subscribed energy usage.

Subscription Type	GreenChoice® Charges (\$/kWh)
<b>Effective Dates before October 1, 2013</b>	
<i>Batch 5 (End Date December 31, 2022)</i>	\$0.055000
<i>Batch 6.21 (End Date December 31, 2021)</i>	\$0.057000
<b>Effective Date October 1, 2013</b>	
<i>Adjustable</i>	PSA amount plus \$0.01000
<i>Fixed</i>	\$0.04900
<b>Effective Date January 1, 2015</b>	

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<i>Residential SmartCents</i>	PSA amount plus \$0.00750
<i>Commercial BusinessCents</i>	PSA amount plus \$0.00750
<i>Commercial Energizer</i>	PSA amount plus \$0.00750
<i>Commercial Patron 14</i>	\$0.04900
<i>Commercial Patron 15</i>	\$0.04400

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## Value-Of-Solar (Rider)

### Application:

Applies to any Residential Service account that has an on-site solar photovoltaic system interconnected with Austin Energy's distribution system behind the master meter.

### Terms and Conditions:

Billable kilowatt-hour shall be based on metered energy delivered by Austin Energy's electric system and the metered energy consumed from an on-site solar system; also known as, the total metered energy consumption during the billing month. All non-kWh-based charges under this rate schedule shall remain unaffected by the application of this rider.

For each billing month the customer shall receive a non-refundable, non-transferable credit equal to the metered kilowatt-hour output of the customer's photovoltaic system multiplied by the current Value-of-Solar Rate plus any carry-over credit from the previous billing month. Credits are applicable to the customer's total charges for Residential Service in the customer's name on the same premise and account where the on-site solar photovoltaic system is interconnected. Any remaining amount of credit(s) shall be carried forward and applied to the customer's next electric service bill. In the event of service termination, any credit balance will be applied to the Power Supply Adjustment (PSA) to reduce net purchased power costs.

The Value-of-Solar Rate is a tariff rider that is set annually through the Austin Energy budget approval process. Effective January 1 of each calendar year, the rate calculation uses the Value-of-Solar assessment's monthly average of the prospective twelve-months and the shorter period of either: a) the prevailing assessments since October 1, 2012, or b) the previous 48 months.

Effective Dates	Value-of-Solar Rates (\$/kWh)
<i>October 1, 2012</i>	\$0.1280
<i>January 1, 2014</i>	\$0.1070
<i>January 1, 2015</i>	\$0.1130
<i>January 1, 2016</i>	\$0.1090

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### **Service Area Program**

**Application:**

This service area program rate schedule applies to electric service whose point of delivery is located within the limits of Austin Energy's service territory.

**Character of Service:**

Service provided under this rate schedule are pursuant to City Code Chapter 15-9 (*Utility Service Regulations*) and the City of Austin Utility Criteria Manual, as both may be amended from time to time, and such other rules and regulations as may be prescribed by the City of Austin. Electric service of one standard character will be delivered to one point of service on the customer's premises and measured through one meter unless, at Austin Energy's sole discretion, additional metering is required.

**Terms and Conditions:**

Customers shall permit Austin Energy to install all equipment necessary for metering and permit reasonable access to all electric service facilities installed by Austin Energy for inspection, maintenance, repair, removal, or data recording purposes. All non-kilowatt-hour charges under this schedule shall remain unaffected by the application of a rider(s).

### **Electric Vehicle Public Charging**

This rate schedule applies to electric service to a customer through a public electric vehicle charging station under the Electric Vehicle Public Charging.

<b>Six-month Subscription</b>	
<i>Charging (unlimited)</i>	\$23.095
<b>No Subscription</b>	
<i>Charging (\$/hour)</i>	\$1.85

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## **Residential Service Pilot Programs**

### **Application:**

These pilot programs rate schedules applies to electric service for domestic purposes in each individual metered residence, apartment unit, mobile home, or other dwelling unit whose point of delivery is located within the limits of Austin Energy's service territory. The appropriate General Service schedules are applicable where a portion of the dwelling unit is used for either: a) conducting a business or other non-domestic purposes, unless such use qualifies as a home occupation pursuant to City Code Chapter 25-2-900; or b) for separately-metered uses at the same premises, including, but not limited to: water wells, gates, barns, garages, boat docks, pools, and lighting.

Each rate schedule will be limited to a participation of 100 individual meters on a first-come, first-served basis, unless stated otherwise on their applicable rate schedule. Austin Energy may administratively suspend availability of these pilot programs at any time or append full participation.

### **Character of Service:**

Service provided under these rate schedules are pursuant to City Code Chapter 15-9 (*Utility Service Regulations*) and the City of Austin Utility Criteria Manual, as both may be amended from time to time, and such other rules and regulations as may be prescribed by the City of Austin. Electric service of one standard character will be delivered to one point of service on the customer's premises and measured through one meter unless, at Austin Energy's sole discretion, additional metering is required. In case of a conflict, the terms and conditions for each of the pilot programs as laid out in their appropriate rate schedules govern.

### **Terms and Conditions:**

Customers shall permit Austin Energy to install all equipment necessary for metering and permit reasonable access to all electric service facilities installed by Austin Energy for inspection, maintenance, repair, removal, or data recording purposes. All non-kilowatt-hour charges under these rate schedules shall remain unaffected by the application of a rider(s).

Pilot programs availability will be contingent upon Austin Energy's operational feasibility, system configuration, availability of appropriate meters, and the customer's premise, if applicable. Customers selecting these rate options are not eligible to participate in levelized billing. The rate tables below reflect rates with an effective date of November 1, 2015. For information on rates (*i.e.*, power supply adjustment, community benefit, and regulatory) prior to this effective date, please see corresponding schedules in the tariff (if applicable). For definition of charges listed below, see "Glossary of Terms" at the back of this tariff.

Customers are advised to conduct their own independent research before making an investment decisions or otherwise based on temporary pilot programs. Participation in any load research effort as part of these schedules will be strictly mandatory. Austin Energy's use of such load research data will be strictly limited to the provision of electric service; and will not disclose, share, rent, lease, or sell such data to any third party or affiliate for any other purpose, without the customer's express, affirmative written informed consent.

### **Discounts:**

Residential customers who receive, or who reside with a household member who receives assistance from the Comprehensive Energy Assistance Program (CEAP), Travis County Hospital District Medical Assistance Program (MAP), Supplemental Security Income Program (SSI), Medicaid, the Supplemental Nutritional Assistance Program (SNAP), the Children's Health Insurance Program (CHIP), or the Telephone Lifeline Program are eligible for a discount under the Customer Assistance Program (CAP).



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The priority for program funding is CEAP, MAP, SSI, Medicaid, and SNAP followed by CHIP and then Telephone Lifeline recipients. Eligible residential customers will be automatically enrolled in the discount program through a third-party matching process, with self-enrollment also available directly through Austin Energy.

Customers enrolled in the discount program are exempt from the monthly Customer Charge and the CAP component of the Community Benefit Charge and shall receive a 10 percent bill reduction on kilowatt-hour-based charges, unless stated otherwise on their applicable rate schedule. Customers in the discount program, as well as other low income and disadvantaged residential customers, may be eligible for bill payment assistance through Plus 1 and free weatherization assistance.

### Rider Schedules:

Services under these rate schedules are eligible for application of GreenChoice Energy (Rider) and Value-Of-Solar (Rider), unless stated otherwise on their applicable rate schedule.

### ***Time-Of-Use Rates***

In lieu of the Standard Rates under the Residential Service rate schedule, customers receiving service under this rate schedule may choose the following time-of-use charges to be applied for a term of no less than twelve (12) consecutive billing cycles, otherwise, an early termination fee of \$250.00 will be applied; at Austin Energy's sole discretion the fee could be waived.

