AUSTIN ENERGY
ANNUAL PERFORMANCE REPORT

Year Ended September 2012

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

Published July 26, 2013

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

TABLE OF CONTENTS

Austin Energy Highlights FY 2012 ____ **4**

Clean ____ **6**

Carbon Intensity ____ 6

Plant Emissions ____ 6

Energy Conservation Audit and Disclosure Ordinance (ECAD) ____ 8

Energy Efficiency Peak Demand Savings ____ 11

Energy Efficiency Avoided Emissions ____ 11

Energy Efficiency Program Expenditures ____ 13

Residential and Commercial Rebates ____ 14

Velocity Credit Union Loans ____ 14

Grant Activity ____ 15

GreenChoice® ____ 16

Purchase Power Agreements ____ 17

Renewable Energy ____ 17

Solar Rebate Program ____ 18

Affordable ____ **23**

Bad Debt Expense ____ 23

Bill Comparisons ____ 24

Average Rates for Residential, Commercial and Industrial Customers ____ 25

Bond Ratings ____ 28

Operating Budget ____ 29

CIP and O&M Expenditures ____ 29

Customers ____ 30

Fuel Collections ____ 32

Fuel Costs ____ 32

Fuel Charge ____ 34

Heat Rate ____ 35

Generation by Fuel Type 36
Generation Capacity/Capacity Factor 37
System Peak Demand 38
System Fuel Cost Average 38
System Production Cost 38
Reliable 39
Equivalent Availability Factor 39
Plant Outages 39
ERCOT Forced Load Reduction 41
Reliability (SAIFI/SAIDI/SATLPI) 41
Line Clearance Program (Tree Trimming) 42
Service 43
City of Austin Contact Center 43
Austin 3-1-1 Call Center 44
Payment Arrangements 45
Budget Billing 45
Low-Income Discount Program 46
Plus 1 Fund 47
Free Weatherization Program 48
Medically-Vulnerable Program 48
Customer Satisfaction Ratings 49
Payment Processing 50
Web Links 51

Data reflects the City of Austin's 2012 fiscal year ending Sept. 30, 2012, unless otherwise stated.

Austin Energy Highlights FY 2012

Austin Energy strives to deliver clean, affordable, reliable energy and excellent customer service. The utility is nationally recognized for its leadership in energy efficiency; commitment to clean energy resources; and collaboration with energy consortia such as the Pecan Street Inc. to help reinvent the energy delivery system as we know it.

The American Public Power Association (APPA) ranks Austin Energy as the eighth largest of the 2,000 public utilities in the United States. It is one of three utilities, and the first public power utility in Texas, to earn the Reliable Public Power Provider (RP3) Diamond Level recognition. This is the highest recognition level awarded by APPA to public utilities for excellence in reliability, safety, and work force development.

The Austin Energy electric system is rated among the best in the nation for reliability. In FY 2011, the Austin Energy system experienced 0.77 outages per customer with an average duration of 60.74 minutes. Austin Energy completed tree trimming to reduce the risk of tree-related outages along 375 miles of power lines. Austin Energy was also designated a Tree Line USA utility for the 11th year in a row by the Arbor Day Foundation for following best practices in line clearance.

Clean energy resources are a major goal of Austin Energy. The utility has set an aggressive goal that 35 percent of energy produced will come from renewable resources by 2020. Austin Energy's total contracted wind generation capacity increased by 45 percent to more than 630 megawatts (MW) in 2012. A 30 MW solar farm near Webberville, one of the largest utility-scale solar projects in the U.S., came online in December 2011, and a 100 MW biomass project in Nacogdoches came online in June 2012. During FY 2012, almost 15 percent of the power delivered by Austin Energy came from renewable resources.

The Solar Electric Power Association named Austin Energy the 2012 Public Power Utility of the Year for innovation and leadership in solar power. AE was recognized for development of a "value of solar" pricing approach and for a successful solar program that includes facilitation of the 30 MW Webberville project and 7 MW of installed solar on homes, businesses, city facilities and schools. Announcement of the award coincided with AE's completion of a 105-kilowatt solar system on the roof of the George Washington Carver Museum and Library, the 45th public facility in Austin to receive a solar system through the Austin Energy solar program.

