AUSTIN ENERGY
ANNUAL PERFORMANCE REPORT

Year Ended September 2014

Deliver clean, affordable, reliable energy and excellent customer service.

July 2015

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

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Austin Energy Key Performance Measures
Fiscal Year 2014

Delivering clean, reliable, affordable energy along with excellent customer service is the core of Austin Energy's business. For fiscal year 2014, the publicly owned utility saw a strong performance in both its operations and finances, allowing Austin Energy to provide exceptional service to its customers.

Between Austin Energy's total available funds and total requirements, the utility finished FY 2014 with a net position increase of almost $20 million. The utility's revenues increased in FY 2014 mainly due to increases in regulatory revenue and power supply recovery while expenses also increased during the same period from increased transmission and power supply costs.

Chart 1: Austin Energy Operating Fund — Actual Dollars

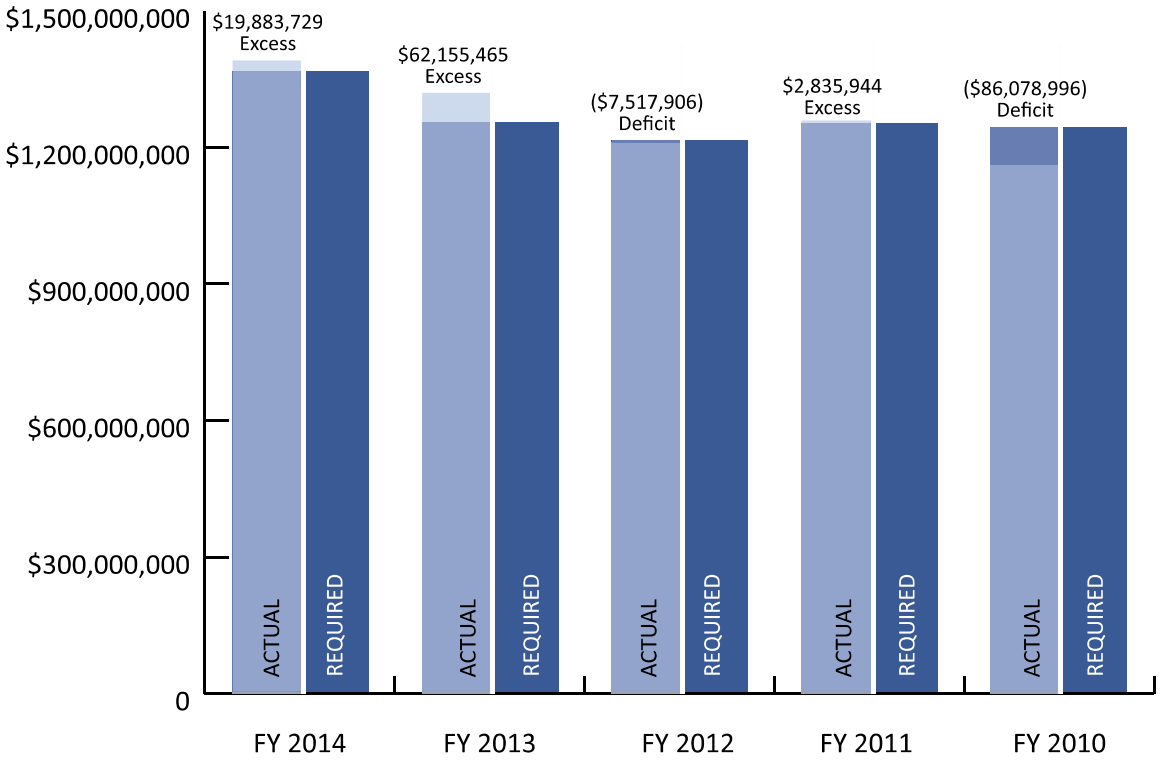


Table 1: System Average PSA

Measure	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
System fuel cost average (fuel/kWh)	3.446 cents per kWh	3.523 cents per kWh	3.225 cents per kWh	3.495 cents per kWh	3.815 cents per kWh

Austin Energy has consistently maintained high bond ratings, and the utility's ratings held steady in FY 2014. A bond rating is a measure of a company's credit quality, which includes the ability to repay its debt in a timely fashion. Austin Energy underwent a rating review in the fall of 2012 and received a step-up rating from one rating agency, while the other two rating agencies reaffirmed their prior ratings. The Council-approved rate increase was a key component in their "stable" outlook for Austin Energy. Fitch, Inc. upgraded the prior lien debt rating in FY 2013 due in part to strong combined debt service coverage.

Table 2: Bond Ratings

Description of Debt	Fiscal Year Ended	Fitch, Inc.	Moody's Investors Service, Inc.	Standard and Poor's
Combined utility revenue bonds - prior lien	2014	AA	Aa1	AA
	2013	AA	Aa1	AA
	2012	AA-	Aa1	AA
	2011	AA-	A1	AA
	2010	AA-	A1	AA
Combined utility revenue bonds - subordinate lien	2014	AA-	Aa2	AA
	2013	AA-	Aa2	AA
	2012	AA-	Aa2	AA
	2011	AA-	A1	AA
	2010	AA-	A1	AA
Electric utility revenue bonds - electric separate lien	2014	AA-	A1	AA-
	2013	AA-	A1	AA-
	2012	AA-	A1	A+
	2011	AA-	A1	A+
	2010	AA-	A1	A+

Austin Energy's generation portfolio continued to perform well in FY 2014. The utility has one of the cleanest generation portfolios in the United States, and continuously looks into calibrating its production to provide the highest level of return for the investment. Strengthening Austin Energy's stake in traditional power sources gives the utility the ability to buffer against swings in market prices and thus protects our customers.

Table 3: Generation by Fuel Type Percentage

Fuel Type	FY 2014
Coal	32.1%
Natural Gas & Oil	15.3%
Nuclear	26.9%
Renewable Energy	25.5%
Total	**100%**

The utility's investments in and operations of traditional generation sources allow Austin Energy to broaden its renewable energy holdings. This focus brought an increase in total renewable energy resources for FY 2014. This increase was resulted from more productions, even when overall capacity decreased slightly due to expiring contracts. Because of its commitment to renewable sources, Austin Energy is looking to further increase its renewable portfolio and contracted with Recurrent Energy in FY 2014 to build Texas' largest single solar facility.

Table 4: Total Renewable Energy Resources

Measure	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Total Renewable Energy Resources	10%	10%	15%	21%	22%

Table 4a: Renewable Energy Resources

Measure	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Installed Rooftop Solar Capacity Minus Losses (MW-AC) (Solar for Schools, municipal and rebate programs)	4.6 MW	6.2 MW	8.3 MW	13.5 MW	22.3 MW
Wind	438.2 MW	438.2 MW	633.9 MW	850.9 MW	840.9 MW
Utility Scale Solar		30 MW	30 MW	30 MW	30 MW
Biomass	11.8 MW	11.8 MW	111.8 MW	111.8 MW	111.8 MW
Total	**454.6 MW**	**486.2 MW**	**784.0 MW**	**1006.2 MW**	**1,005.0 MW**

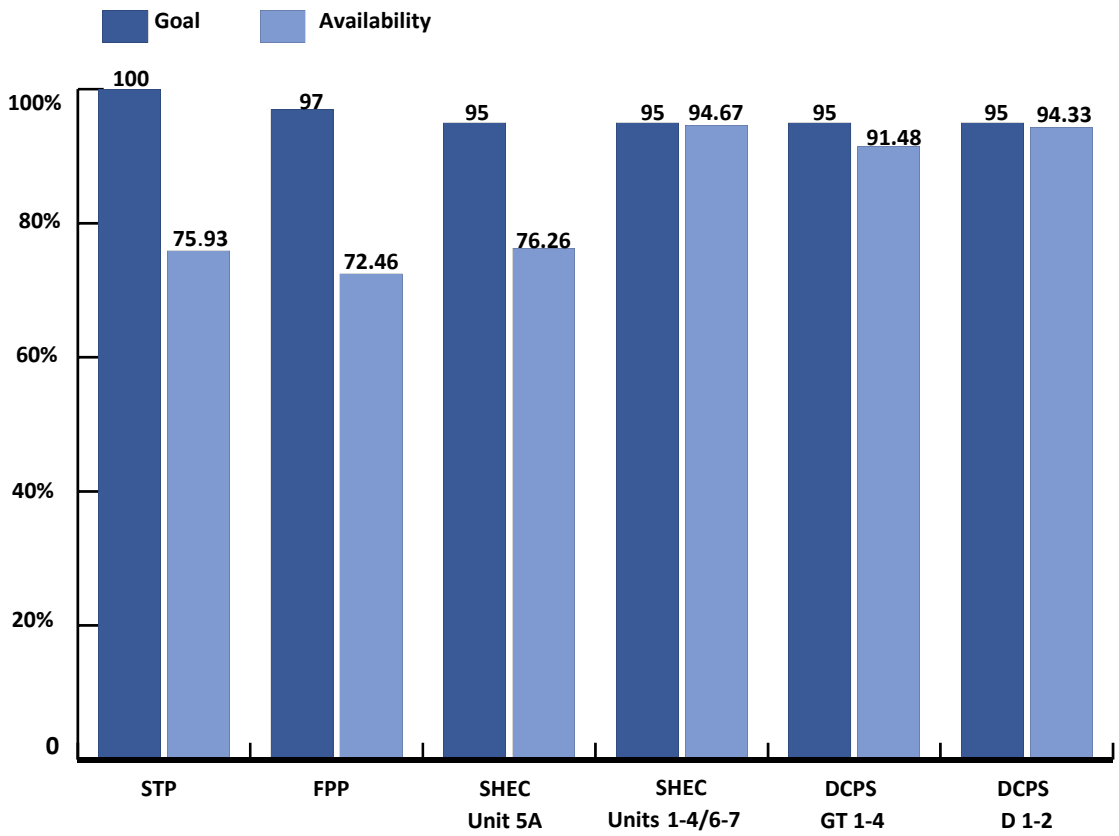
Along with Austin Energy's generation, a key component in the utility's success is ensuring the reliability of its plants and electric system. The equivalent availability factor measures the number of hours the full capacity of a generating unit is available annually. Most of the availability factors increased or stayed steady when compared with the previous year. Only the South Texas Project saw a decrease in its factor due to an extended planned outage on Unit 1.