### Fuel Periods:

<b>Weekdays</b>	
<i>Off-Peak</i>	10:00 P.M. – 7:00 A.M.
<i>Mid-Peak</i>	7:00 A.M. – 3:00 P.M., 6:00 P.M. – 10:00 P.M.
<i>On-Peak</i>	3:00 P.M. – 6:00 P.M.
<b>Weekends</b>	
<i>Off-Peak</i>	Entire Day

### Time-Of-Use Charges

		<b>Summer</b> (June through September)	<b>Non-Summer</b> (October through May)
<b>Basic Charges (\$/month)</b>			
<i>Customer</i>			
	<i>Single-Phase</i>	\$10.00	\$10.00
	<i>Three-Phase</i>	\$15.00	\$15.00
<i>Delivery</i>		\$0.00	\$0.00
<b>Fuel Charges (\$/kWh)</b>			
<i>Weekdays</i>			
	<i>Off-Peak</i>	\$0.02586	\$0.02393
	<i>Mid-Peak</i>	\$0.03078	\$0.03097
	<i>On-Peak</i>	\$0.11894	\$0.03139

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<i>Weekends</i>			
	<i>Off-Peak</i>	\$0.02586	\$0.02393
<b>Energy Charges (\$/kWh)</b>			
<i>0 – 500 kWh</i>		\$0.02300	\$0.02300
<i>501 – 1,000 kWh</i>		\$0.06400	\$0.06400
<i>1,001 – 1,500 kWh</i>		\$0.07833	\$0.07833
<i>1,501 – 2,500 kWh</i>		\$0.09267	\$0.09267
<i>Over 2,500 kWh</i>		\$0.10200	\$0.10200
<b>Community Benefit Charges (\$/kWh)</b>			
<i>Energy Efficiency Services</i>		\$0.00400	\$0.00400
<i>Customer Assistance Program</i>			
<i>    Inside City Limits</i>		\$0.00172	\$0.00172
<i>    Outside City Limits</i>		\$0.00118	\$0.00118
<i>Service Area Lighting</i>		\$0.00930	\$0.00930
<i>(Only applies to Inside City Limits Accounts)</i>			
<b>Regulatory Charges (\$/kWh)</b>			
<i>Regulatory</i>		\$0.01414	\$0.01414
<i>Supplemental Regulatory</i>		\$0.00057	\$0.00057
<i>(Only applies to Outside City Limits Accounts)</i>			

***Prepayment Rates***

In lieu of the Residential Standard Rates, the prepayment rate schedule is available on a voluntary basis to customers within Austin Energy service territory who receive their electric service from Austin Energy but their water and wastewater service from a non-City of Austin provider. The prepayment pilot program is available for a term of no more than 9 consecutive billing cycles, with no term extending beyond September 30, 2016. Participation will be limited to 300 individual meters on a first-come, first-served basis. Participants in the program shall receive service pursuant to the terms set forth in this Prepayment Rates Schedule and City Code Chapter 15-9. In the event of a conflict between the Prepayment Rates Schedule and the City Code, the Prepayment Rate Schedule shall govern.

***Terms and Conditions:***

In order to enroll, the customer must establish a prepayment credit balance. Security deposits are not required. Deposits previously paid to Austin Energy shall be returned to the customer or may be applied to the prepayment balance at the customer's request. Outstanding balances must either be paid prior to enrollment or will be placed on a deferred payment plan with a fixed percentage of all future payments applied to the outstanding balance. Prepayment participants are not eligible for new payment arrangements or credit extensions.

Energy usage will be charged on a daily basis; Council approved customer charges, miscellaneous charges, taxes and fees will be prorated. Participants in the prepayment pilot program will receive a 'true-up' paper or electronic monthly bill. Account balances may be checked through the prepayment web portal 24 hours a day, 7 days a week.

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Prepayment pilot customers will receive notifications and alerts about their account. Upon enrollment, the prepayment customer will determine by which method they will receive communications: text (which may incur phone carrier charges), email or phone call. The prepayment customer must select at least one (1) Austin Energy approved notification method. Austin Energy will not be responsible for any termination of service or other damages resulting from the account holder's failure to update alert settings and contact information.

The prepayment customer is responsible for maintaining a credit balance in order to maintain electric service. Austin Energy will notify program participants when the prepayment account balance is at or below a predetermined usage threshold. Austin Energy may disconnect a customer's utility service without notice if the account reaches a zero or negative balance. Prepayment pilot program customers will no longer receive a written notice of disconnection. Service will be reconnected upon receipt of payment for the outstanding balance plus a payment amount to be credited towards future energy use. There are no disconnections during weather moratoriums; however, customers are liable for the payment of energy usage which occurs during this time.

Prepayment customers will have access to existing Austin Energy payment options. It is the customer's responsibility to allow enough time for a payment processing. Any charges incurred by Austin Energy as a result of insufficient fund checks/electronic fund transfers, returned credit card payments, and the like shall be applied immediately to the account balance and may result in the disconnection of service if the account balance becomes zero or negative. Austin Energy reserves the right to disconnect electric service immediately without prior notice for specific reasons per City Code Chapter 15-9, Article 7. Austin Energy will close any prepayment account that has a zero or negative balance for a period of thirty (30) days; any account disconnected for such reason must reestablish service pursuant to City Code Chapter 15-9.

Electric customers or members of the household who are dependent upon electrical devices for health-related reasons, including life-sustaining equipment, or have Lifeline status are ineligible to participate in the program. Customers who receive benefits from City of Austin Utilities' Customer Assistance Program are ineligible for this rate schedule. Value-Of-Solar (Rider) is not applicable to this rate schedule.

Prepayment Daily Charges

	Inside City Limits	Outside City Limits
<b>Basic Charges (\$/day)</b>		
<i>Customer</i>		
<i>Single-Phase</i>	\$0.33	\$0.33
<i>Three-Phase</i>	\$0.49	\$0.49
<i>Delivery</i>	\$0.00	\$0.00
<b>Summer Energy Charges (\$/kWh/day) – June through September</b>		
<i>0 – 16 kWh</i>	\$0.03300	\$0.03750
<i>16 – 33 kWh</i>	\$0.08000	\$0.08000
<i>33 – 49 kWh</i>	\$0.09100	\$0.09325
<i>49 – 82 kWh</i>	\$0.11000	\$0.09325
<i>Over 82 kWh</i>	\$0.11400	\$0.09325
<b>Non-Summer Energy Charges (\$/kWh/day) – October through May</b>		
<i>0 – 16 kWh</i>	\$0.01800	\$0.01800
<i>16 – 33 kWh</i>	\$0.05600	\$0.05600

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<i>33 – 49 kWh</i>	\$0.07200	\$0.07170
<i>49 – 82 kWh</i>	\$0.08400	\$0.07170
<i>Over 82 kWh</i>	\$0.09600	\$0.07170
<b>Power Supply Adjustment Charge (\$/kWh)</b>		
<i>Power Supply</i>	\$0.03139	\$0.03139
<b>Community Benefit Charges (\$/kWh)</b>		
<i>Customer Assistance Program</i>	\$0.00172	\$0.00118
<i>Service Area Lighting</i>	\$0.00093	\$0.00000
<i>Energy Efficiency Services</i>	\$0.00400	\$0.00400
<b>Regulatory Charges (\$/kWh)</b>		
<i>Regulatory</i>	\$0.01414	\$0.01414
<i>Supplemental Regulatory</i>	\$0.00000	\$0.00057

***Plug-In Electric Vehicle Charging Rates****Application:*

For a separate residential sub-meter circuit (installed at the customer's expense) attached to an in-home electric vehicle level 1, or higher, charging station for charging a plug-in electric vehicle (PEV), which is connected to the same meter that registers usage of the customer's primary domestic residence. Customers receiving service under this rate schedule may choose the following electric vehicle charges to be applied for a term of no less than twelve (12) consecutive billing cycles, otherwise, an early termination fee of \$200.00 will be applied; at Austin Energy's sole discretion the fee could be waived. This rate schedule includes unlimited customer access to public electric vehicle charging station under the Electric Vehicle Public Charging rate schedule.