Two critical and far-reaching projects that directly affect every Austin Energy customer were prominent in FY 2012. October 2011 began with the go-live implementation of a new Customer Care and Billing System (CC&B). The CC&B is a once-in-a-decade major project that has involved long hours from many employees in the Customer Care, Information Technology and Finance groups. In Spring 2012, the Austin City Council after months of work approved a new five-tier residential rate structure and modified commercial rates that represent the first update of Austin Energy rates in 18 years. The new rates were implemented in October 2012.

Austin Energy Green Building celebrated a major milestone in April 2012, rating its 10,000th single-family home since the program began in 1991. One-third of building permits for new single-family homes issued in Austin are for green building-rated homes. The 10,000th home is a 5-star-rated home that is so energy efficient the owners used a total of 1,300 kilowatt-hours (kWh) of electricity in one year (less than the average home in Austin uses during a summer month). This includes just 400 kWh total during summer 2011, the hottest ever recorded in Austin.

Austin Energy also was recognized for the eighth year in a row for energy efficiency program excellence. The 2012 Energy Star Sustained Excellence Award was presented to Austin Energy by the U.S. Environmental Protection Agency and the U.S. Department of Energy. The award recognizes leadership and long-term commitment to protecting the environment through energy efficiency.

In FY 2012, Austin Energy successfully met stringent federal funding guidelines to complete the weatherization of 1,886 homes — 77 percent more than the original goal — for customers living in poverty or with low incomes. Despite complex process requirements and a strict schedule that resulted in other award recipients losing awarded funds, Austin Energy's performance was so consistent that the utility received additional funding that ultimately totaled $9.2 million — 60 percent more than the original award. Under this program, each dwelling received, on average, about $5,000 worth of improvements including new energy efficient appliances, and air conditioning and heating equipment.

Austin became the first U.S. city to require apartment properties with higher than average unit energy use to disclose that information to prospective renters, and the first to require all complexes to give every prospective tenant an estimated monthly electric bill. The requirements stem from the City of Austin Energy Conservation and Disclosure (ECAD) ordinance. AE has mailed notification letters to 51 properties with energy use per square foot that is 50 percent or higher than the average for similar properties. The 51 properties are required by ECAD to tell prospective renters in writing they may experience higher electric bills than for similar apartment properties elsewhere.

Electric Service Delivery was re-certified and Customer Care certified for ISO-9000 international quality management. Both business units are the first in the utility industry to be ISO certified, which requires extensive process and work documentation and ongoing quality checks. Power Supply and Market Operations is also in the process of developing a Quality Management System.

Clean

*Austin Energy's mission is to deliver **CLEAN**, affordable, reliable energy and excellent customer service.*

Austin Energy has an aggressive goal to reduce carbon dioxide (CO_2) emissions by 2020 to a level that is 20 percent below 2005 levels. The Austin City Council approved this goal in April 2010 as part of Austin Energy's Generation Plan.

Austin Energy calculates emissions data using carbon dioxide (CO_2) equivalents. This is a measure used to compare the emissions of different greenhouse gases based on their global warming potential.

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 kWh from all Austin Energy resources. Austin Energy generation resources include natural gas, coal and nuclear-powered units, renewable resources owned by Austin Energy 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 0 lbs. of CO_2-equivalents/kWh.

Table 1: Austin Energy System Average Carbon Intensity in Pounds of CO_2-eq/kWh

Carbon Intensity by Calendar Year	CY 2008	CY 2009	CY 2010	CY 2011	CY 2012
CO_2-eq/kWh	1.16	1.1	1.1	1.18	1.03

Plant Emissions

Total stack greenhouse gas emissions reported in Table 2 include carbon dioxide (CO_2) as well as the greenhouse gases methane and nitrous oxide. They are reported as metric tonnes of CO_2-equivalents. Non-CO_2 greenhouse gases make up less than 1 percent of Austin Energy's stack emissions.