Table 5: Performance Results Measuring Equivalent Availability Factor

EAF Performance By Plant	Target	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
South Texas Project	94.80%	90.50%	87.15%	79.26%	86.82%	81.90%
Fayette Power Project	94.20%	83.78%	83.69%	83.48%	82.71%	89.85%
Sand Hill Energy Center Unit 5A	95.00%	99.17%	78.11%	74.20%	68.72%	71.42%
Sand Hill Energy Center Units 1-4/6-7	95.00%	98.17%	98.62%	92.66%	87.19%	89.45%
Decker Creek Power Station GT 1-4	95.00%	90.49%	93.07%	86.27%	84.19%	84.19%
Decker Creek Power Station D1-2	95.00%	82.63%	90.77%	74.98%	71.86%	71.86%

But EAF is not always the most applicable metric when looking at the Austin Energy fleet's reliability. Commercial availability is an important measurement tracked by staff to ensure the plants are positive financial assets. Commercial availability looks at how often the units are available to produce electricity when the market price is greater than costs. The closer the Austin Energy units are to the goals, the more money the utility can make to help lower energy costs for customers. Commercial Availability is a seasonal metric, measured from April through September. The main drivers for performance lower than target were planned outages at the South Texas Project, Fayette Power Project and Sand Hill Energy Center that occurred during April through Mid-May.

Chart 2: FY 2014 Commercial Availability



The principle of reliability extends beyond our generation assets to the service Austin Energy customers receive. The utility tracks the average number of power outages per customer (SAIFI), the average duration of power outages (SAIDI), the 12-month rolling average of the number of transmission line faults per 100 miles (SATLPI) and the average duration of an outage that a customer experiences (CAIDI) so Austin Energy can ensure quality and reliable electric service.

In FY 2014, Austin Energy set new record lows for both SAIFI and SAIDI, meaning that customers experienced fewer outages as well as shorter outage durations.

Table 6: SAIFI, SAIDI, SATPLI, CAIDI

Standard	Industry Average	Austin Energy 2014
SAIFI -— The average number of times a customer's service was interrupted	1.4 interruptions	0.57 interruptions
SAIDI — The average duration in minutes	120 minutes	45.25 minutes
SATLPI — The average number of faults on each transmission line per 100 miles	4.0 faults	4.17 faults
CAIDI — The average duration of an outage that a customer experiences		79.39 minutes

Much like the area's population, Austin Energy's customer base continues to grow. Providing an excellent product and service to our customers is fundamental to the utility's success, and with more customers comes additional challenges in achieving that level of customer care.

Austin Energy's four customer classes include:

- **Residential** customers live in single-family dwellings, mobile homes, townhouses or individually metered apartment units.
- Most **commercial** customers are small to large businesses served at Austin Energy's secondary level of service. This means Austin Energy owns, operates and maintains the equipment supplying power to those facilities.
- **Industrial** customers take service at high voltage and own, operate and maintain their own equipment. Consequently, Austin Energy experiences lower overall system losses and expense in serving these customers. Large commercial and industrial customers such as semiconductors, high-tech facilities and data centers typically fall under this level of service. These customers have very high usage and load factors because they tend to operate 24/7.
- **Other** typically refers to street lighting and facilities including ballparks.

Austin Energy is constantly investing in infrastructure to serve the expanding customer base while looking at a wide variety of programs to meet the community's electric needs.

Table 7: Customers

Customers	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2014 %
Residential	368,700	372,329	376,614	383,257	391,410	89.08%
Commercial	43,489	43,815	44,006	45,761	45,436	10.34%
Industrial	80	81	82	138	151	0.03%
Other	1,601	1,640	1,668	1,426	2,406	0.55%
Total	**413,870**	**417,865**	**422,370**	**430,582**	**439,403**	**100.00%**

As a publicly owned utility, Austin Energy is constantly looking at ways it can benefit the community it serves, and one way the utility has found to have a positive effect on Austin is through energy efficiency programs. The utility has a diverse repertoire of efficiency programs, including Austin Energy Green Building, Power$aver and Demand Response, that help customers reduce energy and save money. In FY 2014, these programs saved more than 10,000 MWh when compared with the previous fiscal year. These efforts directly benefit customers as well as set the utility on the path to meet goals put in place by Austin City Council.

Table 8: Energy Efficiency Energy Savings

Program (MWh)	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Residential					
EES- Appliance Efficiency Program	5,353	6,205	7,276	6,547	6,217
EES- Home Performance ES - Rebate	5,808	5,765	4,349	3,593	3,227
EES- Home Performance ES - Loan	215	140	67	760	903
EES- Free Weatherization	498	1,141	1,047	169	387
EES- Clothes Washer Rebate	296	186	119	72	10
EES- Refrigerator Recycling	2,694	2,057	1,667	1,568	1,384
EES- Compact Fluorescent Lighting	N/A	N/A	N/A	N/A	252
GB- Residential Ratings	1,082	200	121	211	944
GB- Residential Energy Code	5,137	7,258	9,357	10,878	11,397
Subtotal Residential	**21,084**	**22,953**	**24,003**	**23,798**	**24,719**
Commercial					
EES- Commercial Rebate	37,126	53,244	55,927	34,158	41,298
EES- Small Business	5,311	12,292	1,997	4,674	10,692
EES- Municipal	1,802	3,150	1,380	10,684	1,691
EES- Commercial Smart Vendor	137	158	4	0	-
EES- Multifamily	13,231	7,197	7,886	8,533	6,813
EES/GB Commercial Projects	-	-	-	-	4,533
GB- Multifamily Ratings	641	208	1,813	12,219	4,788
GB- Multifamily Energy Code	**281**	**2,564**	**8,020**	**3,751**	**10,504**
GB- Commercial Ratings	5,299	7,503	1,747	10,428	7,153
GB- Commercial Energy Code	4,138	8,006	5,814	8,735	15,404
Subtotal Commercial	**67,966**	**94,322**	**84,588**	**93,183**	**102,876**
Demand Response (DR)					
DR- Power Partner	45	15	9	51	39
DR- Cycle Saver	12	6	4	9	15
DR- Power Partner (Comm & Muni)	8	2	3	0	-
DR- Load Coop	5	N/A	N/A	133	-
Subtotal DR	**71**	**22**	**15**	**194**	**-**
Total DSM Programs	**89,121**	**117,298**	**108,606**	**117,175**	**127,596**

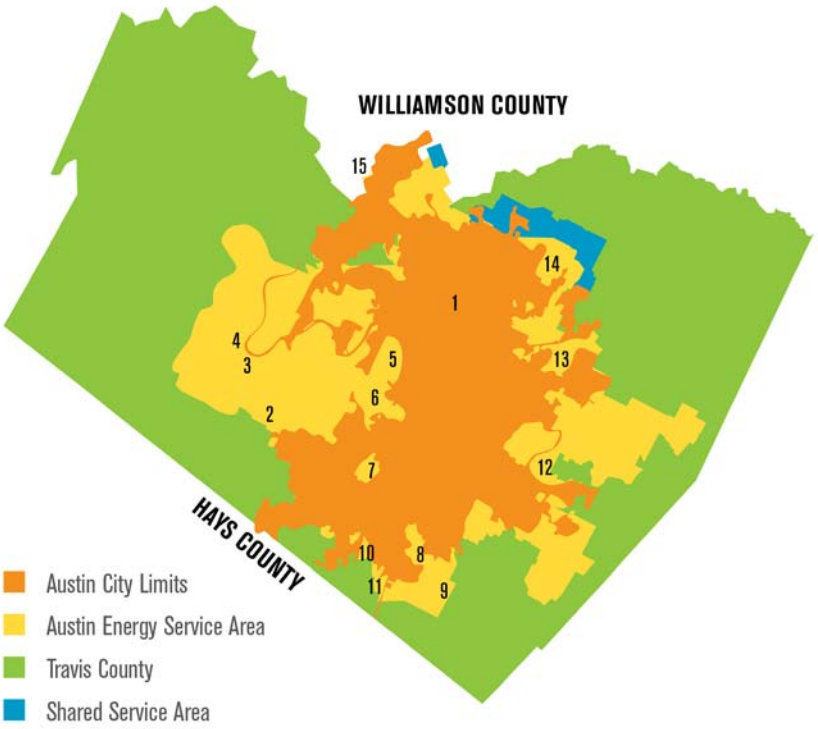
Austin Energy Service Area

The Austin Energy service area covers approximately 437 square miles and serves more than 440,000 customers. Of those square miles, 421.61 square miles fall within Travis County. The remaining 15.44 square miles are in Williamson County.

In the Travis County service area, 206.41 square miles are within the Austin city limits. About 14 percent of Austin Energy's customers are outside the Austin area.