*Terms and Conditions:*

These charges are in addition to any other services the premise might be receiving; customers served under this rate schedule will be provided separate primary meter billing amounts and PEV sub-meter billing amounts, in their electric bill(s). The customer's primary metered usage is billed according to the primary rate schedule selected by the customer. The customer's PEV usage is billed according to this residential EV schedule. The primary meter billed amount calculation excludes the PEV sub-meter usage. The PEV sub-meter billed amount will be based upon data delivered to Austin Energy.

In-home electric vehicle charging must be during off-peak periods, otherwise, all energy use will be multiplied by the fuel charges rates for their applicable periods; this applies when energy use outside of off-peak periods is greater than ten (10) percent. A one-time enrollment payment of \$150 will be applied.

Customers receiving PEV charging station service are not eligible for any discounts and the Value-Of-Solar (Rider) rate schedule under this rate schedule.

*Time Periods:*

<b>Weekdays</b>		
<i>Off-Peak</i>		7:00 P.M. – 2:00 P.M.
<i>On-Peak</i>		2:00 P.M. – 7:00 P.M.
<b>Weekends</b>		

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<i>Off-Peak</i>		Entire Day	
<u><i>PEV Charging Station Charges</i></u>			
		Summer	Non-Summer
		(June through September)	(October through May)
<b>Basic Charges (\$/month)</b>			
<i>Delivery</i>			
	<i>Demand (&lt; 10 kW)</i>	\$30.00	\$30.00
	<i>Demand (≥ 10 kW)</i>	\$50.00	\$50.00
<b>Fuel Charges (\$/kWh)</b> – Only applies if greater than 10 percent of energy is used outside of “Off-Peak” periods, then these charges are applied to all energy use.			
<i>Weekdays</i>			
	<i>Off-Peak</i>	\$0.00000	\$0.00000
	<i>On-Peak</i>	\$0.40000	\$0.14000
<i>Weekends</i>			
	<i>Off-Peak</i>	\$0.00000	\$0.00000

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## **Closed Rate Schedule**

**Application:**

THIS RATE SCHEDULE IS CLOSED TO NEW CUSTOMERS. This rate schedule applies to electric service whose point of delivery is located within the limits of Austin Energy's service territory.

**Character of Service:**

Service provided under this rate schedule are pursuant to City Code Chapter 15-9 (*Utility Service Regulations*) and the City of Austin Utility Criteria Manual, as both may be amended from time to time, and such other rules and regulations as may be prescribed by the City of Austin. Electric service of one standard character will be delivered to one point of service on the customer's premises and measured through one meter unless, at Austin Energy's sole discretion, additional metering is required.

**Terms and Conditions:**

Customers shall permit Austin Energy to install all equipment necessary for metering and permit reasonable access to all electric service facilities installed by Austin Energy for inspection, maintenance, repair, removal, or data recording purposes. All non-kilowatt-hour charges under this schedule shall remain unaffected by the application of a rider(s).

## **Large Service Contract (Closed)**

**Application:**

These rates are only available to the State of Texas and apply to a large service contract (LSC) customer that executed a separate contract for this service on or after October 9, 2006, in form and substance acceptable to Austin Energy, but before May 24, 2012. The contract requires the customer to remain a full requirements customer of Austin Energy through May 31, 2017, on which date the customer's contract and the terms of this rate schedule shall terminate. If Austin Energy subsequently adopts a rate schedule that provides more favorable rates, terms, or conditions than provided by this rates schedule and which describes a customer class for which the customer's large service contract accounts qualify, then the customer may terminate its contract and receive service pursuant to such subsequent rate schedule. Austin Energy enters and executes the contract and assumes its obligation in its proprietary capacity as the owner and operator of a utility enterprise increasingly in competition with other power suppliers for the attraction and retention of industrial loads, and in order to induce customer to remain a customer of Austin Energy. This rate schedule shall be effective through May 31, 2017, for all contracts between Austin Energy and the State of Texas.

**Terms and Conditions:**

Services under this rate schedule are eligible for application of Time-Of-Use Rates and Thermal Energy Storage (Rider) attached to them.

The LSC rates begins on the first day of the customer's billing cycle following the date that a separate contract has been executed between Austin Energy and the State of Texas, and shall be in effect for a period of thirty-six (36) months thereafter.

Not earlier than the first day of the thirty-seventh month after the effective date and not later than the last day of the seventy-second month after the effective date, a most favored nations clause applies (which clause does not apply to a rate paid by a governmental entity of the State of Texas, that is mandated by Federal or State law, the Public Utility Commission, a judicial body, or a retail pilot program affecting a customer of Austin Energy). It is the intent of this provision that the most favored nations clause will not

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apply unless Austin Energy voluntarily charges a lower rate to another LSC customer (who receives power at 12,500 volts or higher and has a demand for power that meets or exceeds 3,000 kW for any two months within the previous twelve months). If Austin Energy is required by Federal or State law, the Public Utility Commission, or a judicial body to charge a lower rate to a customer or group of customers, then the most favored nations clause does not apply.

For the remainder of the term of the contract after the seventy-second month after the effective date, Austin Energy may keep customer loads on-system by exercising a continuing right of first refusal to match the best offer of any competing suppliers. Austin Energy shall have until the later of sixty (60) months from the effective date, or seventy-five (75) days from the date it receives proper notice from Customer to exercise its right of first refusal. All such alternative proposals may be disclosed to Austin Energy on a confidential trade secret basis to the extent permitted by law, and shall be supported by a sworn affidavit signed by a corporate officer of the customer involved.

For the remainder of the term of the contract after the seventy-second month after the effective date, provided that retail competition in the electric utility industry in Texas is allowed and is available in Austin, Texas, Austin Energy shall not be obligated to charge the customer the service contract rates. In the event that retail competition is not allowed in Texas, or is not available in Austin, Texas, the customer shall continue to take power from Austin Energy at the LSC rates and be subject to extended application of the most favorable nations clause, until the end of the term of the contract.

These service contract rate schedules do not obligate Austin Energy to match the best offer of any competing supplier. In addition, nothing herein shall obligate Austin Energy to match any portion of an offer or other consideration not directly related to the supply of electric energy (i.e. generation, transmission and distribution) to the customer's facilities in the Austin area. In other words, Austin Energy would be required to match the total delivered cost of electric energy to the customer.

Contracts entered into under the provisions of these service contract rate schedules shall protect the integrity and enforceability of the City's right of first refusal. After a customer commences to purchase electric generation from a competing supplier (and Austin Energy fails to exercise its right of first refusal or to match the offer of a competing supplier), provision of generation service by Austin Energy to that portion of customer's total load removed from Austin Energy Electric System shall thereafter be at the sole option of Austin Energy. However, Austin Energy shall have a continuing obligation to provide transmission and distribution services, including ancillary services if needed, pursuant to its tariffs and the Public Utility Commission's Substantive Rules or other applicable laws and regulations.

A customer may not submit bids or offers received from competing suppliers, and thereby cause or require Austin Energy to exercise its right of first refusal in accordance with the terms of this tariff, more than once every twelve months.

Nothing in these service contract rate schedules or a contract under these service contract rate schedules shall operate to prevent, prohibit, or delay Austin Energy from recovering "stranded" costs from the customer, to the extent authorized by law, including those described in the Public Utility Regulatory Act.

If, notwithstanding the foregoing paragraph, any subsequent legislation would in any way operate to prevent, prohibit or delay recovery of the full amount, otherwise authorized by law, of "stranded" costs through any surcharge or additional charge or any new or revised rate level or element solely because of the existence or contents of these service contract rate schedules or the contract then the contract rates specified in these service contract rate schedules for energy, demand and fuel shall be deemed to be changed by an amount designed to exactly equal the revenue Austin Energy would otherwise recover but for the existence or contents of these service contract rate schedules or contract. Any such change shall



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take effect on the same date that the surcharge, additional charge or new or revised rate level or element would otherwise go into effect. If necessary the change may take the form of a one-time charge, assessable prior to or after customer switches generation suppliers. To the extent possible, while still allowing full recovery of the otherwise authorized amount, the change shall be incorporated into prospective monthly recurring charges.