Table 2: Austin Energy Total CO_2-equivalent Stack Emissions from Owned Generation in Metric Tonnes

Calendar Year	CO_2-eq Emissions in Metric Tonnes
CY 2012	4,635,867
CY 2011	5,836,305
CY 2010	5,113,139
CY 2009	5,503,901
CY 2008	5,888,310

Plant gas emissions reported in Table 3 do not include CO_2-equivalents and are reported in English dry tons. Austin Energy uses English dry tons as required for annual reporting to the Environmental Protection Agency (EPA).

Table 3: Plant Emissions Reported Annually to EPA

Plant Emissions (English tons/year)								
Year	Emission	Decker Creek Power Station	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
CY 2008	SO_2	11	4	**15**	6,626	6,965	**13,590**	**13,606**
	NO_x	1,336	136	**1,472**	1,160	1,135	**2,295**	**3,767**
	CO_2	1,124,095	873,229	**1,997,324**	2,223,914	2,198,213	**4,422,127**	**6,419,451**
CY 2009	SO_2	5	4	**9**	6,102	5,943	**12,045**	**12,054**
	NO_x	1,016	136	**1,152**	986	1,041	**2,027**	**3,179**
	CO_2	974,673	847,663	**1,822,336**	2,122,204	2,123,122	**4,245,326**	**6,067,662**
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**
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 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**

Energy Conservation Audit and Disclosure Ordinance (ECAD)

The Austin City Council approved the Energy Conservation Audit and Disclosure (ECAD) ordinance in 2008 (and a revised version in April 2011) to improve the energy efficiency of homes and buildings that receive electricity from Austin Energy. The ordinance supports one of the goals of the Austin Climate Protection Plan, which is for the utility to offset 800 megawatts (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. Multi-family 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 new phased-in reporting that began June 1, 2012, for buildings 75,000 square feet and larger.

Table 4: Single-Family Audits

Dates	Home Sales	Exempt from Ordinance	Not Exempt from Ordinance	All Homes Audited	% Non Exempt Homes Audited
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%
June 1, 2009 to Sept. 30, 2009	4,383	1,729	2,654	2,027	76%

Notes:
The term "sale" corresponds to deed transfer. Sales data is from the City of Austin Data Mart, Travis Central Appraisal District and Williamson Central Appraisal District records.
The term “Exempt” corresponds to a property that is less than 10 years old, performed at least $500.00 in retrofits, or participated in the Austin Energy Home performance or Free Weatherization programs. Participant data comes from the REIP and PowerSaver databases.
Only one audit is counted per property ID.

Table 5: Single-Family Audit Results

Audit Dates	% 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
June 1, 2009 to Present	97%	54%	78%	74%	80%

Table 6: Single-Family Audit Results

Year Built	Average % Duct Leakage	Average Conditioned Square Footage	Average Sq-ft/ Ton	Average HVAC EER	Average HVAC Age	Average Attic R-Value	% with Gas Heat	% with Gas Water Heaters	% with Water Saving Toilets	% with Lawn Irrigation Systems
Prior to 1985	21%	1,603	495	10.03	9.3	20	62%	64%		
1985 or After	17%	2,219	513	9.97	10.3	26	62%	62%	68%	31%

Table 7: Multi-Family Audits

	Number of Audits Completed
FY 2012	99
FY 2011	629
Total number of Apartment Communities Audited	**728**

The multi-family phase of the ECAD ordinance went into effect in 2011. The majority of properties requiring an audit complied at that time while another 99 properties complied in 2012. Of the 1,400 multi-family properties in Austin, 66 percent of the properties requiring audits have complied. Properties less than 10 years old or who have met an energy efficiency exemption as stated in the City code are exempt from having an audit.

Table 8: Multi-Family Audits

(Fiscal years represent cumulative totals.)

