



Austin Energy 4th Quarter Briefing



Larry Weis, Austin Energy General Manager
City Council
February 28, 2013

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



TOPICS

- **Generation Plan Update**
- **Operational Highlights**
- **Consumer Service Highlights**
- **Financial Update**





GENERATION PLAN UPDATE





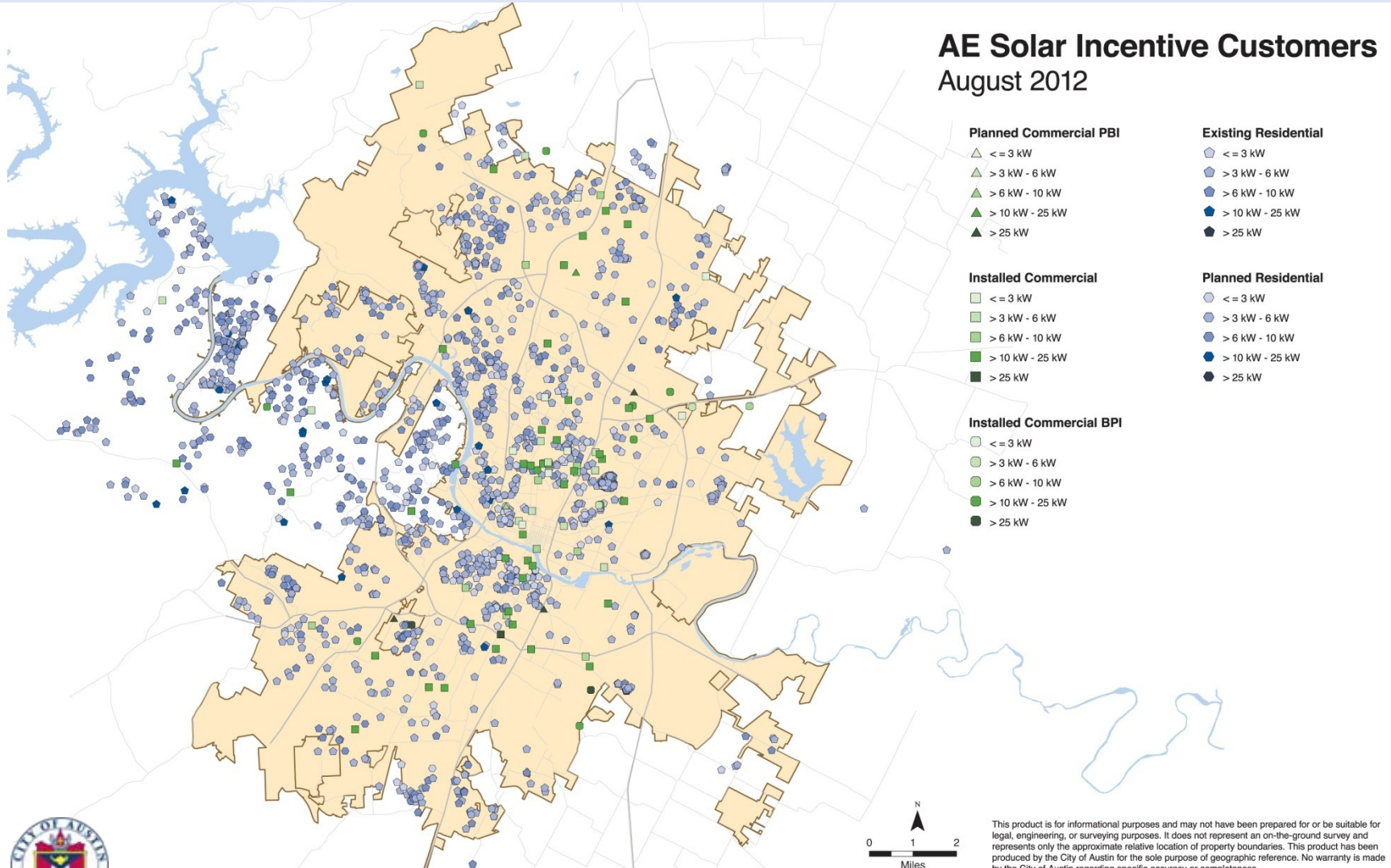
RENEWABLE ENERGY

- **New Wind On-Line (December 2012)**
 - > 92 MW MAP – White Tail
 - > 202 MW Duke – Los Vientos
- **Additional Wind Resources**
 - > Request for Proposal (RFP) – early 2013
- **Additional Utility Scale Solar**
 - > RFP in 2013 – 2014
- **Customer Solar Program Accomplishments**
 - > Statistics
 - > Advisory Committee Report
 - > Customer Solar Systems Locations – Map





CUSTOMER SOLAR SYSTEMS LOCATIONS



This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries. This product has been produced by the City of Austin for the sole purpose of geographic reference. No warranty is made by the City of Austin regarding specific accuracy or completeness.



BASE LOAD GENERATION

- **Sand Hill Energy Center**
 - > Still a 200 MW addition in forecast
- **South Texas Project**
 - > Outage possible on one unit until May due to transformer failure
 - > Shut down caused possible damage to steam turbine/generator
- **Additional Gas Generation**
 - > Planning and review stages





GENERATION PLAN

Megawatt (MW) Capacity

As approved by City Council, April 22, 2010 and updated by Austin Energy October 30, 2012