The contract to be signed by customer shall explicitly incorporate the terms of the preceding two paragraphs, and also provide that the results contemplated by such paragraphs are essential and non-severable terms of the contract.

Notwithstanding any provision of these special contract rate schedules, neither customer nor Austin Energy shall be precluded from challenging the legal validity of any statute, regulations, or other provisions of law.

This rate schedule shall be extended to all of an LSC customer's accounts having a maximum demand of at least 500 kW.

Upon request, customers receiving service under these service contract rate schedules will be provided dual feed service with reserve capacity and maintenance under the 10 year long contract provisions of the Service Contract Rider, except that the customer will be responsible for the initial assessment fee, customer requested changes to the initial assessment, and facilities design and construction costs, as established in the fee schedule. Dual feed service with reserve capacity is electric service provided to the customer's premise(s) through two (or more) independent distribution feeders, with one feeder in normal service and the other in back-up service, capacity is reserved for the second feeder, and is placed into service upon an outage of the primary feeder.

If it is determined at any time by Austin Energy that the customer violated the provisions of these special contract rate schedules or the contract implementing the tariff, then the customer will be immediately billed on the LSC rate schedule, or as amended, from the date service was first commenced under these special contract rate schedules. The difference, plus interest at one percent (1%) per month, or the maximum allowable legal interest rate, whichever is less, from the date service was first commenced under these special contract rate schedules, shall immediately become due by customer to Austin Energy.

The contract executed under these special contract rate schedules shall address the rights of the City and the customer relating to the transfer or assignment of rights under these special contract rate schedules.

### Definitions:

- Full Requirement Service – means generation, transmission, and distribution, (i.e., “bundled”) service as presently supplied by City of Austin to customer, provided however, that the customer may self-generate up to 500 kW of its requirements from customer-owned, on-site renewable energy technology, subject to the terms and conditions of Austin Energy's Non-Residential Distributed Generation from Renewable Sources (Rider).
- Best Offer – means the cost of generation of a competing supplier, plus other costs, fees or expenses that a customer incurs in order to bring the generation to its point of service, including but not limited to: 1) transmission wheeling costs to Austin Energy Electric System; 2) transmission and distribution wheeling costs to the customer's point of service; and 3) costs to install or construct any on-site generation, interconnection or metering facilities.



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- **Competing Suppliers** – includes, but is not limited to, a provider of generation services, energy services, and ancillary services, whether or not the supplier is located inside Austin Energy’s current service territory, to the extent that the provider is permitted by law to serve the customer load.
- **Billing Demand** – the kilowatt demand during the fifteen-minute interval of greatest use during the current billing month as indicated or recorded by metering equipment installed by Austin Energy. When customer’s power factor during the interval of greatest use is less than 85 percent, Billing Demand shall be determined by multiplying the indicated demand by 85 percent and dividing by the lower peak power factor; provided, however, the power factor adjustment specified in this paragraph shall be superseded by any subsequent rate schedule or ordinance governing power factor that may be enacted or amended by Austin Energy from time to time.
- **Power Supply Adjustment (PSA)** – plus an adjustment for variable costs, calculated according to the Power Supply Adjustment rate schedule, multiplied by the billable kWh.

*Time-Of-Use Periods*

	<b>On-Peak Hours</b>	<b>Off-Peak Hours</b>
<b>Summer</b> (May through October)		
Monday – Friday	1:00 P.M. – 9:00 P.M.	9:00 P.M. – 1:00 P.M.
Saturday, Sunday, and Holidays <sup>1</sup>	None	12:00 A.M. – 12:00 A.M.
<b>Non-Summer</b> (November through April)		
Monday – Friday	8:00 A.M. – 10:00 P.M.	10:00 P.M. – 8:00 A.M.
Saturday, Sunday, and Holidays <sup>1</sup>	None	12:00 A.M. – 12:00 A.M.

*Monthly Charges:*

Customer will be assessed a monthly minimum bill of \$12.00, if the below calculation result in a charge of less than \$12.00.

***Standard Rates***

	<b>Summer</b> (May through October)	<b>Non-Summer</b> (November through April)
<b>Demand Charges (\$/kW)</b>		
<i>All kW</i> s	\$12.54	\$11.40
<b>Energy Charges (\$/kWh)</b>		
<i>All kWh</i> s	\$0.01110	\$0.01110
<b>Power Supply Adjustment (\$/kWh)</b>		
<i>All kWh</i> s	\$0.03068	\$0.03068

***Time-Of-Use Rates***

At the option of the customer, a separate agreement may be entered into between the City and the customer for a time-of-use incentive rate.

<sup>1</sup> U.S. National Holidays are Memorial Day, Independence Day, and Labor Day.

CITY OF AUSTIN  
ELECTRIC TARIFF

Billed demand will be based on the fifteen-minute interval of greatest use during an on-peak period for the current billing month. All other adjustments will be included as described above (See Definition: Billing Demand).

	<b>Summer</b> (May through October)	<b>Non-Summer</b> (November through April)
<b>Demand Charges (\$/kW)</b>		
<i>All kW</i> s	\$12.54	\$11.40
<b>Energy Charges (\$/kWh)</b>		
<i>Off-Peak</i>	\$0.00560	(\$0.00290)
<i>On-Peak</i>	\$0.02410	\$0.01710
<b>Power Supply Adjustment (\$/kWh)</b>		
<i>All kWh</i> s	\$0.03068	\$0.03068

### ***Thermal Energy Storage (Rider)***

*Application:*

This rate is applicable to any LSC customer who, through the use of Thermal Energy Storage technology, shifts to off-peak time periods no less than the lesser of 20 percent of the customer's normal on-peak Summer Billed Demand or 2,500 kW. The normal on-peak Summer Billed Demand shall be the maximum Summer Billed Demand recorded prior to attaching this rider, or as determined by Austin Energy.

*Terms and Conditions:*

At the option of the customer, a separate agreement may be entered into between the City and the customer for a Thermal Energy Storage (Rider) incentive rate. The on-peak load shall be shifted to off-peak, not eliminated, nor replaced by the use of alternative fuels. The customer shall continue to be billed under the time-of-use rates and in accordance with the following provisions:

- For Summer (May through October), the Summer Billed Demand shall be the highest fifteen-minute demand recorded during the on-peak period.
- For Non-Summer (November through April), the Non-Summer Billed Demand shall be the highest fifteen-minute demand recorded during the month, or 90 percent of the Summer Billed Demand set in the previous summer; whichever is less.

*Time-Of-Use Periods*

	<b>Summer</b> (May through October)	<b>Non-Summer</b> (November through April)
<b>On-Peak Hours</b>		
<i>4:00 P.M. – 8:00 P.M.</i>	Monday – Friday	None
<b>Off-Peak Hours</b>		

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<i>8:00 P.M. – 4:00 P.M.</i>	Monday – Friday	Everyday
<i>12:00 A.M. – 12:00 A.M.</i>	Saturday, Sunday, and Holidays <sup>2</sup>	Everyday

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<sup>2</sup> U.S. National Holidays are Memorial Day, Independence Day, and Labor Day.

CITY OF AUSTIN  
ELECTRIC TARIFF

## **Glossary of Terms**

The purpose of this section is for customers to have a better understanding of the terminology used within the electric industry.

### **Adjustment Clauses**

A provision in Austin Energy's tariff that provides for periodic changes in charges or credits to a customer due to increases or decreases in certain costs over or under those included in base rates.

### **Base Rate**

That portion of the total electric rate covering the general costs of doing business, except for fuel, purchased power, and other pass-thru expenses.