Fiscal Year	Apartment Communities within the Austin City Limits	Apartment Communities Exempt from Audit	Apartment Communities Not Exempt from Audit	Apartment Communities Audited	% Non Exempt Communities Audited
FY 2012	1,372	276	1,096	728	66%
FY 2011	1,347	270	1,077	629	58%

Table 9:Multi-Family Audit Results

Averages by Category	Electric Heat: Built prior to 1985	Electric Heat: Built 1985 to 2001	Electric Heat: Built 2001 to present	Gas Heat: Built prior to 1985	Gas Heat: Built 1985 to 2001	Gas Heat: Built 2001 to present
Audited Communities	372	74	3	221	51	7
Average Size Property (square footage)	751	813	883	747	912	1,040
Number of Floor Plans	4	5	3	3	7	5
Number of Floors	2	2	1	2	1	3
Average R-Value for Ceiling Insulation	14	20	17	14	21	26
Duct Leakage Rates	36%	28%	35%	37%	45%	34%
FY 2012 Energy Utilization Index (kWh/sq-ft/year)*	12.03	12.05	9.89	9.58	9.13	8.41

Table 10: Multi-Family Audit Results

Fiscal Year	Total Number of Buildings Audited	Total Number of Air Ducts Tested
FY 2012	548	610
FY 2011	4,309	5,362

Table 11: Multi-Family Audit Results

The multi-family audit results are used to generate an Energy Guide for prospective tenants. The Energy Guide is designed to show the range of electric costs for Austin properties. While electric bills depend on many factors, this is one way to help potential renters estimate their electric bills and decide whether a property is a good fit for them.

On-site Laundry	Window Units	Furrdown Air Handling Units	Previous AE Participation	Needing Window Screens	Single Pane Windows	Low e Windows	Pitched Roofs	Flat Roofs
78%	7%	34%	16%	81%	76%	6%	86%	14%

Table 12: Commercial Buildings Requiring Audits

	Buildings or Campuses over 75K sq-ft.	Buildings or Campuses between 30K and 75K sq-ft.	Buildings or Campuses 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	632	877	1,534	64	135	2,108
Total Number of Buildings or Campuses Reported	478	155	33			
Total Number of Buildings or Campuses Unreported	154	Not required until 6/1/2013	Not required until 6/1/2014			
Total Square Footage of All Required Buildings (million square feet)	102.0	42.6	25.8			
Total Square Footage of All Reported Buildings (million square feet)	81.6	8.4	0.7			
Total Square Footage of All Unreported Buildings (million square feet)	20.4	34.2	25.1			

Energy Efficiency Peak Demand Savings

Austin Energy's energy efficiency programs are designed to lower energy usage and reduce the amount of load on the electric system. Peak demand is the highest point of energy usage on any given day and typically occurs between the hours of 4 and 6 p.m. In FY 2012, 48.21 megawatts (MW) of peak demand were avoided through energy efficiency programs. Energy savings totaled 106-million kilowatt-hours (kWh), which is enough electricity to power almost 10,000 homes in Austin. Total energy savings since 1982 is about 1.7 billion kWh.

Table 13: Peak Demand

Peak Demand Reduction in MW	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Residential	25.3	19.4	18.9	17.2	15.2
Commercial	19.7	19.6	14.9	19.5	21.1
Green Building	19.2	13.4	7.5	9.6	11.9
Total	**64.2**	**52.4**	**41.2**	**46.3**	**48.2**
% of 800 MW (cumulative)	**16%**	**23%**	**28%**	**34%**	**40%**

Energy Efficiency Avoided Emissions

Austin Energy's energy efficiency programs (see Table 15) help reduce the amount of air-polluting emissions released by power plants into the atmosphere. In FY 2012, more than 73,000 metric tonnes of carbon dioxide was avoided. This helps meet Austin Climate Protection Plan goals by avoiding increases in power plant emissions.

