



MEMORANDUM

TO: Mayor and Council Members
Toby Futrell, City Manager

FROM: Juan Garza, General Manager, Austin Energy

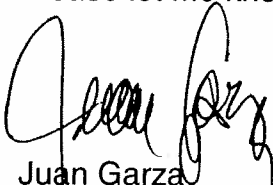
DATE: May 10, 2007

SUBJECT: Replacement Breaker for Decker Gas Turbines

Decker 50 MW Gas Turbine Unit 1 (DGT1) main generator breaker has failed rendering the unit inoperable until the breaker is repaired or replaced. Until DGT1 is operable, AE is losing roughly \$7000 per day in profit from energy and capacity sales to ERCOT.

Repair time for the DGT1 breaker is 2 to 4 weeks but a replacement breaker can be procured in less than a week. In order to expedite procuring a replacement breaker and to minimize lost revenue, I have authorized procurement of the replacement breaker on an expedited basis as a Critical Business Need, in accordance with the City Council approved AE Purchasing procedures. The funding for this roughly \$60,000 breaker is available in the FY2007 Approved Budget.

Please let me know if you have any questions.



Juan Garza
General Manager
Austin Energy