Austin Energy Service Area Boundaries

1. City of Austin
2. City of Bee Cave
3. Village of the Hills
4. City of Lakeway
5. City of Rollingwood
6. City of Westlake Hills
7. City of Sunset Valley
8. Village of Creedmoor
9. City of Mustang Ridge
10. Manchaca
11. Buda
12. Del Valle
13. Manor
14. Pflugerville
15. Cedar Park



Performance Measures

Operations and Finance

Bad Debt Expense

Bad debt expense is the amount of revenue billed in any fiscal year that is not collected. The FY 2014 bad debt expense represents a final, audited number based on an analysis of collectability. While Austin Energy has experienced growth in receivable balances for active accounts due to a postponement of utility cut-offs for delinquent payment during Austin Energy's transition to the new customer billing system, the utility expects to collect those balances.

Table 9: Revenue and Bad Debt Expense

Fiscal Year	Revenue	Bad Debt Expense	Percentage
FY 2014	$1,388.0 M	$20.9 M	1.5%
FY 2013	$1,305.5 M	$17.3M	1.3%
FY 2012	$1,183.4 M	$3.5 M	0.3%
FY 2011	$1,252.7 M	$3.5 M	0.3%
FY 2010	$1,151.8 M	$4.2 M	0.4%

Table 10: Generation by Fuel Type Percentage

Fuel Type	FY 2010	FY 2011	FY 2012	FY 2013
Coal	32.50%	28.92%	26.97%	25.91%
Natural Gas & Oil	22.30%	25.81%	20.32%	15.66%
Nuclear	25.20%	21.31%	21.92%	22.81%
Renewable Energy	9.70%	9.51%	14.95%	20.68%
Purchased Power *	10.30%	14.46%	15.84%	14.94%
Total	**100%**	**100%**	**100%**	**100%**

Operations & Maintenance and Capital Improvements

Table 11: Operations and Maintenance with Power Supply Costs (does not include debt service and transfers)

Operating Requirements	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Net Power Supply Costs	$438,286,450	$471,788,888	$425,895,800	$455,275,095	$501,593,156
Power Supply & Market Operations	$135,838,492	$144,230,284	$140,538,765	$156,755,183	$162,976,155
Electric Service Delivery	$131,416,061	$128,814,600	$137,923,078	$150,565,104	$180,494,394
Customer Energy Solutions	$30,590,851	$30,184,082	$32,015,121	$36,667,754	$40,465,464
Customer Care	$25,712,622	$31,202,456	$26,248,955	$43,939,583	$49,373,814
Administrative & General	$107,934,153	$106,645,672	$107,262,926	$104,837,164	$77,124,154*
Grand Total	**$869,778,629**	**$912,865,982**	**$869,884,645**	**$936,280,937**	**$1,012,027,137**

*Figure does not include administrative support transfer.

Table 12: Capital Improvements

Fund Description	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Non-Electric Plant	$11,299,468	$6,470,132	$3,588,709	$11,085,602	$22,909,580
STP	$7,214,737	$1,577,299	$376,461	$11,561,993	$15,329,498
FPP	$55,125,849	$22,545,042	$9,965,063	$3,911,416	$4,234,504
Power Production	$14,807,699	$5,850,470	$2,484,229	$2,066,102	$3,227,479
Transmission	$14,551,030	$18,170,943	$15,878,301	$32,336,167	$19,229,689
Distribution	$57,901,091	$60,766,240	$62,636,482	$73,948,429	$86,420,188
Metering	$18,282,513	$14,035,277	$5,115,572	$2,338,111	$128,870
Support Services	$17,341,095	$12,730,851	$59,293,811	$14,745,222	$13,542,254
Equipment	$3,788,283	$2,045,718	$1,948,422	$985,022	$1,341,925
Other	$1,300,065	$1,868,097	$4,568,905	$2,444,363	$418,565
Total	**$201,611,828**	**$146,060,069**	**$165,855,955**	**$155,422,426**	**$166,782,552**

Power Supply Costs

Costs allowed in the fuel tariff include fuel for generation, transportation, renewable purchase power agreements, purchase power to serve retail customers, ERCOT fees and hedging.

Table 13: Power Supply Costs

Power Supply Costs	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Gas	$203,976,741	$190,320,211	$148,047,838	$114,096,518	$104,981,588
Coal	$91,590,706	$88,068,421	$85,032,243	$72,637,969	$83,030,951
Nuclear	$16,655,851	$18,295,747	$14,087,793	$16,359,128	$16,646,703
Fuel Oil	$2,405,166	$2,698,718	$897,703	$912,889	$1,062,854
Bilaterals	$53,409,677	$57,820,582	$10,831,546	$13,408,348	$18,818,855
ERCOT*	$21,617,196	$66,372,518	$69,831,165	$71,546,000	$98,379,271
Renewable	$48,631,116	$48,212,653	$97,167,511	$166,314,243	$178,672,934
Total	**$438,286,453**	**$471,788,849**	**$425,895,800**	**455,275,095**	**$501,593,156**

* Through FY 2012 the ERCOT line item includes fees and charges from ERCOT such as net power costs and administrative and nodal fees. Beginning in FY 2013, those administrative and nodal fees associated with power supply adjustment customers will be recovered through the regulatory charge.

Table 14: Fuel Cost Percentage by Type*

Fuel Cost (% by type)	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Gas	46%	40%	35%	25%	21%
Coal	21%	19%	20%	16%	17%
Nuclear	4%	4%	3%	4%	3%
Fuel Oil	1%	1%	0%	0%	0%
Bilaterals	12%	12%	3%	3%	4%
ERCOT	5%	14%	16%	16%	20%
Renewable	11%	10%	22%	36%	36%
Total	**100%**	**100%**	**100%**	**100%**	**100%**

*Historically, this chart has included purchased power as a generation resource. Purchased power is not a part of generation.

Power Supply Adjustment Collections

Over/under PSA recovery represents the difference between actual power supply costs and the amount recovered through the fuel adjustment and power supply adjustment rates.

Table 15: Power Supply Adjustment Collections

Fiscal Year Ended	Amount
2014	$24,694,757
2013	$11,013,181
2012	($10,384,851)
2011	$19,139,368
2010	($39,230,735)

Customer Sales

Table 16: Sales – kWh by Customer Class

Fiscal Year	Residential	Commercial	Industrial	Public Street & Highway	Government Entities	Total Billed kWh	% Inc/Dec
FY 2014	4,298,146,370	4,498,943,806	2,844,999,440	51,659,188	878,665,488	**12,572,414,292**	2.17%
FY 2013	4,162,387,287	4,644,247,105	2,735,011,717	38,838,425	690,249,126	**12,270,733,660**	-3.50%
FY 2012	4,381,193,546	4,633,556,863	2,648,486,622	46,948,693	1,005,960,507	**12,716,146,231**	-0.06%
FY 2011	4,561,857,688	4,675,615,088	2,342,538,382	48,327,221	1,094,964,902	**12,723,303,281**	6.24%
FY 2010	4,238,690,401	4,553,866,402	2,038,706,310	48,077,910	1,096,985,412	**11,976,326,435**	-1.05%

Table 17: Sales – Revenue by Customer Class

Revenue	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2014 % of revenue
Residential	$407,074,000	$457,262,000	$422,195,183	$458,657,021	$487,165,010	38.91%
Commercial	$409,952,000	$433,887,000	$409,330,445	$474,658,580	$495,490,442	39.57%
Industrial	$122,714,000	$145,553,000	$158,727,132	$184,517,145	$199,894,116	15.97%
Other	$90,390,000	$85,447,000	$91,356,677	$66,032,001	$69,526,606	5.55%
Total	**$1,030,130,000**	**$1,122,149,000**	**$1,081,609,438**	**$1,183,864,747**	**$1,252,076,174**	**100.00%**

Heat Rate

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

Austin Energy's heat rate is calculated using generation units owned entirely or jointly by the utility. Austin Energy does not own any solar or wind generating units.

Table 18: Average Annual Heat Rate

Measure	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
System annual average heat rate (BTU/net kWh)	9,884	9,943	10,050	9,972	10,005

Generation Capacity/Capacity Factor

Table 19: Generation Capacity and Capacity Factor

Unit	Installed	Fuel Type	Capacity Rating (MW)	Net Generation (MWh) FY 2014	Capacity Factor %
Sand Hill 5A (gas) (combined cycle)	2003	Natural Gas	172	665,701	51.26%
Sand Hill 5C (steam) (combined cycle)	2003	Natural Gas	150	406,804	31.05%
Sand Hill GT 1 (simple cycle)	2001	Natural Gas	45	48,795	12.76%
Sand Hill GT 2 (simple cycle)	2001	Natural Gas	45	44,820	11.75%
Sand Hill GT 3 (simple cycle)	2001	Natural Gas	45	43,867	11.45%
Sand Hill GT 4 (simple cycle)	2001	Natural Gas	45	51,553	13.38%
Sand Hill GT 6 (simple cycle)	2010	Natural Gas	45	45,718	12.10%
Sand Hill GT 7 (simple cycle)	2010	Natural Gas	45	47,665	12.60%
Decker 1 (steam cycle)	1970-1977	Natural Gas	321	125,339	4.70%
Decker 2 (steam cycle)	1970-1977	Natural Gas	405	227,110	6.87%
Decker GT 1 (simple cycle)	1988	Natural Gas	50	10,583	2.49%
Decker GT 2 (simple cycle)	1988	Natural Gas	50	9,145	2.15%
Decker GT 3 (simple cycle)	1988	Natural Gas	50	8,563	1.98%
Decker GT 4 (simple cycle)	1988	Natural Gas	50	2,817	0.68%
Fayette 1 (steam cycle)	1979-80	Coal	285	1,530,965	60.93%
Fayette 2 (steam cycle)	1979-80	Coal	285	2,093,954	81.09%
South Texas Project 1 (steam cycle)	1988-89	Nuclear	200	1,374,381	74.9%
South Texas Project 2 (steam cycle)	1988-89	Nuclear	200	1,673,511	91.3%
Total	**n/a**	**n/a**	**2,488**	**8,410,991**	**n/a**

Note: This generation data reports only Austin Energy's 50 percent share of units 1 and 2 at the Fayette Power Project (coal) and 16 percent share of the South Texas Project (nuclear).