Table 14: Avoided Emissions

	Carbon Dioxide	Nitrogen Oxides	Sulfur Dioxide	Carbon Monoxide	Suspended Particulates	NMOC / VOC	Total
Residential Efficiency	11,935	8.3	7.5	5.8	1.0	0.3	**11,958**
Commercial Energy Management	35,613	24.8	22.4	17.3	3.0	0.9	**35,681**
Green Building	16,136	11.2	10.2	7.8	1.4	0.4	**16,167**
Total Metric Tonnes	**63,683**	**44.4**	**40.1**	**30.9**	**5.5**	**1.5**	**63,805**
Total English Tons	**70,199**	**48.9**	**44.3**	**34.0**	**6.0**	**1.7**	**70,333**

Table 15: Energy Efficiency Energy Savings

Program (kWh)	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Residential Efficiency					
Appliance Efficiency Program	4,091,910	4,541,960	5,352,866	6,204,553	4,631,415
Home Performance with Energy Star - Rebate	4,390,425	4,864,425	5,808,475	5,765,025	4,348,950
Home Performance with Energy Star - Loan	420,675	377,225	215,275	140,225	67,150
Free Weatherization	551,965	588,034	498,408	1,141,092	809,913
Multi-Family	23,847,000	11,359,498	13,231,310	7,197,413	7,885,593
Clothes Washer Rebates	234,144	252,864	296,352	186,336	119,232
Refrigeration Recycling	2,925,390	2,667,665	2,529,864	2,057,157	1,667,975
Power Partner Program	97,353	76,822	45,247	14,808	8,732
Cycle Saver Program	7,422	10,092	12,054	5,682	3,522
CFL Program*	6,243,969	13,889,516	-	-	-
Subtotal Residential	**42,810,253**	**38,628,102**	**27,989,850**	**22,712,290**	**19,542,481**
Commercial Energy Management					-
Commercial Rebate & Interlocal Agreement	42,783,000	29,997,698	37,125,977	53,244,000	55,296,980
Small Business	3,652,000	2,032,928	5,311,072	12,292,260	1,997,330
Municipal	383,000	645,938	1,802,217	3,150,140	1,380,230
Power Partner	14,375	8,327	8,424	1,804	119
Load Co-op	19,200	56,810	5,333	102,000	-
Commercial Smart Vendor	491,820	181,505	137,007	158,085	3,513
Subtotal Commercial	**47,343,395**	**32,923,206**	**44,390,031**	**68,948,289**	**59,308,172**
Green Building					
Residential	1,529,458	1,066,576	1,081,556	200,304	120,525
Residential Energy Code	7,914,378	4,677,045	5,137,214	7,258,474	9,357,452
Multi-Family	-	1,812,473	640,502	207,794	1,813,441
Multi-Family Energy Code	4,627,215	2,176,380	281,196	2,563,506	8,019,501
Commercial	13,377,473	11,933,710	5,298,801	7,503,482	1,746,663
Commercial Energy Code	14,590,123	9,010,577	4,137,904	8,005,663	5,814,375
Subtotal Green Building	**42,038,647**	**30,676,761**	**16,577,173**	**25,739,223**	**26,871,956**
Total DSM (kWh) Per FY	**132,192,295**	**102,228,069**	**88,957,053**	**117,399,802**	**105,722,610**

*After 2009, Austin Energy no longer provided coupons for CFLs at retail locations. Customers can still, however, receive CFL incentives through vendor install programs such as Austin Energy's Home Performance with Energy Star.

Energy Efficiency Program Expenditures

Austin Energy provides rebates and partners with Velocity Credit Union to provide low interest loans as incentives for customers who make energy efficiency improvements. During FY 2012, Austin Energy provided customers approximately $11.9 million in incentives to help pay for energy efficiency improvements.