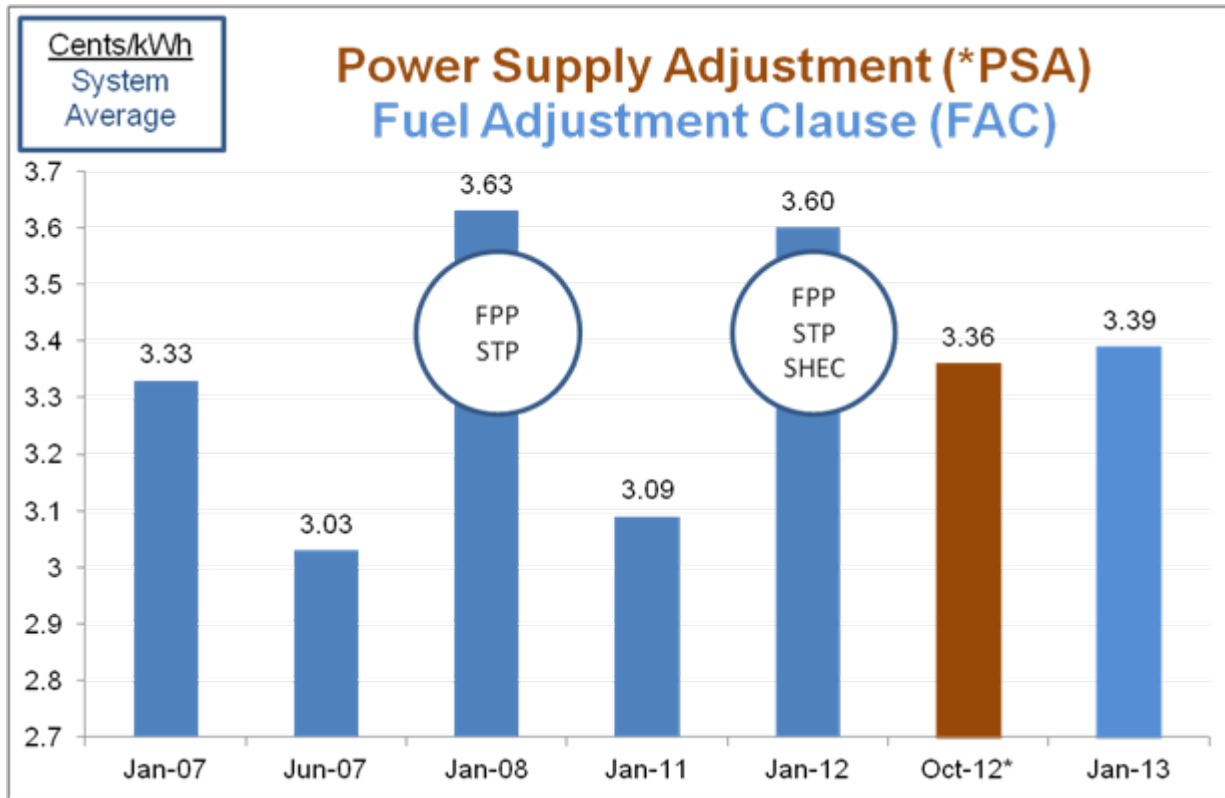
Fiscal Year	Coal	Nuclear	Gas	Biomass	New Wind	Wind (Net)	Solar	Renewable Portfolio
2011	602	436	1497	12		633	36	9.5%
2012				100				15.0%
2013					294 ³	217		27.5%
2014								27.3%
2015					150	150	25	31.6%
2016					100 ³	(96)	25	29.9%
2017			200		100 ³	9	25	30.6%
2018			800 ²		100 ³	65	30	31.9%
2019					35	35	25	32.7%
2020					75	75	34	35.0%
Capacity 2020	367 ¹	436	2,497	112		1,088 ⁴	200	Total 4,382



- Notes:**
- 1) Capacity equivalent to meet CO₂ Goal
 - 2) Forecasting natural gas combined cycle additions up to 1,000 MW by 2019, subject to change
 - 3) Wind contract replacements for contracts expiring 2013-2018
 - 4) The total wind is the Net of retirements
 - 5) Additional note: Plan assumes achievement of DSM goals



POWER SUPPLY ADJUSTMENT UPDATE



Current Rates

Potential Impacts:

- Summer Demand
- ERCOT markets
- STP outage status

Note:

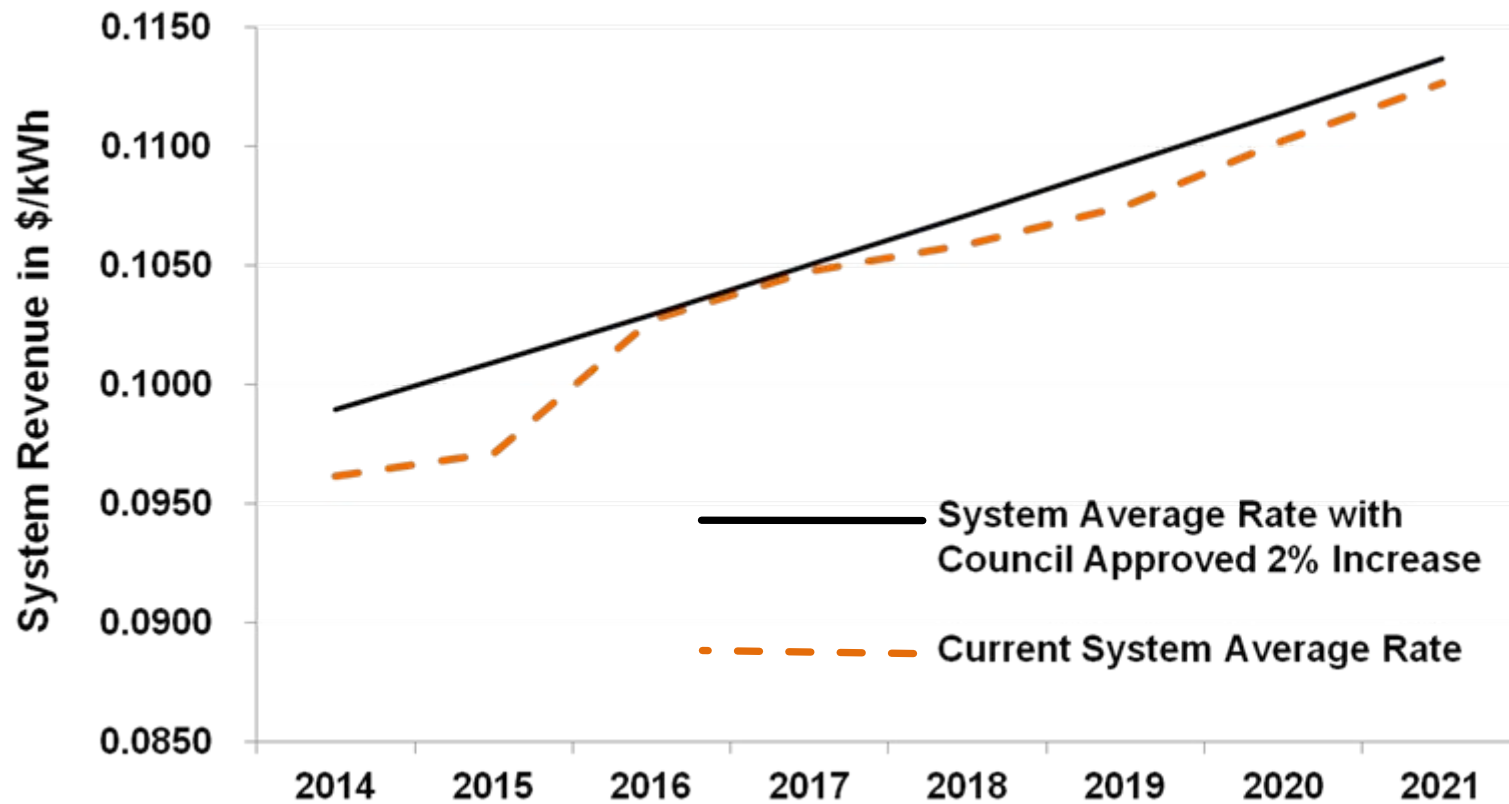
Chart shows only years of change

* PSA began in Oct. 2012 and FAC continues for long-term contracts until contract expiration in 2015





AFFORDABILITY GOAL





OPERATIONAL HIGHLIGHTS





OPERATIONAL HIGHLIGHTS

- **Holly Decommissioning Update**
- **Monitoring Public Utility Commission of Texas - Automated meter opt-out**
- **Reliability Performance Measures**
 - > System Average Interruption Duration Index (SAIDI)
 - > System Average Interruption Frequency Index (SAIFI)

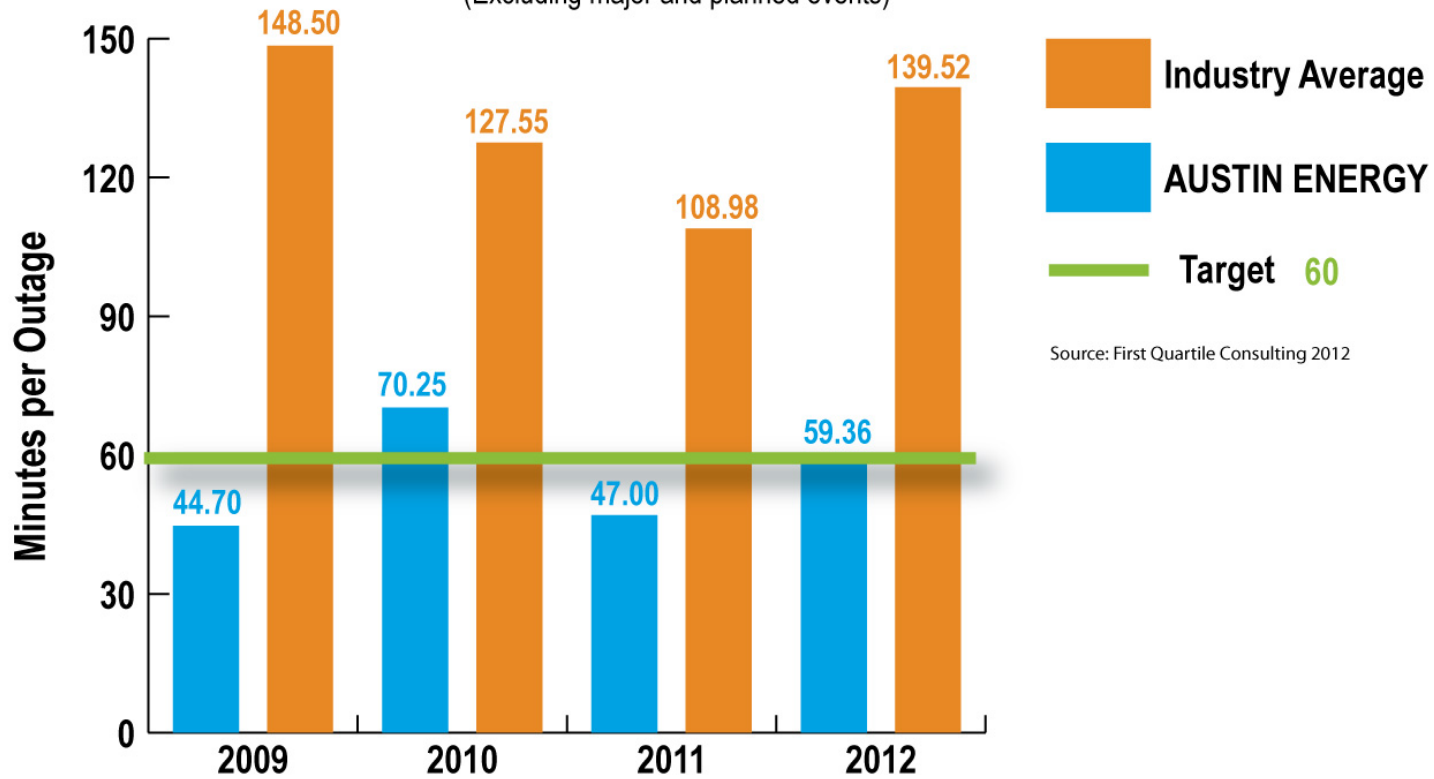




RELIABILITY PERFORMANCE MEASURE

System Average Interruption DURATION Index (SAIDI) CY 2009-2012

(Excluding major and planned events)