### **Billed Demand**

The demand upon which billing to a customer is based, as specified in a rate schedule or contract, metered X demand or billed demand may be the metered demand adjusted for power factor as specified in the rate schedule. It may also be based on the contract year, a contract minimum, or a previous maximum that does not necessarily coincide with the actual measured demand of the billing period.

### **Customer**

A meter, individual, firm, organization, or other electric utility that purchases electric service at one location under one rate classification, contract, or schedule. If service is supplied to a customer at more than one location, each location shall be counted as a separate customer unless the consumptions are combined before the bill is calculated.

### **Customer Charge**

Customer Charge is a monthly charge to help Austin Energy recover the customer-related fixed costs that reflect the minimum amount of equipment and services needed for customers to access the electric grid. Such costs are billing, metering, collections, customer service, service drops, cost of meters, meter maintenance, and other customer-related costs; these costs vary with the addition or subtraction of customers. These costs do not vary with usage; therefore, it is appropriate to recover these costs in the Customer Charge, rather than Energy Charges.

### **Customer Class**

The grouping of customers into homogeneous classes. Typically, electric utility customers are classified on a broad category of customer service: residential, general service (commercial), large general service (industrial), lighting, or contract. Some electric systems have individual customers (large users) with unique electric-use characteristics, service requirements, or other factors that set them apart from other general customer classes and thus may require a separate class designation.

### **Delivery (Distribution) Charges**

The charges on an electric customer's bill for the service of delivering or moving of electricity over the distribution system from the source of generation to the customer's premise; sometimes referred to as Electric Delivery.

### **Demand Charges**

That portion of the charge for electric service based upon the electric capacity (kW or kVa) consumed and billed based on billing demand under an applicable rate schedule. The cost of providing electrical

## CITY OF AUSTIN ELECTRIC TARIFF

transmission and distribution equipment to accommodate the customer's largest electrical load during a given period of time.

### Demand (kW)

The rate at which electricity is being used at any one given time. Demand differs from energy use, which reflects the total amount of electricity consumed over a period of time. Demand is often measured in Kilowatts, while energy use is usually measured in Kilowatt-hours. The term "load" is considered synonymous with "demand."

### Electric Meter

A device that measures the amount of electricity a customer uses.

### Electric Rate

The price set for a specified amount of electricity in an electric rate schedule or sales contract.

### Electric Reliability Council of Texas (ERCOT)

An independent system operator that schedules power for the region, which represents about 90 percent of the State of Texas's electric load.

### Energy Charges

That portion of the charge for electric service based upon the electric energy consumed or billed. Electrical energy is usually measured in kilowatt-hours (kWh), while heat energy is usually measured in British thermal units (Btu).

### Energy Efficiency Programs

Programs sponsored by utilities or others specifically designed to achieve energy efficiency improvements. Energy efficiency improvements reduce the energy used by specific end- use devices and systems, typically without affecting the services provided. These programs reduce overall electricity consumption. Such savings are generally achieved by substituting technically more advanced equipment to produce the same level of end-use services (e.g. lighting, heating, motor drive) with less electricity. Examples include high-efficiency appliances, efficient lighting programs, high-efficiency heating, ventilating and air conditioning (HVAC) systems or control modifications, efficient building design, advanced electric motor drives, and heat recovery systems.

### Energy Efficiency Service Charge

Charge assessed to customers to offset the cost of energy efficiency program services offered by Austin Energy.

### Fuel Adjustment (PSA)

A rate schedule that provides for an adjustment to the customer's bill for the cost of power supply.

### Green Pricing (GreenChoice)

An optional Austin Energy service that allows customers an opportunity to support a greater level of Austin Energy's investment in and/or purchase of power from renewable energy technologies. Participating customers pay a premium on their electric bill to cover the incremental cost of the additional renewable energy.

### Inverted Rate Design

A rate design for a customer class for which the unit charge for electricity increases as usage increases.

## CITY OF AUSTIN ELECTRIC TARIFF

### Kilowatt-hour (kWh)

The basic unit of electric energy equal to one kilowatt of power supplied to or taken from an electric circuit steadily for one hour. One kilowatt-hour equals 1,000 watt-hours. The number of kWhs is used to determine the energy charges on your bill.

### Load Factor

The ratio of the average load in kilowatts supplied during a designated period to the peak or maximum load in kilowatts occurring in that period. Load factor, in percent, is derived by multiplying the kilowatt-hours in the period by 100 and dividing by the product of the maximum demand in kilowatts and the number of hours in the period.

### Load Profile

Shows the quantity of energy used by a class of customers at specific time intervals over a 24-hour period.

### Load Shifting

Involves shifting load from on-peak to mid- or off-peak periods. Popular applications include use of storage water heating, storage space heating, cool storage, and customer load shifts to take advantage of time-of-use or other special rates.

### Megawatt (MW)

One megawatt equals one million watts or 1,000 kWhs.

### Megawatt-hour (MWh)

One megawatt-hour equals one million watt-hours or 1,000 kWhs.

### Minimum Bill

A minimum charge to a customer during the applicable period of time, which is typically the customer charge. A provision in a rate schedule stating that a customer's bill cannot fall below a specified level. A minimum charge is similar to a customer charge because it is designed to recover fixed costs of services such as meter reading, billing and facilities maintenance. Although this charge does not generally recover the full cost of these services, it does give the customer a price signal that these costs do exist.

### Off-Peak

Period of time when the need or demand for electricity on AE's system is low, such as late evenings, nights, weekends, and holidays.

### On-Peak

Period of time when the need or demand for electricity on AE's system is high, normally during the late afternoons and early evening hours of the day from Monday through Friday, excluding holidays.

### Peak Load Pricing

Pricing of electric service that reflects different prices for system peak periods or for hours of the day during which loads are normally high.

### Peak Season Pricing

Pricing of electric service that reflects different prices for system peak seasonal periods.

### Power Factor

## CITY OF AUSTIN ELECTRIC TARIFF

The ratio of real power (kW) to apparent power (kVA) at any given point and time in an electrical circuit. Generally, it is expressed as a percentage ratio.

### Power Factor Adjustment

A clause in a rate schedule that provides for an adjustment in the billing if the customer's power factor varies from a specified percentage or range of percentages.

### Primary Voltage

The voltage of the circuit supplying power to a transformer is called the primary voltage, as opposed to the output voltage or load-supply voltage, which is called secondary voltage. In power supply practice the primary is almost always the high-voltage side and the secondary the low-voltage side of a transformer, except at generating stations.

### Public Street and Highway Lighting

Electricity supplied and services rendered for the purpose of lighting streets, highways, parks, and for other public places; or for traffic or other signal system service for municipalities, or for other divisions or agencies of State or Federal governments.

### Rate Schedule

A statement of the rates, charges, and terms and conditions governing the provision of electric service that has been accepted by a regulatory body with established oversight authority.

### Rate Structure

The design and organization of billing charges to customers. A rate structure can comprise one or more of the rate schedules defined herein.

### Seasonal Rates

Rate schedules that are structured for the different seasons of the year. The electric rate schedule usually takes into account demand based on weather and other factors.

### Secondary Voltage

The output voltage or load-supply voltage of a transformer or substation. In power supply practice secondary voltage is generally the low-voltage side of a transformer, except at generating stations.

### Single-Phase Service

Service where facility (e.g., house, office, warehouse) has two energized wires coming into it. Typically serves smaller needs of 120V/240V. Requires less and simpler equipment and infrastructure to support and tends to be less expensive to install and maintain.

### Special Contract Rate Schedule

An electric rate schedule for an electric service agreement between Austin Energy and another party in addition to, or independent of, any standard rate schedule.

### Standby Service

Service that is not normally used but that is available through a permanent connection in lieu of, or as a supplement to, the usual source of supply.

### Tariff

## CITY OF AUSTIN ELECTRIC TARIFF

A published collection of rate schedules, charges, terms of service, rules and conditions under which the Austin Energy provides electric service to the public.