Table 16: Energy Efficiency Program Expenditures

Electric Rebates and Incentives	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual
Free Weatherization	$757,545	$752,132	$513,909	$6,291	$598,003
Multi-family Rebates	$1,461,516	$1,143,984	$2,098,407	$1,784,498	$2,734,740
Loan Options	$233,380	$228,712	$86,029	$34,867	$24,137
Home Performance w Energy Star	$0	$0	$0	$0	$2,140,221
Rebate Options	$3,201,580	$4,056,167	$5,469,084	$5,300,279	$41,595
Clothes Washer Rebates	$50,495	$50,000	$56,600	$30,700	$20,750
Duct Diagnostic/Sealing Rebates	$80,654	$56,918	$37,490	$10,205	$3,770
Nexus-Home Audit CD	$56,123	$60,994	$59,051	$57,085	$56,550
Compact Fluorescent Distribution*	$101,265	$427,230	$0	$0	$0
Municipal/ Loan Star Debt Service	$0	$0	$790	$11,247	$58,957
Commercial-Existing Construction	$3,193,100	$2,706,843	$2,845,133	$2,844,440	$3,001,704
Small Businesses	$666,400	$248,639	$963,957	$556,614	$379,963
Green Building**	$0	$0	$0	$0	$0
Commercial Power Partner	$221,300	$300,880	$205,923	$128,463	$97,381
Commercial Miser Program	$0	$139,897	$1,496	$0	$0
Commercial Finance Program	$0	$0	$0	$0	$0
Solar rebates	$4,198,494	$6,710,009	$3,910,771	$4,574,033	$5,849,240
Refrigerator Recycle program	$515,186	$517,615	$508,294	$470,912	$346,040
Multi-Family Duct Sealing	$125,800	$509,055	$72,978	$8,492	$0
Residential Power Partner	$1,095,913	$670,259	$807,111	$665,876	$400,035
Load Coop	$4,567	$7,508	$9,289	$455,035	$135,250
Thermal Energy Storage	$0	$0	$0	$0	$0
Plug-In Vehicle Charging Station Rebates	$0	$0	$0	$47,832	$179,376
Cycle Saver	$0	$0	$0	$0	$0
Appliance Efficiency Program	$0	$0	$0	$0	$1,647,015
Air Conditioning Rebates	$0	$0	$0	$0	$20,500
Grand Total	**$15,963,318**	**$18,586,842**	**$17,646,312**	**$16,986,869**	**$17,735,225**
Change over prior year	8%	16%	-5%	-4%	4%
Total without solar rebates	**$11,764,824**	**$11,876,833**	**$13,735,541**	**$12,412,836**	**$11,885,985**

*After 2009, Austin Energy no longer provided coupons for CFL at retailer locations.
**The successful Green Building program does not use cash incentives.

Residential and Commercial Rebates

Table 17: Residential and Commercial Rebates

Fiscal Year	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Residential					
Rebate	$7,679,457	$8,473,066	$9,708,953	$8,369,205	$8,033,355
No. of rebates	44,177	37,911	37,267	26,438	29,759
Avg. Rebate	$174	$223	$261	$317	$270
$/kW	$304	$436	$515	$541	$520
$/kW with GB	$223	$341	$417	$355	$341
¢/kWh	2.06	2.52	3.99	4.24	4.65
¢/kWh with GB	1.55	2.02	3.18	2.92	2.50
Commercial					
Rebate	$4,085,367	$3,403,767	$4,026,588	$3,995,799	$3,673,254
No. of rebates*	2,527	1,572	1,629	1,151	909
Avg. Rebate	$1,617	$2,165	$2,471	$3,472	$4,041
$/kW	$207	$174	$270	$189	$174
$/kW with GB	$138	$124	$224	$160	$147
¢/kWh	1.07	1.28	1.12	0.72	0.76
¢/kWh with GB	0.67	0.78	0.92	0.58	0.67
Total Rebate	**$11,764,824**	**$11,876,833**	**$13,735,541**	**$12,365,004**	**$11,706,609**

Velocity Credit Union Loans

During FY 2008-2011, the Home Performance program bought down the loan interest rate for participating customers at a total cost to Austin Energy as reported in Table 17. In FY 2012, a Better Building Grant totaling $5 million was deposited into Velocity to back loan projects; the total value of the 42 loans is reflected as an AE cost in the table.