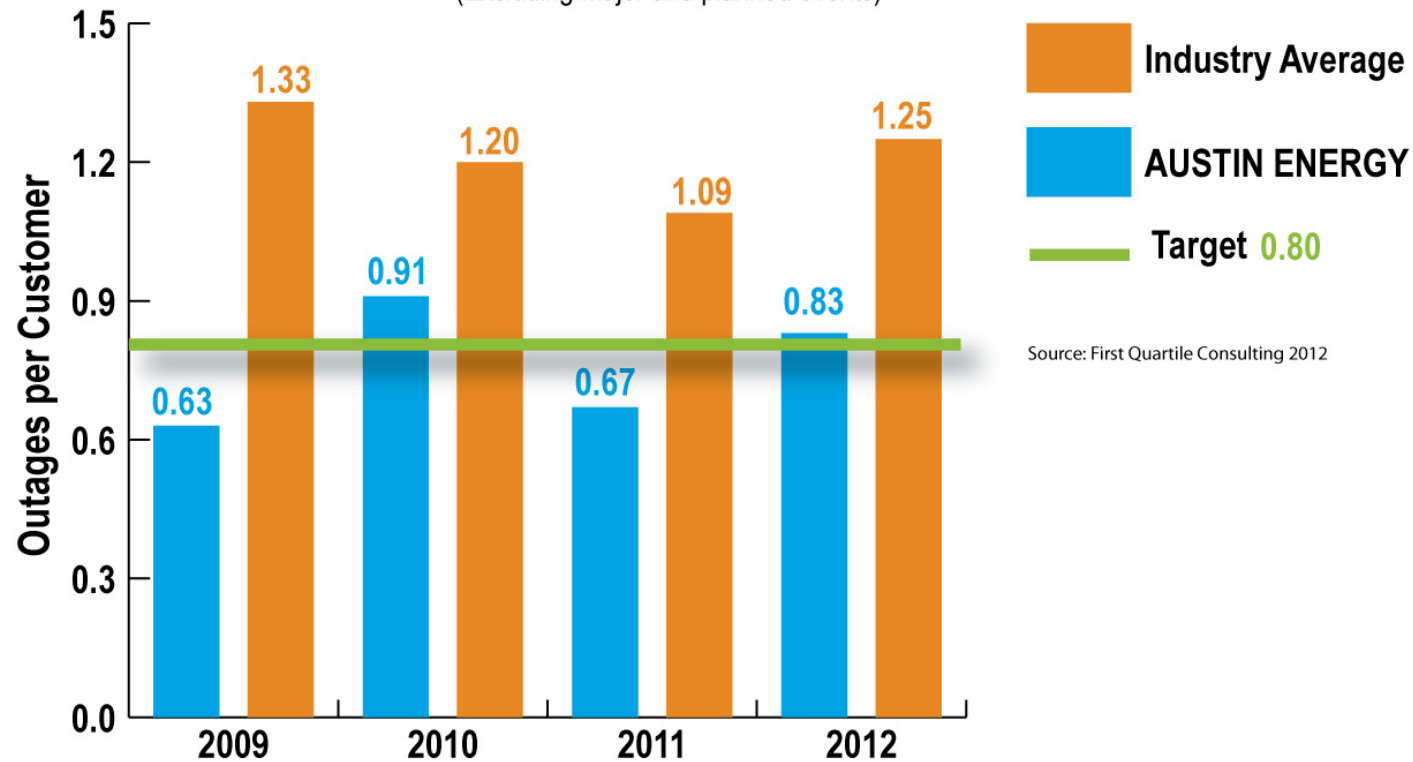




RELIABILITY PERFORMANCE MEASURE

System Average Interruption FREQUENCY Index (SAIFI) CY 2009-2012

(Excluding major and planned events)





CONSUMER SERVICE HIGHLIGHTS





CONSUMER SERVICE HIGHLIGHTS

- **Time-of-Use Rates**
- **Implementation of Austin Water & Austin Resource Recovery Billing Changes**
 - > February 1, 2013
- **Green Button**
- **Energy Efficiency Programs**
 - > New Vice President
- **Community Engagement**
 - > Regional Science Festival





COMMUNITY ENGAGEMENT





FINANCIAL UPDATE





FY 2012 FINANCIAL RESULTS

\$ in Millions	FY 2009	FY 2010	FY 2011	Unaudited FY 2012
Operating Revenues	\$1,162	\$1,148	\$1,249	\$1,180
Operating Expenses	870	887	933	896
Depreciation Expense	114	122	132	142
Operating Income/(Loss)	179	139	184	141
Other Revenue (Expense)	(82)	(65)	(55)	(64)
General Fund Transfer	95	101	103	105
Net Income/(Loss)	\$2	\$(27)	\$26	\$(28)
Debt Service Coverage	1.91	1.77	2.04	1.86
Debt/Equity Ratio	48%	49%	48%	48%