### Thermal Energy Storage

Is a technology that stocks thermal energy by heating or cooling a storage medium so that the stored energy can be used at a later time for heating and cooling applications and power generation.

### Three-Phase Service

Electric energy that is transmitted by three or four wires to the customer. Relatively high voltage customers usually receive three-phase power.

### Time-of-Use (Time-of-Day) Rates

A rate structure that prices electricity at different rates, reflecting the changes in the AE's costs of providing electricity at different times of the day. With time-of-use rates, higher prices are charged during the time when the electric system experiences its peak demand and marginal (incremental) costs are highest. Time-of-use rates better reflect the cost of providing service, sending more accurate price indicators to customers than non-time-of-use rates. Ultimately, these rates encourage efficient consumption, conservation and shifting of load to times of lower system demand.

### Value of Service

A utility pricing concept in which the usefulness or necessity of a service to a customer group replaces or supplements cost factors as a major influence on the rates charged to the group. In ratemaking, this means that the price charged reflects the service's value to the customer rather than its cost to the producer. Value of service need not equal the cost of service; for example, Austin Energy's Value-of-Solar is such a product.

### Volt

The unit of electromotive force or electric pressure analogous to water pressure in pounds per square inch. It is the electromotive force that, if steadily applied to a circuit having a resistance of one ohm, will produce a current of one ampere.

### Watt

The electrical unit of real power or rate of doing work. The rate of energy transfer equivalent to one ampere flowing due to an electrical pressure of one volt at unity power factor. One watt is equivalent to approximately 1/746 horsepower, or one joule per second.



## Financial Policies – 2015-16

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# **CITY OF AUSTIN, TEXAS**

## **FINANCIAL POLICIES**

Prepared by  
Financial Services Department

## Financial Policies – 2015-16

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Policy	Current Status
8. The total dollar amount of bond election propositions recommended to the voters shall not exceed the City's estimated ability to issue said bonds within a normal 6 year period.	In compliance
9. The use of reimbursement resolutions shall be encouraged as a cash management tool for general obligation debt funded projects. Reimbursement resolutions may be used for any project which is on the bond sale schedule for the following year.	In compliance
10. Reimbursement resolutions may be used for other projects if the projects are revenue-supported, funded within a department's operating budget, or included on the schedule of capital projects to be funded by cash in a subsequent year.	In compliance
11. It is the City's priority to fund capital expenditures with cash or voter-approved debt. However, non-voter-approved debt may be used for capital expenditures as an alternative to lease/purchase or other financing options if the capital expenditure is: <ul style="list-style-type: none"> <li>· Urgent;</li> <li>· Unanticipated;</li> <li>· Necessary to prevent an economic loss to the City;</li> <li>· Results in an economic gain to the City within a reasonable time; or</li> <li>· Non-voter approved debt is the most cost effective financing option available.</li> </ul>	In compliance
12. The average maturity of non-voter approved debt shall not exceed the average life of the capital items financed.	In compliance
13. Capital items financed with non-voter approved debt shall have a value of at least \$10,000 and a life of at least four years.	In compliance

### Austin Energy Financial Policies

1. The term of debt generally shall not exceed the useful life of the asset, and in no case shall the term exceed 30 years.	In compliance
2. Capitalized interest shall only be considered during the construction phase of a new facility if the construction period exceeds 7 years. The time frame for capitalizing interest may be 3 years but not more than 5 years. Council approval shall be obtained before proceeding with a financing that includes capitalized interest.	In compliance
3. Principal repayment delays shall be 1 to 3 years, but shall not exceed 5 years.	In compliance
4. Austin Energy shall maintain either bond insurance policies or surety bonds issued by highly rated ("AAA") bond insurance companies or a funded debt service reserve or a combination of both for its existing revenue bond issues, in accordance with the Combined Utility Systems Revenue Bond Covenant.	In compliance

## Financial Policies – 2015-16

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Policy	Current Status
<p>5. A debt service reserve fund shall not be required to be established or maintained for the Parity Electric System Obligations so long as the “Pledged Net Revenues” of the System remaining after deducting the amounts expended for the Annual Debt Service Requirements for Prior First Lien and Prior Subordinate Lien Obligations is equal to or exceeds one hundred fifty per cent (150%) of the Annual Debt Service Requirements of the Parity Electric Utility Obligations. If the “Pledged Net Revenues” do not equal or exceed one hundred fifty per cent (150%) of the Annual Debt Service Requirements of the Parity Electric Utility Obligations, then a debt service reserve fund shall be established and maintained in accordance with the Supplemental Ordinance for such Parity Electric System Obligations.</p>	In compliance
<p>6. Debt service coverage of a minimum of 2.0x shall be targeted for the Electric Utility Bonds. All short-term debt, including commercial paper, and non-revenue obligations will be included at 1.0x.</p>	In compliance
<p>7. Short-term debt, including commercial paper, shall be used when authorized for interim financing of capital projects and fuel and materials inventories. The term of short-term debt will not exceed 5 years. Both Tax-Exempt and Taxable commercial paper may be issued in order to comply with the Internal Revenue Service Rules and Regulations applicable to Austin Energy. Total short-term debt shall generally not exceed 20% of outstanding long-term debt.</p>	In compliance
<p>8. Commercial paper may be used to finance capital improvements required for normal business operation for Electric System additions, extensions, and improvements or improvements to comply with local, state and federal mandates or regulations. However, this shall not apply to new nuclear generation units or conventional coal generation units.</p>	In compliance
<p>Commercial paper will be converted to refunding bonds when dictated by economic and business conditions. Both Tax-Exempt and Taxable refunding bonds may be issued in order to comply with the Internal Revenue Service Rules and Regulations applicable to Austin Energy.</p>	
<p>Commercial paper may be used to finance voter approved revenue bond projects before the commercial paper is converted to refunding bonds.</p>	
<p>9. Ongoing routine, preventive maintenance should be funded on a pay-as-you-go basis.</p>	In compliance
<p>10. Austin Energy shall maintain a minimum quick ratio of 1.50 (current assets less inventory divided by current liabilities). The source of this information should be the Comprehensive Annual Financial Report.</p>	In compliance
<p>11. Austin Energy shall maintain operating cash equivalent to 45 days of budgeted operations and maintenance expense, less power supply costs.</p>	In compliance
<p>12. Net Revenue generated by Austin Energy shall be used for General Fund transfers, capital investment, repair and replacement, debt management, competitive strategies, and other Austin Energy requirements such as working capital.</p>	In compliance

## Financial Policies – 2015-16

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Policy	Current Status
13. The General Fund transfer shall not exceed 12% of Austin Energy three-year average revenues, calculated using the current year estimate and the previous two years' actual revenues from the City's Comprehensive Annual Financial Report.	In compliance
14. Capital projects should be financed through a combination of cash, referred to as pay-as-you-go financing (equity contributions from current revenues), and debt. An equity contribution ratio between 35% and 60% is desirable.	In compliance
15. A Repair and Replacement Fund shall be created and established. Moneys on deposit in the Repair and Replacement Fund shall be used for providing extensions, additions, replacements and improvements to the Electric System. Net revenues available after meeting the General Fund Transfer, capital investment (equity contributions from current revenues) and 45 days of working capital may be deposited in the Repair and Replacement Fund. The targeted balance shall not exceed 50% of the previous year's electric utility depreciation expense, which is at a level necessary to keep the electric system in good operating condition or to prevent a loss of revenues.	In compliance
16. A Strategic Reserve Fund shall be maintained to include three components:	Not in compliance.
<ul style="list-style-type: none"> <li>· An Emergency Reserve with a minimum of 60 days of non-power supply operating requirements.</li> <li>· Up to a maximum of 60 days additional non-power supply operating requirements set aside as a Contingency Reserve.</li> <li>· Any additional funds over the maximum 120 days of non-power supply operating requirements may be set aside in a Rate Stabilization Reserve.</li> </ul> <p>The Emergency Reserve shall only be used as a last resort to provide funding in the event of an unanticipated or unforeseen extraordinary need of an emergency nature, such as costs related to a natural disaster, emergency or unexpected costs created by Federal or State legislation. The Emergency Reserve shall be used only after the Contingency Reserve has been exhausted.</p> <p>The Contingency Reserve shall be used for unanticipated or unforeseen events that reduce revenue or increase obligations such as extended unplanned plant outages, insurance deductibles, unexpected costs created by Federal or State legislation, and liquidity support for unexpected changes in power supply costs for Austin Energy customers.</p> <p>In the event any portion of the Contingency Reserve is used, the balance will be replenished to the targeted amount within two (2) years.</p> <p>A Rate Stabilization Reserve shall be maintained for the purpose of stabilizing electric utility rates in future periods. The Rate Stabilization Reserve may provide funding for: (1) deferring or minimizing future rate increases, (2) new generation capacity construction and acquisition costs and (3) balancing of annual power supply costs. The balance shall not exceed 90 days of power supply costs.</p>	Expected to be fully replenished by FY 2017-18.

