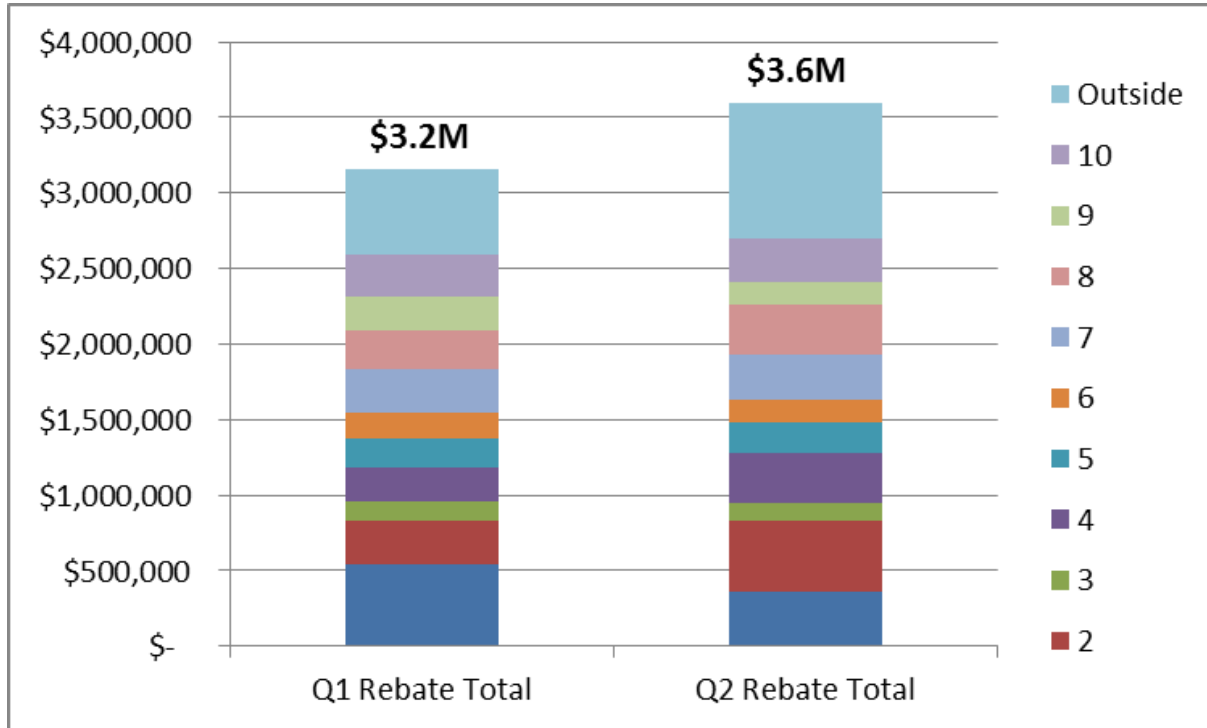


Customer Energy Solutions
Quarterly Report
As of 03/31/2017

Quarterly Rebates by District and Outside of COA



Rebates paid may not align with AE Finance eCombs system as of 03/31/17. Dollars are unaudited.

Quarter 2 Highlights

Energy Efficiency Services

Residential Programs

Weatherization Assistance Program (WAP)

- As of March 22nd, WAP 243 weatherization jobs have passed final inspection for FY 2017. Another 234 are currently in the pipeline for completion.
- Recruited the Customer Care call center to make additional calls.
 - In outbound call events, call center has made 2,600 calls to potential customers
 - These calls have generated approximately 150 customers for weatherization services.
- Sent out 2,400 introductory letters before calls are made.
- Sent out an additional 5,400 brochures to potential customers.
- Launching AC Tune Up and AC Rebate and Loan geared towards low income customers in May 2017.

Appliance Efficiency Program

- The program had 478 enrollments during the second quarter of FY17, which is a 13% increase from this midway point in FY16.
- Planning continues on making improvements to the AEP processes and program guidelines.

Home Performance w/Energy Star

- During this quarter, we were informed that our Home Performance program received the prestigious ENERGY STAR Partner of the Year award. We received this award for nine consecutive years between 2005 and 2013, but we did not receive it for 2014 and 2015. The award will be presented in Washington D.C. on April 26th.
- The program had 369 enrollments during the second quarter of FY17, which is a 6% increase from this midway point in FY16.