FY 2012 BUDGET TO ACTUAL COMPARISON

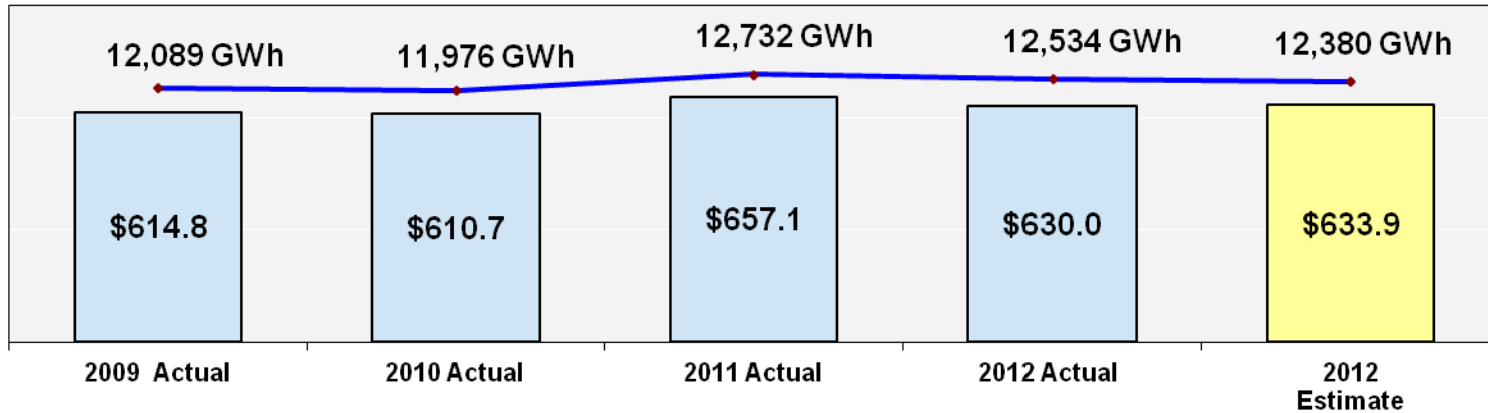
(\$ millions)	Amended Budget 2011-12	FY12 Estimated*	Actual Q4 2011-12	Difference Actual to Estimate
Beginning Balance	\$115.4	\$143.5	\$143.5	\$0.0
Base and Other Revenue	730.5	756.2	760.5	4.3
Fuel Revenue	408.9	427.1	425.9	(1.2)
Transfers In	25.0	25.0	24.8	(0.2)
Total Available Funds	\$1,164.4	\$1,208.3	\$1,211.2	\$2.9
Fuel Cost	408.9	427.1	425.9	1.2
Non-Fuel Operating Expense	452.5	452.5	444.0	8.5
Debt Service	175.1	166.5	167.0	(0.5)
Transfers	182.1	182.1	182.1	0.0
Total Expenditures	\$1,218.6	\$1,228.2	\$1,219.0	\$9.2
Excess(Deficiency)	(54.2)	(19.9)	(7.8)	12.1
Adjustment to GAAP			(8.5)	(8.5)
Ending Balance	\$61.2	\$123.6	\$127.2	\$3.6