## Financial Policies – 2015-16

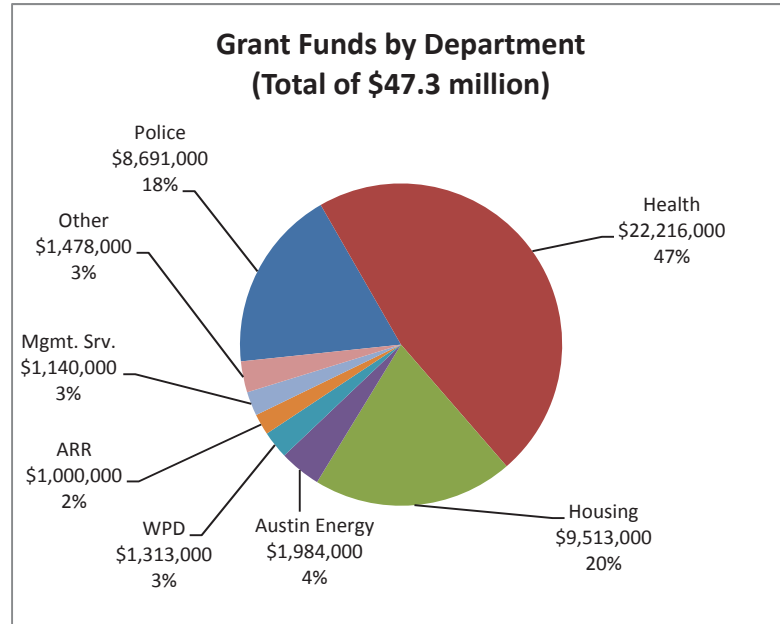
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Policy	Current Status
<p>Funding may be provided from net revenue available after meeting the General Fund Transfer, capital investment (equity contributions from current revenue), Repair and Replacement Fund, and 45 days of working capital.</p>	
<p>17. Electric rates shall be designed to generate sufficient revenue, after consideration of interest income and miscellaneous revenue, to support (1) the full cost (direct and indirect) of operations including depreciation, (2) debt service, (3) General Fund transfer, (4) equity funding of capital investments, (5) requisite deposits of all reserve accounts, (6) sufficient annual debt service requirements of the Parity Electric Utility Obligations and other bond covenant requirements, if applicable, and (7) any other current obligations. In addition, Austin Energy may recommend to Council in the budget directing excess net revenues for General Fund transfers, capital investment, repair and replacement, debt management, competitive strategies and other Austin Energy requirements such as working capital.</p> <p>In addition to these requirements, electric rates shall be designed to generate sufficient revenue, after consideration of interest income and miscellaneous revenue, to ensure a minimum debt service coverage of 2.0x on electric utility revenue bonds.</p> <p>A rate adequacy review shall be completed every five years, at a minimum, through performing a cost of service study.</p>	In compliance
<p>18. A decommissioning trust shall be established external to the City to hold the proceeds for moneys collected for the purpose of decommissioning the South Texas Nuclear Project. An external investment manager may be hired to administer the trust investments.</p>	In compliance
<p>19. The master ordinance of the Parity Electric System Obligations does not require a debt service reserve fund. Austin Energy will maintain a minimum of unrestricted cash on hand equal to six months debt service for the then outstanding Parity Electric System Obligations.</p>	In compliance
<p>20. Current revenue, which does not include the beginning balance, will be sufficient to support current expenditures (defined as “structural balance”). However, if projected revenue in future years is not sufficient to support projected requirements, ending balance may be budgeted to achieve structural balance.</p>	In compliance
<p>21. A Non-Nuclear Plant Decommissioning Fund shall be established to fund plant retirement. The amount set aside will be based on a decommissioning study of the plant site. Funding will be set aside over a minimum of four (4) years prior to the expected plant closure.</p>	In compliance

# Grants

## Overview

The City of Austin's operating budget, staffing and services provided to the community are significantly supplemented each year by funds granted to the City by the Federal, State and county governments, other local entities and private



organizations. In FY 2015-16, the City expects to be awarded \$47.3 million in grants. These funds support 270 FTEs and provide an array of services including health services like tuberculosis outreach and control, special nutritional services for women, infants and children, refugee health services, public safety services like emergency preparedness, and services to assist victims of violent crimes. Other grants provide additional resources to the City for alternative energy programs, community development activities that benefit low- and moderate-income families, helping the airport with legally-mandated passenger screenings, and sub-granting cultural contracts. Because of the broad and substantial impact to the City that grant funds have, departments will continue to be actively engaged in identifying new grant opportunities in FY 2015-16 and dedicate the resources necessary to manage existing grants.

## New Grants

In FY 2015-16, the City has a reasonable expectation of receiving \$5.3 million in new funding from the following grants:

### Austin Energy

- Texas Commission on Environmental Quality (TCEQ) New Technology Implementation Grant (NTIG) Program – This grant will support the purchase of part of a 1.6MW/3.2 MWhr lithium-ion battery system manufactured by Tesla and purchased through 1 Energy Systems. The storage system will help Austin Energy pilot energy storage, to understand how it can mitigate the impacts of high levels of distributed PV at the distribution level, and appropriately size and apply storage in the future.

### Health and Human Services

- Whole Air Monitoring – The purpose of this grant is to conduct Whole Air Monitoring planning and response activities including developing policies, procedures and plans for field operations, and to conduct or participate in response activities.

### Library

- National Endowment for the Humanities Collaborative Exhibit Planning for the Central Library – This is a collaborative planning grant involving humanities scholars with the Blanton Museum of Art and The Contemporary Austin and the Library to plan a three year exhibit in the new Central Library as part of a humanities project to reach a broad audience with art and public programs. This funding provides for development, production, and installation plans as well as curriculum development, public program development, and audience evaluation.
- TexTreasures Mears Photography Collection – This grant provides funding for the cataloging and digitization of selected photographic negatives in the Dewey G. Mears Photography Collection at the Austin History Center in collaboration with the Portal to Texas History at the University of North Texas. This project will make images from this collection publicly available and highlight the images of the many prominent works of Austin architects from the second half of the 20th century as well as provide for the long-term preservation of the photographic negatives. These initiatives will result in a database of the entire collection.