System Peak Demand

System peak demand is the largest amount of electricty consumed by Austin Energy customers at one time. Every year for the past five years, the system peak occurred between 4 and 5 p.m. The utilty is constantly working to assure the distribution grid is ready and capable of handling the peak energy demand that occurs during the summer months.

Table 20: System Peak Demand

Fiscal Year	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
MW	2,628	2,714	2,702	2,512	2,578
Date Set	Aug. 23	Aug. 29	June 26	Aug. 7	Aug. 25

System Annual Average Production Cost

Austin Energy's system annual average production cost is total operations and maintenance costs divided by total generation in kilowatt-hours.

Table 21: System Annual Average Production Cost

Measure	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
System annual average production cost (includes net power supply plus operations & maintenance)	4.331 cents per kwh	4.304 cents per kWh	4.197 cents per kWh	4.591 cents per kWh	4.591 cents per kWh

Plant Outages

Power plants are intricate and complicated machines. Even with Austin Energy's vigilant maintenance schedule, unexpected issues like equipment malfunctions can still take units offline. Plant operators and staff work hard to minimize these risks and get generators back online as quickly and safely as possible. The table below shows forced outages with a duration of 12 hours or greater for Austin Energy-owned generating units in FY 2014 due to equipment malfunctions or other problems.

Table 22: Plant Outages

Unit	Outage Start Date/Time	Outage End Date/Time	Duration (hours)	Description
Sand Hill Energy Center Unit 5	3/22/2014	5/8/2014 6:47	1134.8	Repair IP steam turbine
	5/8/2014 18:07	5/9/2014 17:15	23.1	Repair fuel gas leak
	9/25/2014 0:00	9/25/2014 15:46	15.8	HRSG tube leak repair
Sand Hill Energy Center Unit 2	10/31/13 11:42	11/2/13 0:30	36.8	Onion Creek flood damage to substation
	4/7/14 13:36	4/8/14 10:00	20.4	Borescope inspection
	6/10/14 18:54	6/11/14 15:59	21.1	Control system logic
	6/11/14 17:09	6/12/14 20:02	26.9	Control system logic
	6/12/14 20:27	6/13/14 9:05	12.6	Control system logic
	6/18/14 17:07	6/19/14 13:21	20.2	Control system logic
	7/18/14 23:22	7/20/14 15:59	40.6	Generator Breaker failure-contact
	9/20/14 16:25	9/24/14 15:15	94.8	Control system logic card failure
Sand Hill Energy Center Unit 3	11/25/13 12:42	11/26/13 14:29	25.8	Hydraulic starter failure
	5/21/14 17:45	5/22/14 14:13	20.5	Nox Water Valve Driver
	7/18/14 0:00	7/20/14 16:16	64.3	Generator Breaker failure--contact
Sand Hill Energy Center Unit 4	10/31/13 11:42	11/2/13 0:30	36.8	Onion Creek flood damage to substation
	2/26/14 3:31	2/28/14 16:00	60.5	Engine fire protection system
	6/4/14 12:40	6/6/14 8:19	43.6	Control system logic
Sand Hill Energy Center Unit 6	7/20/14 17:18	7/22/14 15:25	46.1	Nox water pump failure
Fayette Power Project Unit 1	12/15/2013 00:57	12/18/2013 11:38	82.68	Boiler Tube Leak
	01/01/2014 21:08	01/05/2014 10:01	84.88	Boiler Tube Leak – Lower Slope
	04/02/2014 17:00	05/13/2014 07:31	974.52	Exciter Damage Due to Unusual Shutdown
	08/02/2014 0 5:16	08/11/2014 00:01	210.75	Exciter Vibration
Fayette Power Project Unit 2	06/13/2014 03:35	06/15/2014 07:45	52.17	Boiler Tube Leak - Economizer

Table 23: Plant Outages Cont.

Unit	Outage Start Date/Time	Outage End Date/Time	Duration (hours)	Description
South Texas Project Unit 1	05/12/2014 00:00	05/27/2014 10:28	370.47	Extension of Planned Outage Beyond Original End Date
	05/27/2014 21:54	06/01/2014 07:19	105.42	Generator Seal Oil Pump Vibration
South Texas Project Unit 2	none			
Decker Power Plant 1	12/20/13 08:15	12/20/13 21:20	13.1	Lube oil cooler leak
	5/13/14 07:44	5/20/14 22:30	182.5	Lube oil cooler leak
Decker Power Plant 2	5/11/14 13:00	5/24/14 02:14	300.1	Economizer tube leak
	7/17/14 10:05	7/19/14 15:08	53	Main Turbine L/S intercept valve leak
Decker GT 1	2/07/14 00:00	2/08/14 00:00	24	Supply line fuel gas limitations.
	2/12/14 00:00	2/13/14 00:00	24	Supply line fuel gas limitations.
Decker GT 2	11/18/13 12:52	11/19/13 08:40	19.5	Free turbine vibration
	2/07/14 00:00	2/08/14 00:00	24	Supply line fuel gas limitations.
Decker GT 3	10/04/13 18:15	10/09/14 05:30	106.8	Fire Protection Water isolated.
	2/07/14 00:00	2/08/14 00:00	24	Supply line fuel gas limitations.
	2/12/14 00:00	2/13/14 00:00	24	Supply line fuel gas limitations.
Decker GT 4	10/04/13 18:15	10/09/13 05:30	106.8	Fire Protection Water isolated.
	2/07/14 00:00	2/08/14 00:00	24	Supply line fuel gas limitations.
	2/12/14 00:00	2/13/14 00:00	24	Supply line fuel gas limitations.

Clean and Efficient

Carbon Intensity

The Austin Energy system average carbon intensity is calculated as total greenhouse gas emissions at the point of combustion in pounds of CO_2-equivalents divided by net generation in kilowatt-hours from all Austin Energy resources. Austin Energy generation resources include natural gas, coal and nuclear-powered units; renewable resources; and purchased power from renewable and non-renewable resources. GreenChoice® energy sales are subtracted from the net generation total since GreenChoice customers can claim their carbon intensity to be zero.

Table 24: Austin Energy System Average Carbon Intensity in Pounds of CO_2-eq/kWh

Carbon Intensity by Calendar Year	CY 2010	CY 2011	CY 2012	CY 2013	CY 2014
CO_2-eq/kWh	1.1	1.18	1.03	1.05	0.92

Plant Emissions

Austin Energy uses English dry tons as required for annual reporting to the U.S. Environmental Protection Agency. These reported emissions do not include CO_2-equivalents.

Table 25: Plant Emissions Reported Annually to EPA (English tons/year)

Year	Emissions	Decker Creek Power Plant	Sand Hill Energy Center	Sub Total	AE's Share of Fayette Power Plant Unit 1	AE's Share of Fayette Power Plant Unit 2	Sub Total	Total English Tons
CY2014	SO_2	7	3	**10**	118	195	**313**	**323**
	NO_x	247	71	**318**	855	1,085	**1,940**	**2,258**
	CO_2	256,254	584,049	**840,303**	1,689,069	2,198,368	**3,887,437**	**4,727,740**
CY 2013	SO_2	11	3	**14**	198	204	**402**	**416**
	NO_x	330	83	**413**	942	1,188	**2,130**	**2,543**
	CO_2	396,405	661,451	**1,057,856**	1,959,964	2,338,864	**4,298,828**	**5,356,684**
CY 2012	SO_2	12	4	**16**	173	141	**314**	**330**
	NO_x	597	101	**698**	944	774	**1,718**	**2,416**
	CO_2	721,460	757,790	**1,479,250**	1,937,690	1,674,675	**3,612,365**	**5,091,615**
CY 2011	SO_2	7	3	**10**	321	1,326	**1,647**	**1,657**
	NO_x	967	107	**1,074**	1,129	1,136	**2,265**	**3,339**
	CO_2	817,759	738,619	**1,556,378**	2,294,576	2,558,572	**4,853,148**	**6,409,526**
CY 2010	SO_2	11	3	**14**	6,078	5,486	**11,564**	**11,578**
	NO_x	783	135	**918**	967	951	**1,918**	**2,836**
	CO_2	799,135	825,260	**1,624,395**	1,843,129	2,138,879	**3,982,008**	**5,606,403**

Energy Conservation Audit and Disclosure Ordinance

The Austin City Council approved the Energy Conservation Audit and Disclosure ordinance in 2008 and revised the initiative in April 2011 to improve the energy efficiency of homes and buildings that receive electricity from Austin Energy. The ordinance supports the goal in the Austin Climate Protection Plan, to offset 800 MW of peak energy demand by 2020.

Single-family homeowners must have energy audits performed on their properties prior to a sale and must provide the results to prospective buyers at least three days before the end of the option period. Examples of exemptions to single family audits include homes less than 10 years of age and homes that have had $500 in retrofits. Multifamily properties older than 10 years are required to perform an audit and report the results to the City of Austin and all residents living in those communities. Commercial building owners have phased-in reporting that began June 1, 2012, for buildings 75,000 square feet and larger. The phase-in approach has the goal of including all buildings of 10,000 square feet or more complying with the ordinance by 2014. Only one audit is counted per Property ID. There were 159 submitted properties without an audit date.