* Estimate for Fiscal Year (FY) 2012 reported in FY 2013 Proposed Budget

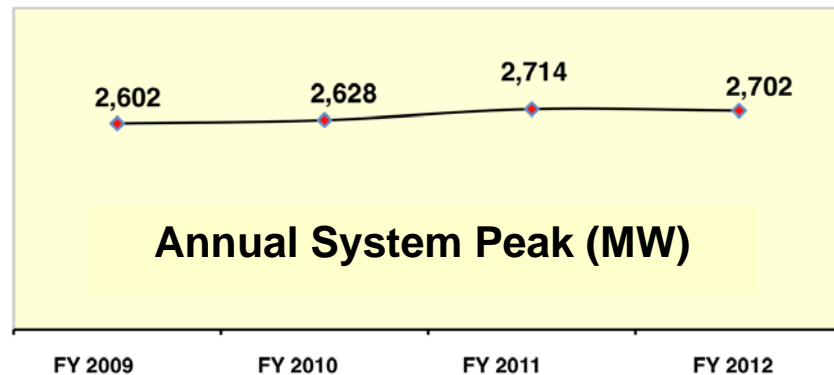




FY 2012 REVENUE HIGHLIGHTS

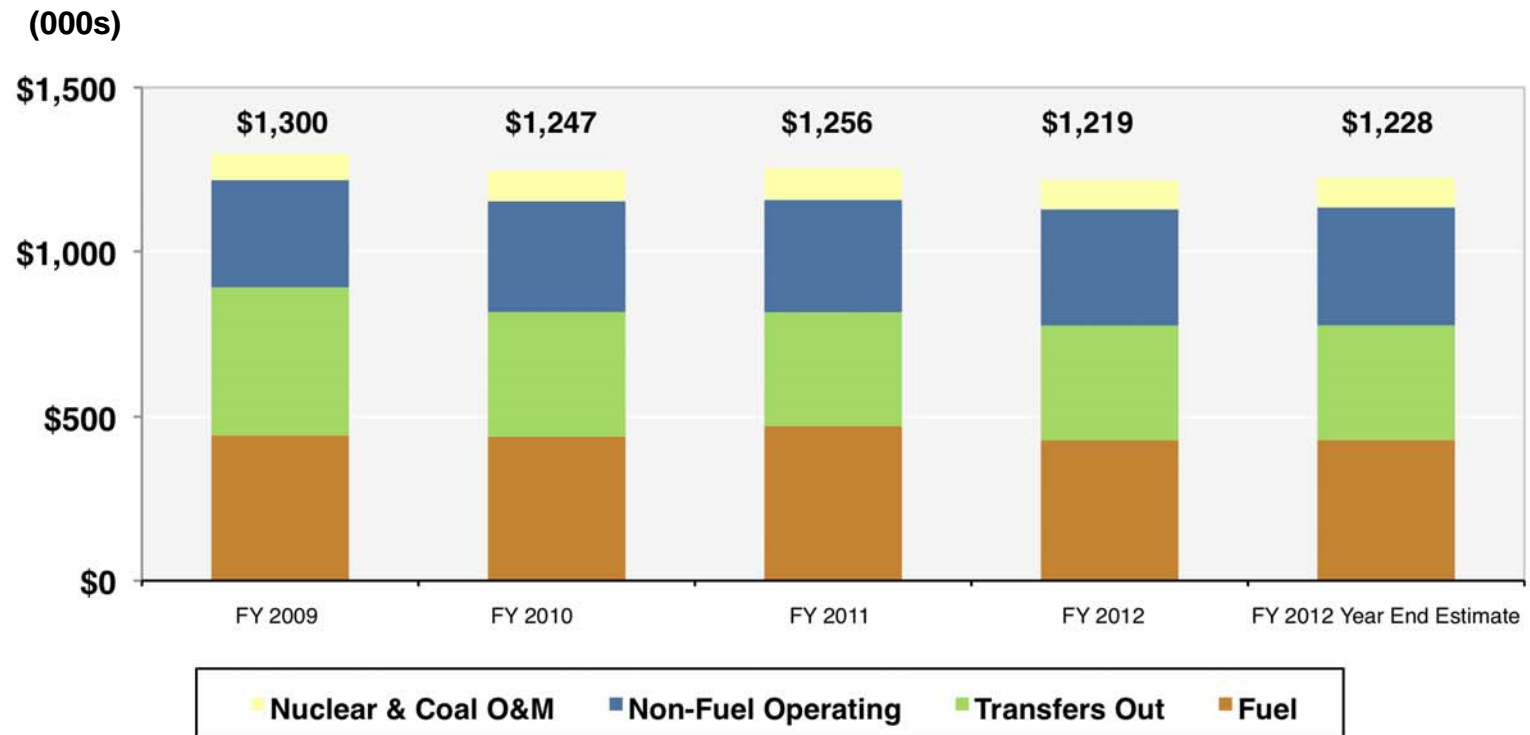


Base Revenue \$ (in Millions) Billed GWh Sales