Table 18: Velocity Credit Union

Fiscal Year	Participants	Loans
FY 2012	42	$335,158.47
FY 2011	70	$49,953
FY 2010	116	$83,769.70
FY 2009	202	$226,418.05
FY 2008	213	$234,396.39

Grant Activity

Table 19: Grants Awarded to Austin Energy

Grant Name	Grantor	Grant Award	Term	Expenditures FY 2012
Solar City Partnership	Department of Energy	$206,930	09/15/2007 - 04/30/2012	$62,331.16
ARRA - Weatherization	Texas Department of Housing & Community Affairs	$9,604,809	09/01/2009 - 04/30/2012	$3,452,134.73
ARRA - EECBG	Department of Energy	$7,492,700	12/28/2009 - 12/27/2012	$3,362,495.76
Central Texas Clean Cities - LTI	Leonardo Technologies, Inc.	$72,500	11/16/2009 - 10/31/2011	$24,642.75
ARRA- Solar Curriculum Development & School Demo	Department of Energy	$450,000	01/01/2010 - 06/30/2012	$130,868.25
ARRA - Propane Vehicles/Infrastructure	Railroad Commission of Texas	$22,921	07/15/2010 - 09/30/2011	$855.00
Urban Forest Grant Program	Austin Community Foundation for the Capital Area	$43,200	8/18/2011-8/30/2012	$43,200.00
ARRA - Carver Museum and Library	State Energy Conservation Office	$363,250	09/19/2011 - 04/30/2012	$363,250.00
The Texas River Cities Electric Vehicle Initiative	Department of Energy	$499,782	10/01/2011 - 06/30/2013	$133,137.91
Sun Shot Initiative	City of San Antonio	$52,355	06/28/2012 - 02/14/2013	$0
Total		**$27,344,390**		**$9,754,845.41**

GreenChoice®

Austin Energy's GreenChoice® program is the nation's most successful utility-sponsored, voluntary green-pricing energy program. Customers who subscribe to GreenChoice® pay a renewable energy charge in place of the Fuel Charge. GreenChoice® participants have assisted Austin Energy with adding renewable energy resources, primarily wind power, to its generation portfolio. These customers have a green power rate that is locked in for five or 10 years to provide a hedge against the volatile cost of fossil fuels.

Austin Energy has led all 850 utility-sponsored programs in the country for the most renewable energy sales every year since 2002.

Beginning Oct. 1, 2011, the City of Austin switched to 100 percent clean, renewable energy — becoming the largest local government in America to power all of its facilities with 100 percent green energy (excluding generation plants and street lighting).

Table 20: GreenChoice® Batch Subscriptions

Agreement	GreenChoice® Residential kWh	GreenChoice® Commercial kWh	GreenChoice® Total kWh	% Subscribed	Total kWh Purchased
Batch-3	8,459,452	84,839,032	93,298,484	100%	$93,298,484
Batch-4	17,917,818	14,487,780	162,795,618	100%	$162,795,618
Batch-5	16,835,353	149,051,218	165,886,571	100%	$165,886,571
Batch-6	24,242,215	298,219,821	322,462,036	74%	$435,784,549
non GreenChoice renewable energy					$1,224,452,002
Totals	**67,454,838**	**546,597,851**	**744,442,709**		**$2,082,217,224**

Table 21: Renewable Energy and GreenChoice® Sales

Fiscal Year	Total Renewable Energy Purchased Annually (kWh) by Austin Energy	GreenChoice® Sales (kWh) (Includes CAP sales)	Renewable Energy to Fuel Charge (kWh)
FY 2012	2,082,217,224	744,442,709	1,337,774,515
FY 2011	1,246,081,470	719,458,823	526,622,647
FY 2010	1,245,230,733	862,764,289	382,466,444
FY 2009	1,279,082,866	828,592,825	450,490,041
FY 2008	797,480,831	730,868,214	66,162,617

Table 22: Avoided Emissions Associated with FY 2012 Renewable Energy Purchases

Total Renewable Energy Purchases (MWh)	Equivalent emissions in ERCOT (English Tons)*		
	NOx	CO2	SO2
2,082,217	750	1,230,309	2,334

*Avoided emissions are estimated based on the average rate of emissions from all generation in the ERCOT market: http://www.epa.gov/cleanenergy/documents/egridzips/eGRID2012V1_0_year09_SummaryTables.pdf

Purchase Power Agreements

Prior to 2011, Austin Energy had approximately 560 MW of wind power through purchase power agreements, with terms ranging from 10 to 25 years. The utility has set a goal that 35 percent of energy delivered to customers will come from renewable resources by 2020.