Table 26: Single-Family Audits

Dates	Home Sales	Exempt from Ordinance	Non Exempt from Ordinance	All Homes Audited	% Non Exempt Homes Audited
FY 2014	11,089	2,797	8,292	5,174	62%
FY 2013	14,117	5,719	8,398	4,344	52%
FY 2012	11,230	4,118	7,112	3,538	50%
FY 2011	10,370	4,514	5,856	2,895	49%
FY 2010	10,440	5,221	5,219	3,640	70%
Jun 1st, 2009 to Sep 30th, 2009	4,383	1,729	2,654	2,027	76%
Total	**50,540**	**21,301**	**29,239**	**16,444**	**56%**

Note: The term "Sale" corresponds to deed transfer. Sales data is from the City of Austin Data Mart, TCAD, and WCAD Tax Records. The term "Exempt" corresponds to a property that is less than 10 years old, performed at least $500 in retrofits, participated in the Austin energy Home performance or Free Weatherization programs or previously filed an audit.

Table 27: Single-Family Audit Results

Audit Dates	Percent of Homes Receiving a Recommendation After Audit	Audited Homes Needing Window Shading	Audited Homes Needing Attic Insulation	Audited Homes Needing Duct Sealing, Replacement, or Duct Insulation	Audited Homes Needing Weatherization
Jun 1st, 2009 to Present	97%	54%	82%	79%	59%

Table 28: Multi-Family Audit Results

Fiscal Year Ended	Number of Audits Completed
2014	11
2013	103
2012	18
2011	575

Table 29: Multi-Family Audits - (Fiscal years represent cumulative totals)

Fiscal Year	Apartment Properties Within Austin City Limits	Apartment Properties Exempt from Ordinance	Apartment Properties Non -Exempt from Ordinance	Apartment Properties Audited	Non-Exempt Properties Audited
FY 2014	1,369	368	1,001	850	85%
FY 2013	1,361	312	1,049	839	80%
FY 2012	1,372	276	1,096	728	66%
FY 2011	1,347	270	1,077	629	58%

Table 30: Commercial Buildings Requiring Audits for 2014

	Buildings or Campuses over 75K sq. ft.	Buildings or Campuses between 30K and 75K sq. ft.	Buildings or Campuses between 10K and 30K sq. ft.	Average Rating (1-100)	Average Site EUI (kBTU/sq. ft.)	Average Emissions ($MtCO_2e$)
Total Number of Buildings or Campuses	794 buildings	1048 buildings	1886 buildings	64	81	584
Total Number of Buildings or Campuses Reported	530 buildings	546 buildings	662 buildings			
Total Number of Buildings or Campuses Unreported	264 buildings	502 buildings	1224 building			
Total sq ft of all required buildings	132.5 million sq. ft.	68.1 million sq. ft.	51.3 million sq. ft.			
Total sq ft of all reported buildings	86.6 million square feet	36 million square feet	16.3 million square feet			
Total sq ft of all unreported buildings	45.9 million sq. ft.	32.1 million sq. ft.	35 million sq. ft.			

Energy Efficiency Peak Demand Savings

Peak demand is the highest point of energy use on any given day and typically occurs between the hours of 4 and 6 p.m. Austin Energy's energy efficiency programs are designed to lower energy usage and reduce the amount of load on the electric system.

Table 31: Peak Demand Reduction

Peak Demand Reduction in MW	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Residential	14.5	14.9	12.2	11.9	15.5
Commercial	20.5	24.5	27	27.7	31.8
Demand Response	6.2	6.9	8.4	17.7	19.6
Total	**41.2**	**46.3**	**47.6**	**57.4**	**67.0**
% of 800 MW (cumulative)	**28%**	**34%**	**40%**	**47%**	**55%**

Energy Efficiency Avoided Emissions

Austin Energy's energy efficiency programs help reduce statewide emissions from power plants through reducing demand. From FY 2013 to FY 2014, avoided emission increased by around 6,000 metric tonnes. This helps meet Austin Climate Protection Plan goals by avoiding increases in power plant emissions in the ERCOT market.

Table 32: Avoided Emissions for 2014

	Carbon Dioxide	Nitrogen Oxides	Sulfur Dioxide	Carbon Monoxide	Suspended Particulates	NMOC / VOC
Residential	14,843	10.3	9.4	7.2	1.3	0.4
Commercial	61,774	43.1	38.9	29.9	5.3	1.5
Demand Response (DR)	32	0.0	0.0	0.0	0.0	0.0
Total Metric Tonnes	**76,649**	**53**	**48**	**37**	**7**	**2**

Energy Efficiency Program Expenditures

To pursue the Ausitn City Council's policies in energy efficiency, Austin Energy invests millions of dollars in these programs so our customers can benefit from lower usage and bills.

Table 33: Energy Efficiency Program Expenditures

Electric Rebates and Incentives	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual
Free Weatherization	$513,909	$6,291	$598,003	$999,677	$509,566
Multi-family Rebates	$2,098,407	$1,784,498	$2,734,740	$2,524,498	$2,507,220
Loan Options	$86,029	$34,867	$24,137	$6,024	$351,576
Home Performance w/ Energy Star	$0	$0	$2,140,221	$3,163,541	$2,754,305
Rebate Options	$5,469,084	$5,300,279	$41,595	-$8,450	$0
Clothes Washer Rebates	$56,600	$30,700	$20,750	$15,750	$1,100
Duct Diagnostic/Sealing Rebates	$37,490	$10,205	$3,770	$0	$0
Nexus-Home Audit CD	$59,051	$57,085	$56,550	$80,113	$34,637
LED and Customer Rebates	$0	$0	$0	$0	$6,000
Municipal/ Loan Star Debt Service	$790	$11,247	$58,957	$0	$0
Commercial-Existing Construction	$2,845,133	$2,844,440	$3,001,704	$2,388,150	$2,469,569
Small Businesses	$963,957	$556,614	$379,963	$760,581	$2,989,386
Green Building*	$0	$0	$0	$0	$0
Commercial Power Partner	$205,923	$128,463	$97,381	$260,270	$70,122
Commercial Miser Program	$1,496	$0	$0	$0	$0
Commercial Finance Program	$0	$0	$0	$0	$0
Solar Rebates	$3,910,771	$4,574,033	$5,849,240	$8,489,880	$7,437,836
Refrigerator Recycle Program	$508,294	$470,912	$346,040	$377,417	$346,693
Multi-Family Duct Sealing	$72,978	$8,492	$0	$0	$0
Residential Power Partner	$807,111	$665,876	$400,035	$1,070,005	$1,124,518
Load Coop	$9,289	$455,035	$135,250	$281,574	$187,233
Thermal Energy Storage	$0	$0	$0	$0	$0
Plug-In Vehicle Charging Station Rebates	$0	$47,832	$179,376	$119,500	$181,542
Cycle Saver	$0	$0	$0	$0	$0
Appliance Efficiency Program	$0	$0	$1,647,015	$0	$31,240
Air Conditioning Rebates	$0	$0	$20,500	$1,521,960	$1,614,201
Grand Total	**$17,646,312**	**$16,986,869**	**$17,735,225**	**$22,050,490**	**$22,616,744**
Change from prior year	-5%	-4%	4%	24%	3%
Total without solar rebates	**$13,735,541**	**$12,412,836**	**$11,885,985**	**$13,560,610**	**$15,178,908**

*The Green Building program does not use cash incentives.

Residential and Commercial Rebates

Table 34: Residential and Commercial Rebates

Fiscal Year	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Residential					
Rebate	$9,708,953	$8,369,205	$8,033,355	$6,153,559	$7,012,601
No. of Rebates	15,038	15,433	12,726	12,039	13,852
Avg. Rebate	$646	$542	$631	$511	$506
$/kW	668	560	661	518	452
¢/kWh-levelized	3.99	4.24	4.65	2.72	2.92
Commercial					
Rebate	$4,026,588	$3,995,799	$3,673,254	$5,597,399	$7,993,771
No. of Rebates	20,318	14,107	25,239	23,741	18,355
Avg. Rebate	$198	$283	$146	$236	$436
$/kW	196	163	136	202	251
¢/kWh-levelized	3.99	4.24	4.65	1.01	1.39
Demand Response					
Rebate	$2,164,637	$1,740,008	$969,344	$1,605,854	$1,504,873
No. of Rebates	7,427	2,681	1,701	6,050	5,810
Avg. Rebate	$291	$649	$570	$265	$259
$/kW	350	252	116	91	77
¢/kWh-levelized	N/A	N/A	1,864	581	1,072
Total Rebate	**$15,900,178**	**$14,105,012**	**12,675,953**	**$13,356,812**	**$16,511,244**

GreenChoice®

Austin Energy has been a nationwide leader in green power sales in the voluntary market, and the utility helped Texas become the nationwide leader in wind power by purchasing renewable energy from new sources developed in the state. For nine years in a row starting in 2002, Austin Energy led the country in sales of renewable energy by a utility-sponsored program, according to rankings by the U.S. Department of Energy's National Renewable Energy Laboratory.

GreenChoice is Green-e Energy® certified, a third-party verification that confirms renewable energy is from new sources built for the voluntary market and is not required by state or federal mandates. The GreenChoice program was revamped after 2013 with new customers no longer subscribing to batches. A new pricing structure was introduced with most new subscribers paying 1 cent more per kilowatt-hour than the Power Supply Adjustment.