FY 2012 EXPENSE HIGHLIGHTS

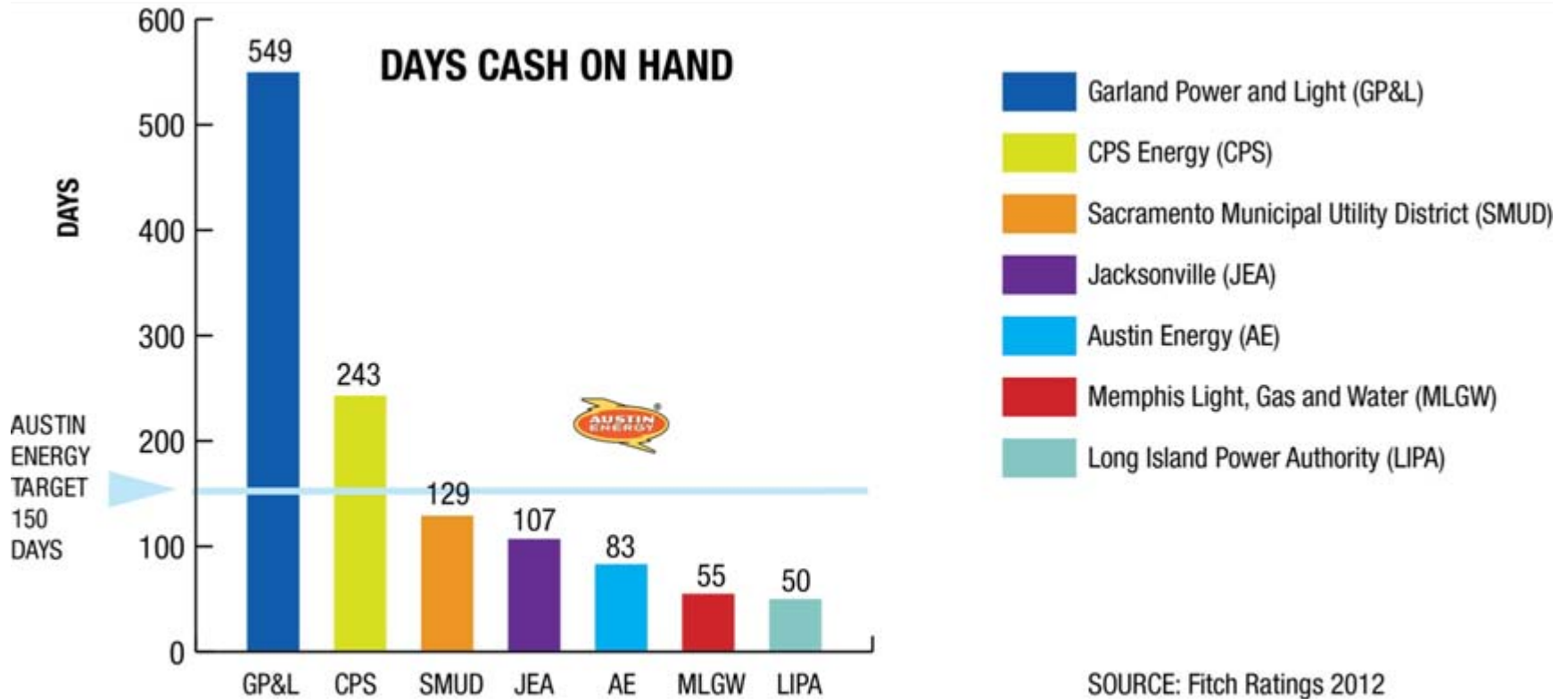


Total Requirements \$9.2 million below estimate





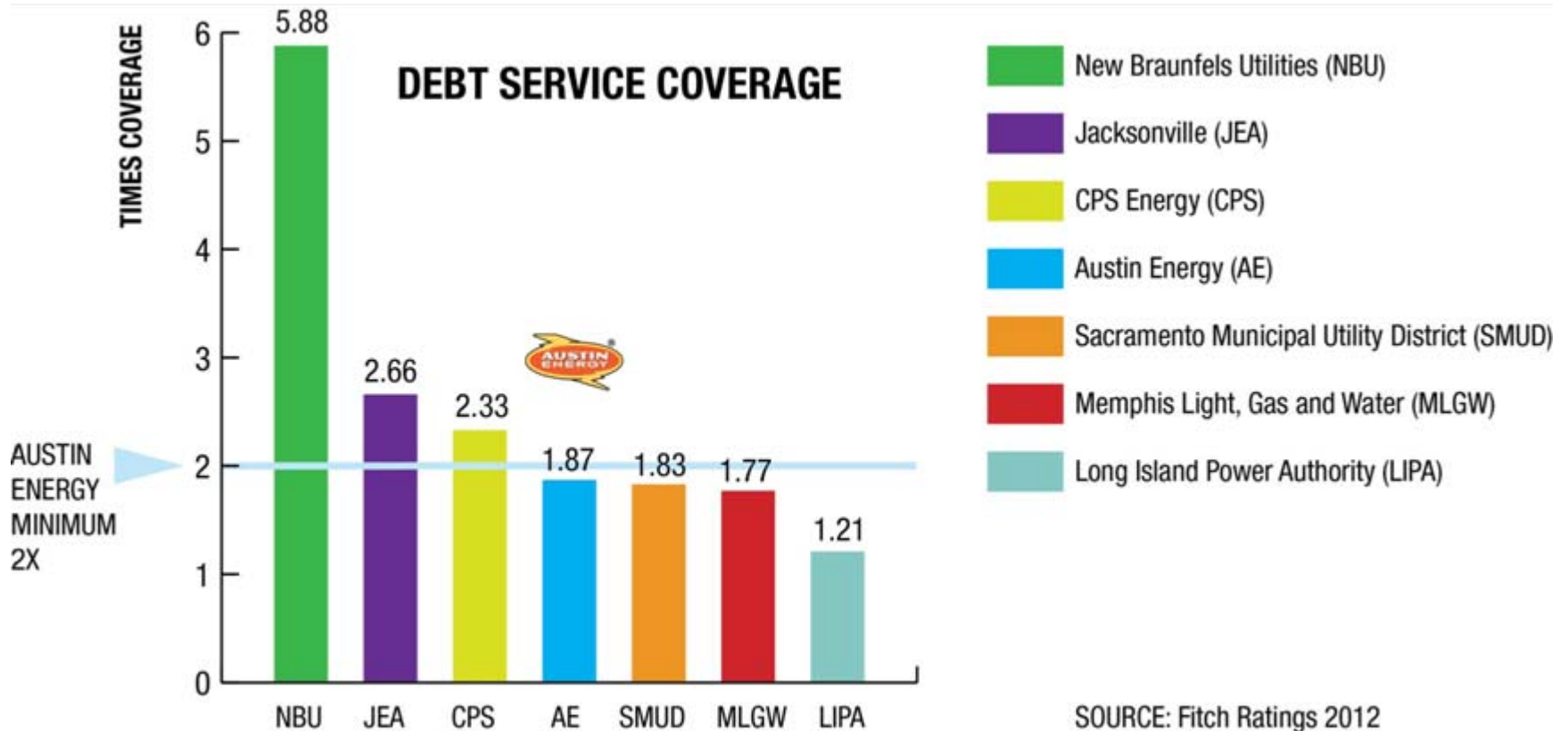
PERFORMANCE MEASURE AVAILABLE CASH