## Summary of Grants

DEPARTMENT	2015-16 Proposed Authorization	2015-16 Proposed FTEs
<b>Austin Energy</b>		
APPA - Demonstration of Energy Efficiency and Efficiency Development (DEED) Program Internship	55,000	0.00
Clean Cities Implementation Initiatives to Advance Alternative Fuel Markets	0	1.00
TCEQ New Technology Implementation Grant (NTIG) Program*^	1,000,000	0.00
Sustainable and Holistic Integration of Energy Storage and Solar PV (SHINES)	929,000	0.00
<b>TOTAL AUSTIN ENERGY</b>	<b>1,984,000</b>	<b>1.00</b>
<b>Austin Resource Recovery</b>		
Economic Development Administration - Austin [re]Manufacturing Hub ^	1,000,000	0.00
<b>TOTAL AUSTIN RESOURCE RECOVERY</b>	<b>1,000,000</b>	<b>0.00</b>
<b>Aviation</b>		
Checkpoints	327,000	0.00
FEMA Public Assistance Grant - Flood Recovery	242,000	0.00
<b>TOTAL AVIATION</b>	<b>569,000</b>	<b>0.00</b>
<b>Economic Development</b>		
Texas Commission for the Arts (TCA) Sub-granting	35,000	0.00
<b>TOTAL ECONOMIC DEVELOPMENT</b>	<b>35,000</b>	<b>0.00</b>
<b>Emergency Medical Services</b>		
TxDOT - Child Safety Seat Program	36,000	0.00
Trauma Care System Grant	35,000	0.00
<b>TOTAL EMERGENCY MEDICAL SERVICES</b>	<b>71,000</b>	<b>0.00</b>
<b>Health and Human Services</b>		
Community Diabetes Project	147,000	2.00
Community Services Block Grant (CSBG)	1,093,000	15.00
Community Youth Development Program	403,000	4.00
Ebola Planning and Response	184,000	1.00
Emergency Solutions Grant (ESG)	623,000	1.00
Foodborne Outbreak Investigation Epidemiology Project	97,000	1.00
Healthy Texas Babies	90,000	1.00
HIV Prevention	734,000	9.00
HIV Surveillance	183,000	3.00
Homeless Housing and Services Program (HHSP)	538,000	0.00
Housing Opportunities for Persons with AIDS - HUD	1,050,000	0.00

\* New FY 2015-16 Grant

^ Capital Budget Grant

## Electric Utility Separate Lien Debt

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As of September 30, 2015, the City of Austin will have \$1,224,145,000 in outstanding Electric Utility Separate Lien Revenue Refunding Bonds. These revenue bonds were issued to fund Austin Energy capital improvements.

Electric Utility Separate Lien Revenue debt is supported solely by a pledge of net revenues of the Electric Utility System, and the pledge is on parity with the outstanding Combined Utility Systems Subordinate Lien Bonds. In the unlikely event that the City were to default on payment of the utility bonds, the holders of the Combined Utility Systems Prior Lien Bonds have first priority to claim for repayment.



City of Austin Austin Energy Separate Lien Bonds  
 2002 Refunding, 2002A Refunding, 2006 Refunding, 2010A Refunding, and 2010B  
 Taxable Refunding, 2012A Refunding, and 2012B Taxable Refunding, 2015A  
 Refunding and 2015B Taxable Refunding (Summary by Payment Date)

PAYMENT DATE	PRINCIPAL OUTSTANDING	PRINCIPAL PAYMENT	INTEREST PAYMENT	TOTAL	FISCAL YEAR TOTAL
11/15/15	1,222,145.000	53,095.000	27,479.577	80,574.577	
05/15/16	1,169,050.000	0	27,414.195	27,414.195	107,988.772
11/15/16	1,169,050.000	38,765.000	27,414.195	66,179.195	
05/15/17	1,130,285.000	0	26,576.086	26,576.086	92,755.281
11/15/17	1,130,285.000	33,675.000	26,576.086	60,251.086	
05/15/18	1,096,610.000	0	25,918.490	25,918.490	86,169.576
11/15/18	1,096,610.000	36,240.000	25,918.490	62,158.490	
05/15/19	1,060,370.000	0	25,173.136	25,173.136	87,331,626
11/15/19	1,060,370.000	39,775.000	25,173.136	64,948.136	
05/15/20	1,020,595.000	0	24,378.992	24,378.992	89,327.128
11/15/20	1,020,595.000	38,820.000	24,378.992	63,198.992	
05/15/21	981,775.000	0	23,643.609	23,643.609	86,842.601
11/15/21	981,775.000	41,420.000	23,643.609	65,063.609	
05/15/22	940,355.000	0	22,770.391	22,770.391	87,833.999
11/15/22	940,355.000	38,875.000	22,770.391	61,645.391	
05/15/23	901,480.000	0	21,860.924	21,860.924	83,506.315
11/15/23	901,480.000	41,520.000	21,860.924	63,380.924	
05/15/24	859,960.000	0	20,891.106	20,891.106	84,272,030
11/15/24	859,960.000	43,310.000	20,891.106	64,201.106	
05/15/25	816,650.000	0	19,868.943	19,868.943	84,070.049
11/15/25	816,650.000	48,015.000	19,868.943	67,883.943	
05/15/26	768,635.000	0	18,767.406	18,767.406	86,651.349
11/15/26	768,635.000	61,570.000	18,767.406	80,337.406	
05/15/27	707,065.000	0	17,440.067	17,440.067	97,777.473
11/15/27	707,065.000	64,110.000	17,440.067	81,550.067	
05/15/28	642,955.000	0	16,012.243	16,012.243	97,562.311
11/15/28	642,955.000	53,945.000	16,012.243	69,957.243	
05/15/29	589,010.000	0	14,700.026	14,700.026	84,657,269
11/15/29	589,010.000	42,880.000	14,700.026	57,580.026	
05/15/30	546,130.000	0	13,649.529	13,649.529	71,229.555
11/15/30	546,130.000	44,930.000	13,649.529	58,579.529	
05/15/31	501,200.000	0	12,543.045	12,543.045	71,122.574
11/15/31	501,200.000	37,395.000	12,543.045	49,938.045	
05/15/32	463,805.000	0	11,614.963	11,614.963	61,553.008
11/15/32	463,805.000	39,010.000	11,614.963	50,624.963	
05/15/33	424,795.000	0	10,645.499	10,645.499	61,270.462
11/15/33	424,795.000	36,720.000	10,645.499	47,365.499	
05/15/34	388,075.000	0	9,717.018	9,717.018	57,082,517
11/15/34	388,075.000	38,455.000	9,717.018	48,172.018	
05/15/35	349,620.000	0	8,744.887	8,744.887	56,916.905
11/15/35	349,620.000	40,430.000	8,744.887	49,174.887	
05/15/36	309,190.000	0	7,723.428	7,723.428	56,898.315
11/15/36	309,190.000	42,245.000	7,723.428	49,968.428	
05/15/37	266,945.000	0	6,686.140	6,686.140	56,654.568
11/15/37	266,945.000	44,235.000	6,686.140	50,921.140	
05/15/38	222,710.000	0	5,591.914	5,591.914	56,513.054
11/15/38	222,710.000	45,225.000	5,591.914	50,816.914	
05/15/39	177,485.000	0	4,453.342	4,453.342	55,270,256
11/15/39	177,485.000	23,175.000	4,453.342	27,628.342	
05/15/40	154,310.000	0	3,865.910	3,865.910	31,494.251
11/15/40	154,310.000	24,225.000	3,865.910	28,090.910	
05/15/41	130,085.000	0	3,252.125	3,252.125	31,343.035
11/15/41	130,085.000	25,070.000	3,252.125	28,322.125	
05/15/42	105,015.000	0	2,625.375	2,625.375	30,947.500
11/15/42	105,015.000	23,675.000	2,625.375	26,300.375	
05/15/43	81,340.000	0	2,033.500	2,033.500	28,333.875
11/15/43	81,340.000	25,995.000	2,033.500	28,028.500	
05/15/44	55,345.000	0	1,383.625	1,383.625	29,412,125
11/15/44	55,345.000	26,945.000	1,383.625	28,328.625	
05/15/45	28,400.000	0	710.000	710.000	29,038.625
11/15/45	28,400.000	28,400.000	710.000	29,110.000	
05/15/46	0	0	0	0	29,110.000
<b>TOTAL</b>		1,222,145,000	848,791,403	2,070,936,403	2,070,936,403