Table 35: GreenChoice® Enrollment for 2014

Customer Segment	Number of Customers	Annual kWh
Residential	7,528	19,596,528
Small to Mid-size Commercial	416	129,186,335
Key Accounts	156	322,072,299
City of Austin	1042	213,131,245
Totals	**9,142**	683,986,607

Table 36: Avoided Emissions Associated with FY 2014 Renewable Energy Purchases

Total Renewable Energy Purchases (MWh)	Equivalent emissions in ERCOT (English Tons)		
	NO_X	CO_2	SO_2
2,841,262	1,024	1,678,802	3,185

Purchased Power Agreements

In October 2013, Austin Energy released a Request for Proposals asking for offers from qualified respondents to sell generation from new or existing solar generation facilities. From those responses, in March 2014, the Austin City council approved the purchase of the output of a 150 MW solar project located in west Texas. Commercial operations are expected to begin in the fourth quarter of 2016. By the end of FY 2014, Austin Energy has approximately 770 MW of completed renewable energy capacity purchased under long-term power purchase agreements, and with this solar acquisition, another 850 MW under contract and scheduled to be online and generating by the end of 2016. The terms of the agreements range from 10 to 25 years and include wind, solar, biomass and landfill gas. These agreements help Austin Energy make significant progress to its goal of 55 percent renewable energy by 2025.

Table 37: Purchase Power Agreements (current and upcoming)

Agreement	Type	Capacity (MW)	Term (years)	Duration	Expiration	Location
Infigen Sweetwater 2	Wind	91.5	12	2005-2017	2/11/2017	West Texas
Infigen Sweetwater 3	Wind	34.5	12	2005-2017	12/30/2017	West Texas
RES - Whirlwind	Wind	59.8	20	2007-2027	12/31/2027	Panhandle
RES - Hackberry	Wind	165.6	15	2008-2023	12/21/2023	West Texas
Webberville	Solar	30	25	2011-2036	12/22/2036	Central Texas
Nacogdoches	Biomasss	100	20	2012-2032	5/31/2032	East Texas
Duke - Los Vientos II	Wind	201.6	25	2013-2037	1/1/2037	Coastal
MAP - Whitetail	Wind	92.3	25	2013-2037	1/1/2037	South Texas
Iberdrola Penascal I&II	Wind	195.6	4	2011-2015	1/1/2016	Coastal
Duke - Los Vientos III	Wind	200	25	2015-2040	TBD	South Texas Valley
Duke - Los Vientos IV	Wind	200	25	2016-2041	TBD	South Texas Valley
BHE Jumbo Road	Wind	300	18	2015-2033	TBD	Texas Panhandle
Recurrent Solar	Solar	150	20	2016-2036	TBD	West Texas

Solar Rebate Program

Austin Energy has a comprehensive Solar Rebate Program. In FY 2014, residential customers were provided $1.50 per watt installed — reduced to $1.25 per watt in December and again to $1.10 per watt in June — with annual rebate amounts limited to $15,000 and maximum rebates set at $50,000 for any individual customer. Residents must complete the Austin Energy Home Performance with ENERGY STAR program to qualify for a solar rebate.

The commercial rebate program pays a fixed dollar per kWh performance-based incentive to the customer over a 10-year period passed on the kWh of solar energy produced by the system. The initial PBI for systems implemented during FY 2014 was 10 cents per kWh and reduced to 9 cents per kWh in June.

Since the Solar Rebate Program began in 2004, Austin Energy has issued more than $43 million in rebates to residential customers and $7 million in rebates to commercial customers totaling 20.2 MW-AC at the end of FY 2014.

Table 38: Solar Rebate Program

Solar Rebate	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Residential (Capacity Based Incentive)					
Rebate Dollars	$3,216,535	$4,711,101	$5,721,412	$7,877,289	$6,581,495
No. of Rebates	213	328	458	719	762
kW-AC	793.26	1,352.65	1,913.26	3,503.00	3,777.00
Avg. Rebate per customer	$15,101	$14,363	$12,492	$10,956	$8,637
Avg. System Size kW-AC	3.72	4.12	4.18	4.87	4.95
$/kW-AC	$4,054	$3,482	$2,990	$2,249	$1,743
Commercial (Capacity Based Incentive)					
Rebate Dollars	$556,649	N/A	N/A	N/A	N/A
No. of Rebates	10	N/A	N/A	N/A	N/A
kW-AC	106.28	N/A	N/A	N/A	N/A
Avg. Rebate per customer	$55,665	N/A	N/A	N/A	N/A
Avg. System Size kW-AC	10.63	N/A	N/A	N/A	N/A
$/kW-AC	$5,237	N/A	N/A	N/A	N/A
Commercial PBI (Performance Based Incentive)					
Performance Based Incentive Payments	$0	$8,939	$36,810	$143,792	$780,028
No. of Projects Installed	1	8	10	19	51
kW-AC	18.50	157.90	89.91	925.00	3831.00
Avg. System Size kW at PTC per customer	18.50	19.74	8.99	48.68	75.11
Incentive rate ($/kWh)	$0.14	$0.14	$0.14	$0.12	$0.10
Solar Water Heating					
Rebate Dollars	$88,000	$93,500	$185,000	$51,000	$6,000
No. of Rebates	41	44	90	28	3
kW-AC	26.65	30.88	60.45	18.20	1.95
Avg. Rebate per customer	$2,146	$2,125	$2,056	$1,821	$2,000
Avg. System Size kW-AC	0.65	0.70	0.67	0.65	0.65
$/kW-AC	$3,302	$3,028	$3,060	$2,802	$3,077

Table 38: Solar Rebate Program Continued

Solar Rebate	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Municipal					
Installed Cost	$1,132,206	$117,716	$1,066,867	$5,252,988	$0
No. of projects	6	1	9	3	0
kW-AC	178	14	139	1018	0
Avg. Cost per Project	$188,701	$117,716	$118,541	$1,750,996	$0
Avg. System Size kW-AC	29.67	14.00	15.44	339.33	0
$/kW-AC	$6,361	$8,408	$7,675	$5,160	$0
Schools					0
Installed Cost to AE	$68,714	$29,707	$601,055	N/A	0
No. of projects	4	1	14	0	0
kW-AC	8.62	2.77	38.81	0	0
Avg. Cost per Project	$17,179	$29,707	$42,932	N/A	0
Avg. System Size kW-AC	2.16	2.77	2.77	0	0
$/kW-AC	$7,971	$10,725	$15,488	N/A	0
Webberville Solar Farm					
kW-AC	N/A	N/A	30,000	N/A	N/A
Total Dollars Spent	**$5,062,104**	**$4,960,964**	**$7,611,145**	**$8,072,081**	**$7,367,523**
Total Number of Projects	**275**	**382**	**581**	**769**	**816**
Total kW-AC	**1,131.32**	**1,558.20**	**32,241.42**	**5,464.00**	**7,609.95**

Affordable

Austin Energy has affordability goals of keeping overall rate increases to no more than 2 percent a year as well as keeping base rates in the lower 50 percent of rates in Texas. Austin Energy is one of 72 municipally owned electric utilities in Texas. In 2013, for the first time in more than a decade, Austin Energy's rates came in above the state average, according to data from the Energy Information Administration. Though Austin Energy came in higher than its goal, residential rates and usage came in below the State average, helping customers save money on their bills.

Table 39: Cents per kWh by Customer Class

Customer Class	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Residential	9.604	10.024	9.637	11.019	11.334
Commercial	9.002	9.28	8.834	10.22	11.013
Industrial	6.019	6.213	5.993	6.746	7.026
Other	7.894	7.474	8.677	9.057	7.473
Total	**8.601**	**8.82**	**8.506**	**9.648**	**9.959**