PERFORMANCE MEASURE

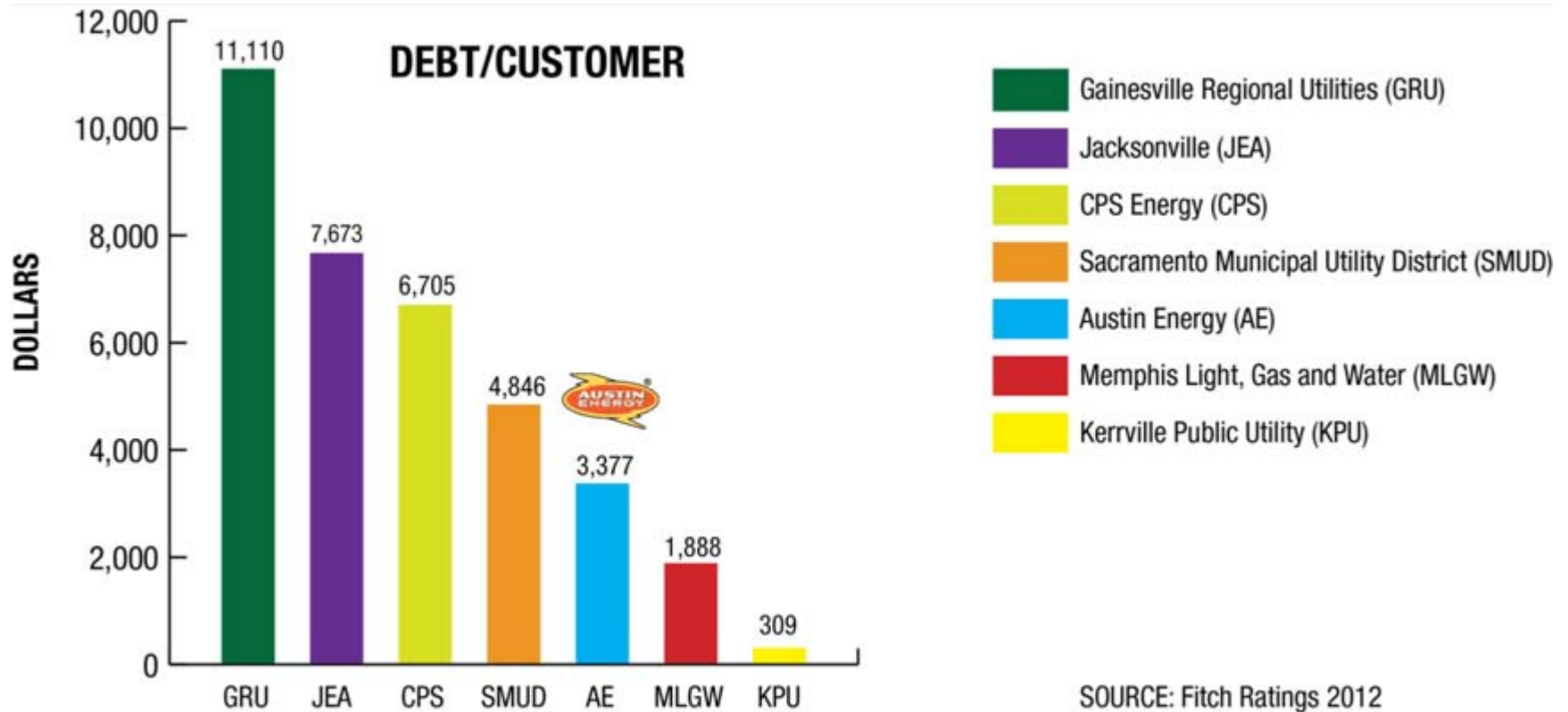
DEBT SERVICE COVERAGE





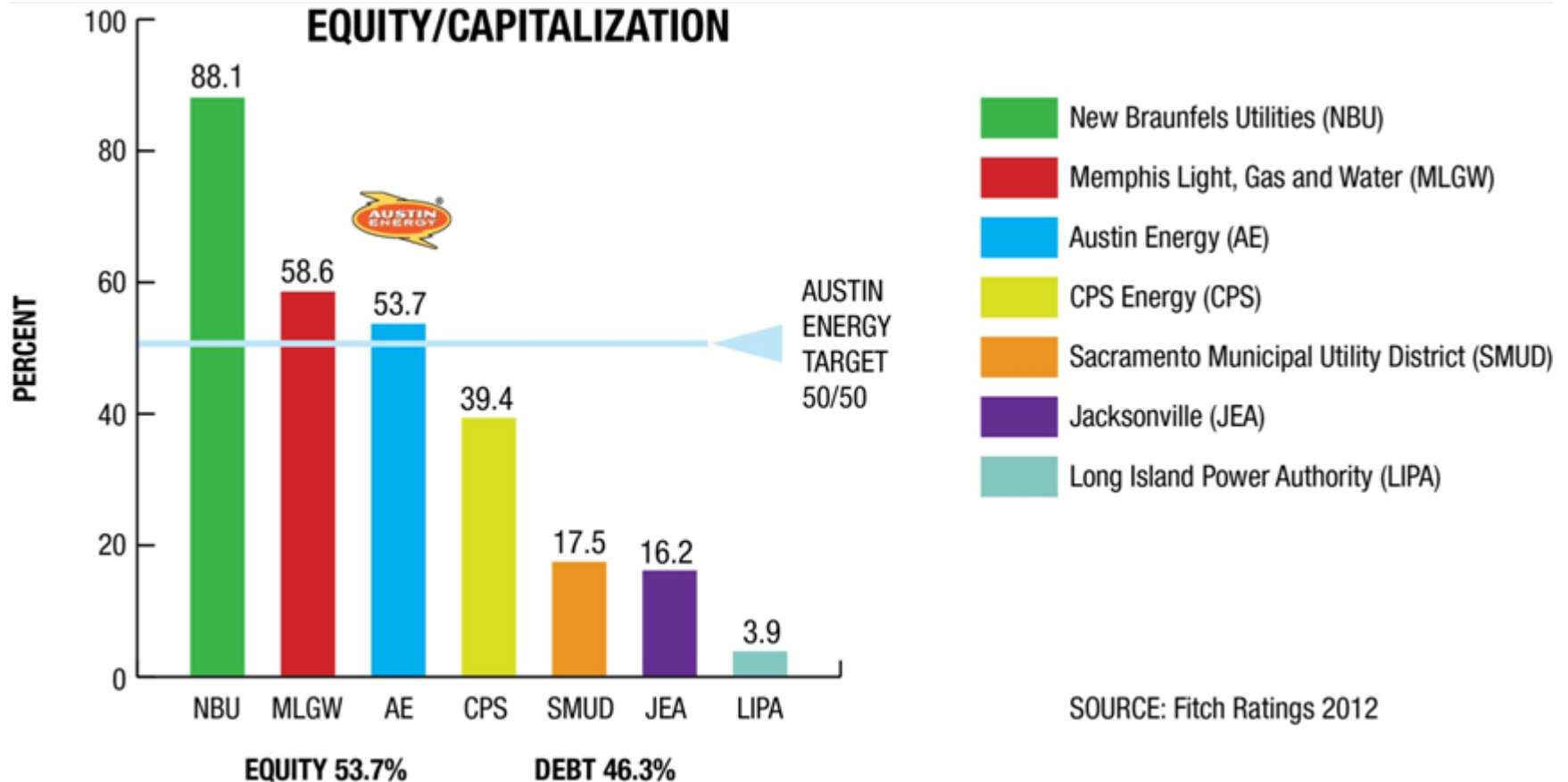
PERFORMANCE MEASURE

DEBT PER CUSTOMER





PERFORMANCE MEASURE EQUITY TO DEBT RATIO





QUESTIONS?