Multifamily

- Weatherized 1,289 Low Income Affordable Housing units
- HACA Direct Install of 13,040 LED lamps for 50.8 kW reduction

Strategic Partnership between Utilities and Retailers (SPUR)

- Provide incentives for energy efficient productions including, 40W & 60W LEDs, BR-30 LEDs, Candelabras, LED Retrofit Kits, E-Star Refrigerators and Freezers, Energy Star Air Purifiers and Big Gap Filler Insulating Foam Sealant at select retailers.
- For our seasonal kits, we've recently approved new DIY products that should be in stores next quarter: Entry door seals and bottom sweep, heat control window film and air filters.
- Current Program Signage: In store "instant savings" (generic and store specific) signage plus PPT Wi-Fi and AEP Heat Pump Water Heater (HPWH) program promotion signage
- Total Participating Retail Locations: 54 out of 70 store locations participating in SPUR products that received instant savings during this quarter
- Field Rep Dealer Visits: 321
- FY2017 Total Units: 204,150 (unaudited)
- FY2017 kW Savings: 981,670 kW (unaudited)

Demand Response Programs

Power Partner Thermostat

- Added over 1,100 thermostats this quarter to the 14,000+ since 2013
- Added PPT with \$25 energy efficiency rebate to all EES programs
- Saved over 1.5MW in Q2
- Newest vendor, Energate, will attend Austin's Earth Day event to promote participation.

Load Coop

- Evaluation of DR events completed
- Met with 5 customers to review 2016 Load COOP performance
- Received recognition from the Electric Power Research Institute (EPRI) for leadership in the deployment of open standards

Commercial Programs

Commercial

- Energy Assessments:
 - Colina West
 - HPI at the Summit
- Dell Seton Medical Center at The University of Texas
 - 1,092 kW
 - \$263,741 Rebate
 - Custom Rebate – 370 kW
- Working with State of Texas TFC to identify and process rebates
- Implemented 30% Lighting Bonus

Small Business

- Energy Assessment:
 - First Unitarian Church

Shared Services

ECAD Residential

Austin City Code 6-7 Energy Conservation Audit and Disclosure Ordinance

- REQUIREMENT:
 - Sellers of residential single family properties (1 to 4 dwellings) must have energy audits and disclosure to Buyers at time of sale. Energy audits valid for 10 years.
 - Approved FY2017 Business Plans and Marketing Plans.
- EDUCATION:
 - Participating at monthly ABOR New Member Orientation and Graduate Realtor Institute (GRI) events and throughout March.
 - Approved FY2017 marketing and education collaborative agreement with ABOR.

ECAD Multifamily Properties

Austin City Code 6-7 Energy Conservation Audit and Disclosure Ordinance

- REQUIREMENT:
 - Owners of multifamily properties (5 or more dwellings) must have energy audits and disclosure of energy performance to tenants/residents at time of lease. Energy audits valid for 10 years.
- EDUCATION:
 - Community outreach educational campaign expanded existing awareness plan to target multifamily communities, property management companies and property owners developed and implemented. Expanded goals are to educate onsite leasing staff and property owners with benefits of ECAD multifamily Energy Guides and also provide updated Austin City Code documents for use when qualifying new tenants/residents.
 - As of Q2, over 260 properties were contacted by ECAD team and EES Field Services team. EES teams continue cross training efforts and are set for increasing site visits in Q3.
 - Austin Apartment Association (AAA) co-hosted event to educate property owners and management companies on ECAD MF compliance is tentatively planned in Q3.

- COMPLIANCE:
 - Provided special ECAD Energy Auditor Orientation session for multifamily energy auditors.

ECAD Commercial Energy Benchmarking

Austin City Code 6-7 Energy Conservation Audit and Disclosure Ordinance

- REQUIREMENT:
 - Owners of commercial buildings 10,000 square feet or greater must annually report energy benchmarking and Sellers must disclose energy reports to Buyers at time of sale.
 - Approved FY2017 Business Plans and Marketing Plans.
- EDUCATION:
 - Participating at BizNow Event on Austin's State of Market in Q2. Community outreach educational campaign with IFMA and BOMA is planned to begin in Q3.
- COMPLIANCE:
 - 1st ECAD Commercial letter planned to be released beginning of Q3.

Solar

- In Q2 FY17, 259 solar projects, totaling 1.9 MW, received incentives through the AE solar program. This brings the total amount of customer-sited local solar to 47 MW, and ever closer to the goal of 70 MW of customer-sited solar by 2020. AE also issued letters of intent for another 253 solar incentive applications, which would add 4.3 MW of local solar. Incentive levels ramped down this quarter, with residential rebates going from \$0.70 to \$0.60 per watt, and small commercial incentives from \$0.07 to \$0.06 per kWh.
- At the request of our solar stakeholders, staff across AE, along with an outside consultant, have been studying the potential benefits and impacts of changing rate structure for commercial solar customer from the current Distributed Generation rider to a Value of Solar (VOS) rate, similar to the way residential solar is billed, whereby the customers would pay for all of their energy use on site at their normal rates, and be credited at a VOS rate for all of their solar generation.
- In January, Austin Energy launched its first Community Solar program, enabling customers who can't go solar at their own home to support the development of local solar projects around Austin. The first project, a 185 kW system at the Palmer Events Center, was fully subscribed before the end of January, and there is a waiting list for the next project which is currently under development at the Kingsbery Substation in east Austin, expected to come online in fall of 2017.