Chart 3: 2013 Average Residential Rates

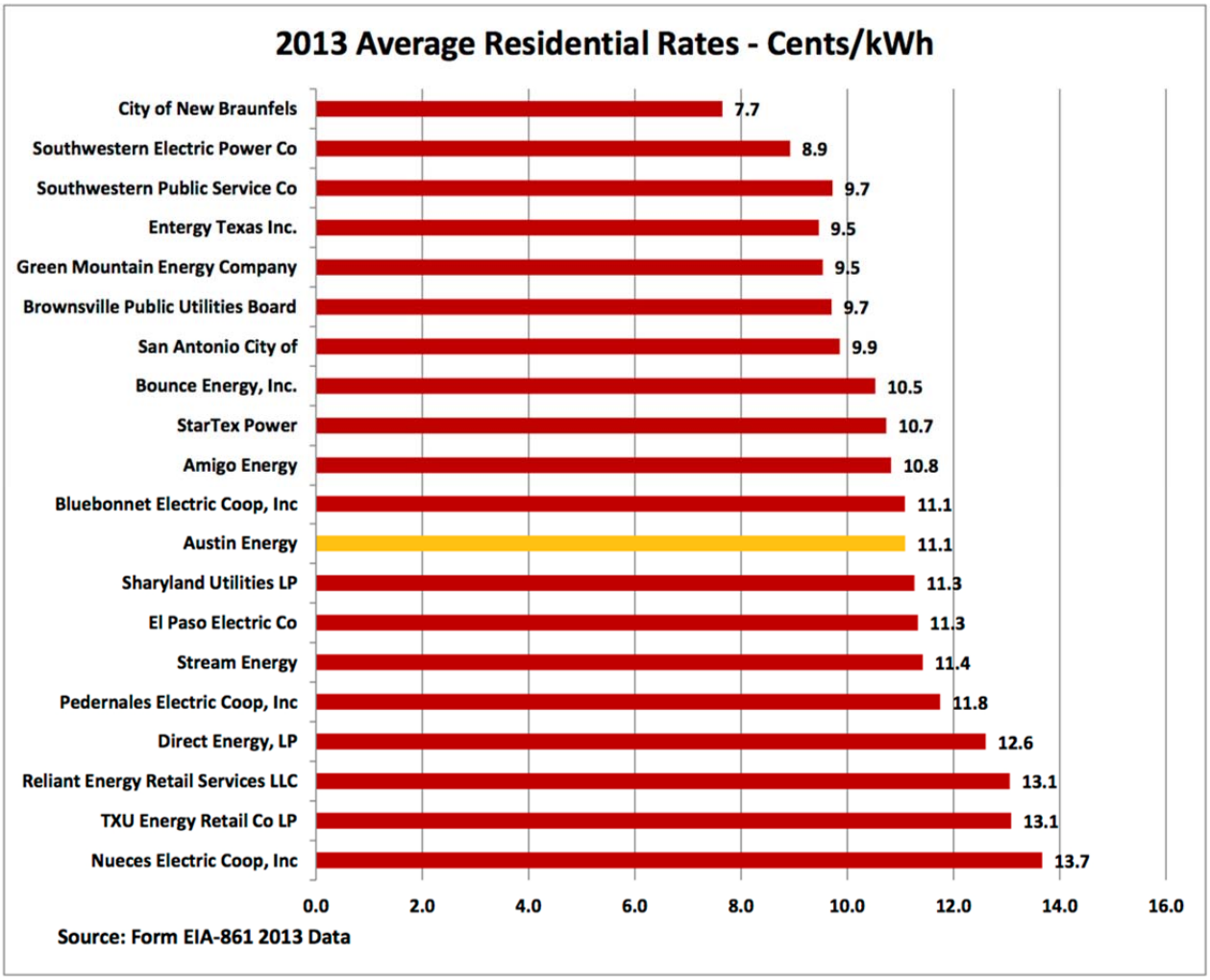
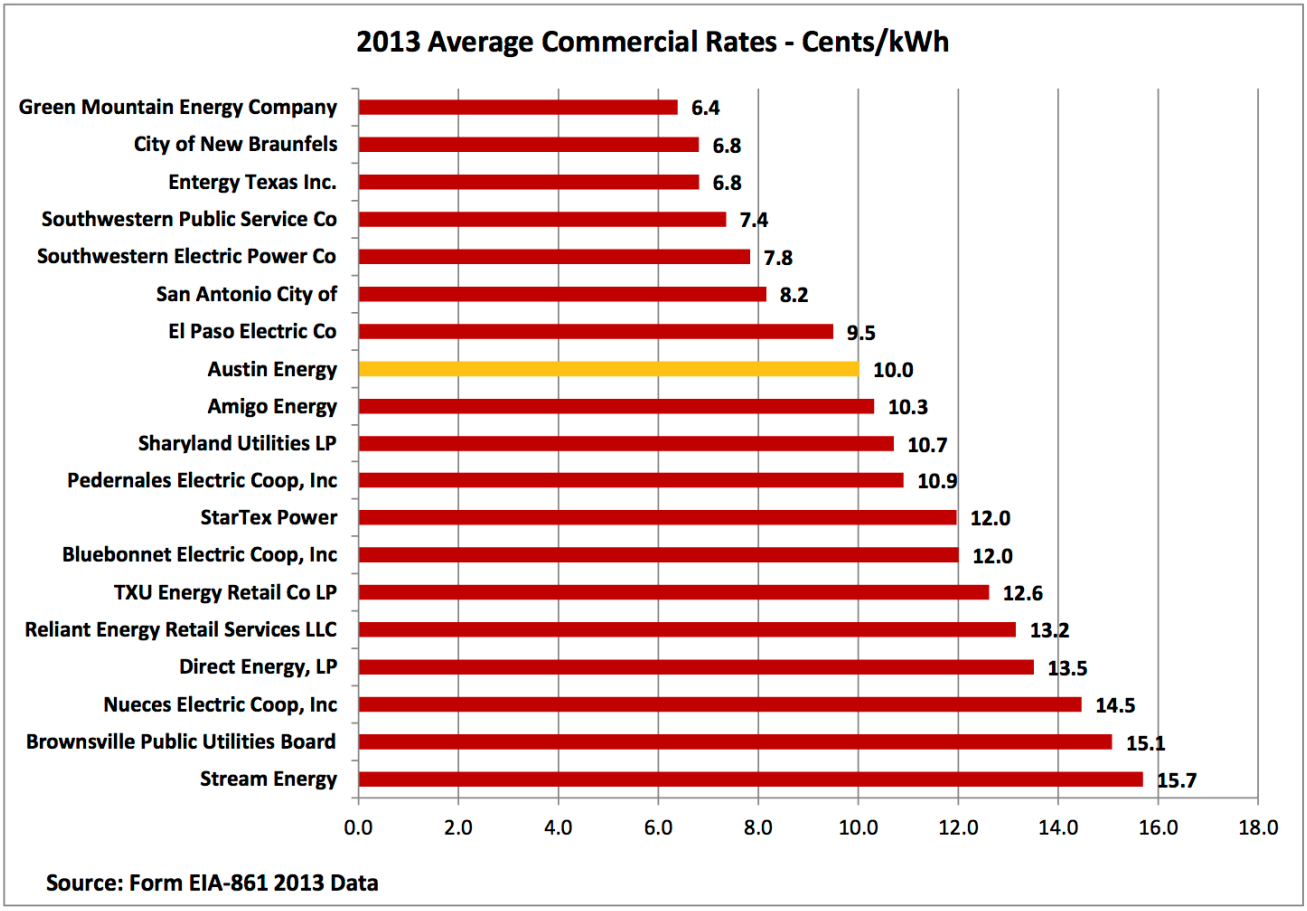
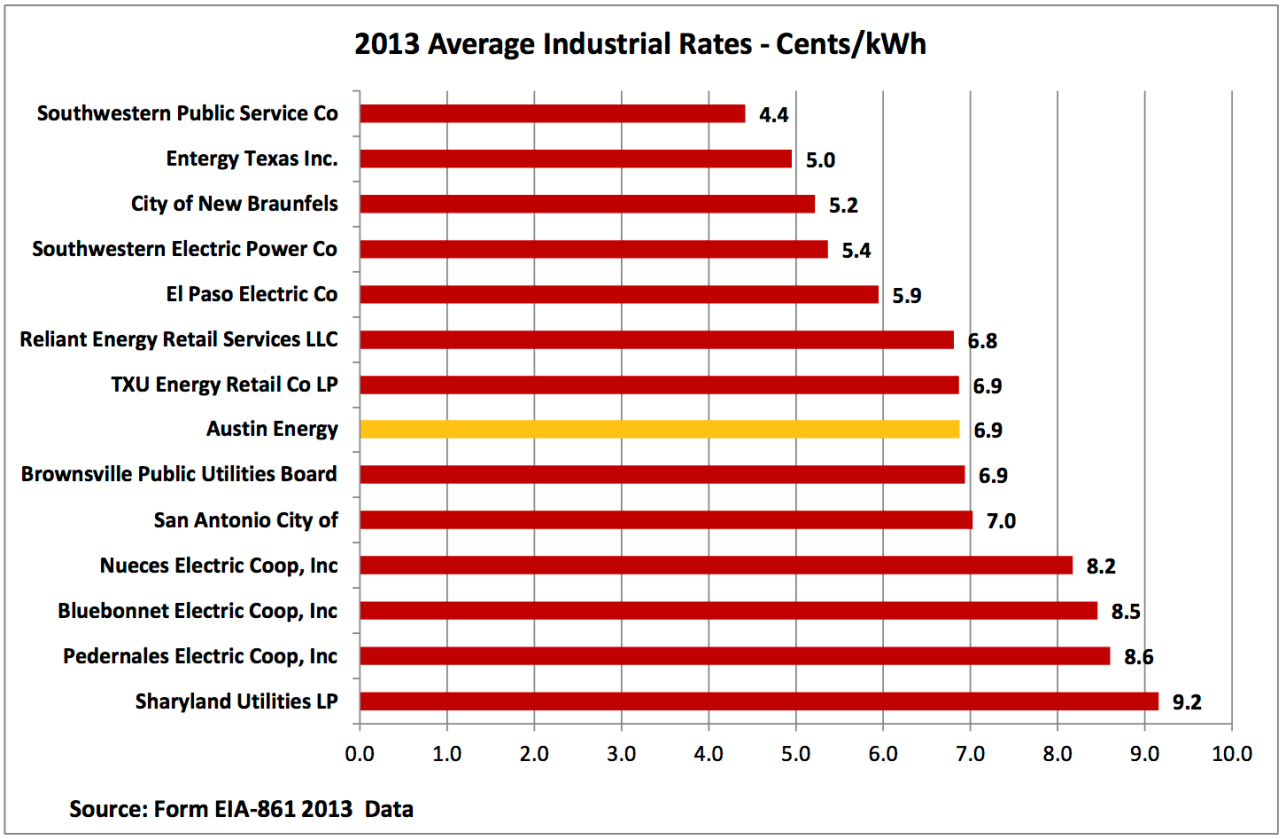


Chart 4: 2012 Average Commercial Rates



Source: Form EIA-861 2013 Data

Chart 5: 2012 Average Industrial Rates



Power Supply Adjustment

Austin Energy's Power Supply Adjustment recovers fuel for generation, transportation, renewable purchase power agreements, purchase power to serve retail customers, ERCOT fees, hedging and the balance from the previous period. The adjustment is reviewed annually. Generally, changes to the PSA are effective Nov. 1 and the PSA is set as part of the annual budget process. The PSA is based on the electric voltage level required by a customer and are described below:

Primary Level Customers — This rate is applicable to electric service required by any customer who receives service at 12,500 volts to 69,000 volts. Primary Level Customers include many of Austin Energy's largest customers.

Secondary Level Customers — This rate is applicable to electric service required by residential customers in single-family dwellings, mobile homes, townhouses, or individually metered apartment units. It is also applicable to any business that does not receive power at a primary or transmission level. Currently, about 45,000 businesses receive the secondary PSA rate.

Transmission Level Customers — This rate is applicable to electric service required by any customers who receives service at 69,000 volts or higher.

Primary and transmission voltage level customers — about 90 industrial customers — receive power at a very high voltage level. This results in reduced line losses between the point of generation and delivery to the customer. The customer is then required to reduce the voltage to a usable level. Electricity delivered at this level means fewer line losses and a lower cost of service. These customers also own and maintain the equipment at their site that's required to step down the voltage before the power enters their facility. As a result, primary and transmission customers pay a slightly lower PSA

Table 40: Austin Energy Power Supply Adjustment

Calendar Year	Month	System	Secondary	Primary	Transmission
2014	November	3.926	3.945	3.856	3.807
2013	November	3.691	3.709	3.625	3.579
2012	October	3.356	3.372	3.296	3.254
2012	January	3.598	3.615	3.508	3.471
2011	January	3.090	3.105	3.012	2.981
2010	January	3.635	3.653	3.544	3.507

Excellent Customer Service

Line Clearance Program

Austin Energy invests about $11 million annually in its line clearance program. A staff of 13 Austin Energy arborists and foresters oversee the program. Contractors prune trees system wide on a six-year cycle for distribution lines, maintaining approximately 400 miles of power lines each year. They also maintain the vegetation on about 150 miles of transmission rights-of-way on a four-year cycle. About 50 crews — 160 to 170 staff members — are in the field each day. Vegetation management is important for public safety and electric system reliability.

Austin Energy is one of the few utilities in the nation that tries to meet with each property owner in advance of tree trimming. A plan detailing the trimming needed for each tree on a property is discussed and provided to the property owner for their acknowledgment and signature. When property owners refuse to meet or cooperate with scheduling, they receive a letter that indicates when trimming will occur. The number of refusal letters is extremely small, often less than 1 percent annually.

Table 41: Line Clearance Workload

Fiscal Year	Miles Trimmed	Properties	Refusals
FY 2014	298	9,630	10
FY 2013	325	10,616	9
FY 2012	375	12,170	11
FY 2011	447	11,856	19
FY 2010	324	13,223	38

City of Austin Utility Contact Center

Austin Energy manages the City of Austin Utility Contact Center and Online Customer Care Portal. This is the place customers call or go online to start, stop or transfer utility services. The Contact Center receives about 6,000 calls per day.

Table 42: Contacts Received

Fiscal Year	Contacts Received
FY 2014	1,727,662
FY 2013	1,667,361
FY 2012	1,641,039
FY 2011	1,377,317
FY 2010	1,525,739

Table 43: Call Distribution

Type	Percentage
General Residential	88%
General Commercial	9%
Outages	3%

Table 44: Average Speed for Answering Calls

Fiscal Year	Seconds
FY 2014	123
FY 2013	90
FY 2012	101
FY 2011*	116
FY 2010	90

Austin 3-1-1

Austin Energy manages the City's 3-1-1 call center that provides information about any Austin department or service. The center operates 24 hours a day, seven days a week, 365 days a year.

Table 45: Austin 3-1-1 Calls and Service Requests

Fiscal Year	Calls Answered	Service Requests
FY 2014	1,045,542	246,382
FY 2013	1,018,364	214,342
FY 2012	1,047,020	172,155
FY 2011	1,138,325	193,280
FY 2010	1,151,903	188,413

Table 46: Austin 3-1-1 Call Distribution for FY 2014

Department	Percentage
Animal Services Office	6%
Austin Energy	6%
Austin Resource Recovery	9%
Austin Water Utility	3%
Code Compliance Department	2%
General Inquiries	5%
Neighboring Cities/Counties/State	9%
Other	6%
Parks & Recreation	2%
Planning & Development Review	2%
Police Department	46%
Public Works Department	1%
Transportation Department	3%

Payment Arrangements

A payment arrangement allows City of Austin utility customers the opportunity to pay off a past due bill balance to keep their utility accounts in good standing. The past due amount is spread over a specified period of time, and is paid in monthly installments. Customers are required to pay the agreed upon monthly installment in addition to paying their monthly utility charges in full by the bill due date each month. Paying both the monthly installment and current utility charges gives customers extra time to bring their utility account current.

Table 47: Customer Payment Arrangements

Fiscal Year	Avg. No. of Payment Arrangements Per Month	Residential Peak $ Per Fiscal Year
FY 2014	22,049	$29,864,421.21
FY 2013	10,871	$20,235,423.08
FY 2012	7,032	$8,005,643.27
FY 2011	13,175	$9,047,193.88
FY 2010	12,389	$9,098,810.00

Low-Income Discount Program

The City of Austin has one of the most generous Customer Assistance Programs in the nation. Electric bill discounts are a key component of the program. They are provided to customers already receiving benefits through a variety of federal, state, county, or city assistance programs. In FY 2013 CAP was greatly expanded by the City Council in the 2012 rate proceeding.

Table 48: City of Austin Low-Income Discount Program Annual Customer Savings

Utility Discount Program (electric only)	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Average Customers Served Per Month	8,599	8,587	6,608	11,728	35,306
Average Household Savings Per Month	$23.29	$23.33	$24.05	$20.68	$21.25*
Average Annual Combined Customer Savings	$2.402 million	$2.403 million	$1.908 million	$2.910 million	$8.992 million

* Take the usage for an average customer and average the electric portion of the bill over summer and winter.

Plus 1 Fund

Serious illness, a recent job loss or other emergencies can make it difficult for some customers to pay their utility bills. The Plus 1 fund provides emergency financial aid to customers having a temporary problem paying their utility bills. Funding is distributed by local social service agencies. These agencies screen applicants, determine eligibility and arrange for funding to be applied to the customer's utility account.

Austin Energy provides $300,000 to the fund annually. Additionally, utility customers have the option to donate to the Plus 1 Fund on their utility bill payments. City of Austin employees also can make donations to the fund through payroll contributions or through the annual combined charities campaign.

The community benefit charge collects costs to the utility from the community benefits it provides, including energy efficiency, the Customer Assistance Program and street lighting.

Table 49: Plus 1 Funding

Funding Source	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Austin Energy	$300,000	$300,000	$300,000	$300,000	$300,000
COA Combined Charities Campaign (COA employees)	$3,820	$2,574	$2,173	$2,107	$1,791
Residential Customers	$39,723	$37,556	$36,613	$76,396	$78,474
Community Benefit Charge	0	0	0	$300,000	$600,000
Total	**$343,543**	**$340,130**	**$338,786**	**$678,503**	**$980,265**

Weatherization Assistance Program

Austin Energy offers free home energy improvements to customers with low to moderate incomes who qualify. The improvements reduce energy costs and enhance indoor comfort. Qualifying customers can have their home weatherized and receive home improvements. These improvements include attic insulation, solar screens, compact fluorescent light bulbs, minor duct repair and sealing, caulking and weather stripping and other improvements. Customers participating in the program can realize energy savings from 6 to 21 percent.

Table 50: Customer Assistance Program Customers Receiving Free Weatherization

Fiscal Year	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Homes Receiving Weatherization	456	1044	715	155*	200

* Numbers were lower than expected in FY 2013 due to delayed program efforts.

Customer Satisfaction Ratings

Austin Energy is proactive in addressing customer needs and regularly monitors customer satisfaction through customer surveys. In recent years, overall customer satisfaction has gone down. The drivers of the decrease are customer perceptions of price and value due to higher electric bills resulting from hotter than normal temperatures and a weakened economy, despite Austin Energy providing reasonable and affordable electric rates. Residential and Commercial surveys are conducted quarterly while key account surveys are administered annually.

Table 51: Overall Satisfaction Ratings

Measure	Target	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Overall Customer Satisfaction	83/100	71/100	70/100	61/100	65/100	60/100

Table 52: Satisfaction Ratings by Customer Type

Customer Satisfaction	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Residential	74%	69%	68%	64%	68%
Commercial	78%	68%	62%	61%	58%
Key Accounts	60%	76%	55%	69%	55%

Web Links

The following links relate to Austin Energy's budget, Council approved purchases and financial reports, as well as energy efficiency, renewables, energy market and utility industry reporting.

• Quarterly Report (Listed under Financial)
austinenergy.com/wps/portal/ae/about/reports-and-data-library/corporate-reports

• Links to Council Agendas
austintexas.gov/department/city-council/council-meetings

• Links and instructions to budget, fee schedules and financial policies
austintexas.gov/financeonline/finance/index.cfm

• Resource Management Commission reports and presentations
austintexas.gov/cityclerk/boards_commissions/meetings/44_1.htm

• Electric Utility Commission reports and presentations
austintexas.gov/cityclerk/boards_commissions/meetings/27_1.htm

• Link and instructions to Bond Official Statements
austintexas.gov/financeonline/finance/financial_docs.cfm?ws=1&pg=3

• Link and instructions to Comprehensive Annual Financial Report (CAFR)
austintexas.gov/financeonline/finance/financial_docs.cfm?ws=1&pg=1#FINANCEREPORTS

• Link to emissions including hourly or aggregated NOx, SO_2 and CO_2 emissions, heat input, and energy output for large electricity generating units. The latest data available is from the previous calendar quarter.
ampd.epa.gov/ampd/

ERCOT
• Market transaction information
ercot.com/mktinfo/

• System Conditions, Generation, Load and Transmission schedules
ercot.com/gridinfo/