In September 2011, the Austin City Council approved two new wind contracts totaling 291 megawatts. This increased Austin Energy's total wind capacity under contract to more than 850 MW by 2013. Additionally, Austin Energy began purchasing all of the energy produced from the 30 MW Webberville Solar Project in December 2011 and 100 MW from a biomass plant in June 2012. This will bring Austin Energy's renewable energy portfolio closer to 25 percent by summer 2013.

Table 23: Purchase Power Agreements (current and upcoming)

Agreement	Type	Capacity (MW)	Term (years)	Duration	Expiration	Location
Lower Colorado River Authority	Wind	10.0	25	1995-2020	9/29/2020	West Texas
Sweetwater 2	Wind	91.5	12	2005-2017	2/11/2017	West Texas
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	30.0	25	2011-2036	12/22/2036	Central Texas
Nacogdoches	Biomass	100.0	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	Coastal

Renewable Energy

The Austin Energy Resource & Climate Protection Plan approved by the Austin City Council in 2010 set a target of achieving 35 percent renewable resources by 2020. This includes 200 MW of solar capacity and 1,000 MW of wind power. During FY 2012, almost 15 percent of the power produced by Austin Energy came from renewable resources.

Table 24: Renewable Energy Resources

Measure	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Total Renewable Energy Resources	6.6%	10%	10%	10%	15%
Installed Rooftop Solar Capacity Minus Losses (MW-AC) (Solar for Schools, municipal and rebate programs)	2.3 MW	3.5 MW	4.6 MW	6.2 MW	8.3 MW
Wind	273.2 MW	438.2 MW	438.2 MW	438.2 MW	633.9 MW

Solar Rebate Program

Austin Energy has a comprehensive Solar Rebate Program. In FY 2012, residential customers are provided $2.50 per watt, with annual rebate amounts limited to $15,000 and maximum rebates set at $50,000 for any individual customer. As of November 2009, 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 performance-based incentive (PBI) to the customer over a 10-year period times the kWh of solar energy produced. Over the next five years, the PBI program is expected to pay, on average, 8 cents per kWh of solar energy produced and will provide enough funding for 50 systems up to 200 kW in size. The PBI for systems implemented during FY 2012 was 14 cents/kWh.

Since the Solar Rebate Program began in 2004, Austin Energy has issued more than $31 million in rebates to residential customers and $6 million in rebates to commercial customers totaling 5.6 MW-AC of solar capacity. Total solar capacity in Austin (including the 30 MW Webberville solar farm) exceeded 38 MW-AC at the end of FY 2012.

Table 25: Solar Rebate Program

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Residential (Capacity Based Incentive)					
Rebate Dollars	$2,823,539.78	$4,228,791.48	$3,216,535.05	$4,711,101.25	$5,721,412.02
No. of Rebates	222	255	213	328	458
kW-AC	532.48	803.07	793.26	1,352.65	1,913.26
Avg. Rebate per customer	$12,718.65	$16,583.50	$15,101.10	$14,363.11	$12,492.17
Avg. System Size kW-AC	2.40	3.15	3.72	4.12	4.18
$/kW-AC	$5,302.67	$5,265.76	$4,054.81	$3,482.86	$2,990.41
Commercial (Capacity Based Incentive)			*Partial FY*		
Rebate Dollars	$1,455,069.01	$2,086,482.78	$556,648.87	N/A	N/A
No. of Rebates	25	37	10	N/A	N/A
kW-AC	262.72	376.62	106.28	N/A	N/A
Avg. Rebate per customer	$58,202.76	$56,391.43	$55,664.89	N/A	N/A
Avg. System Size kW-AC	10.51	10.18	10.63	N/A	N/A
$/kW-AC	$5,538.48	$5,540.05	$5,237.34	N/A	N/A
Commercial PBI (Performance Based Incentive)					
Rebate Dollars Paid	N/A	N/A	$0	$8,939.28	$36,810.48
No. of Projects Installed	N/A	N/A	1	8	10
kW-AC	N/A	N/A	18.5	157.9	89.91
Avg. System Size kW at PTC per customer	N/A	N/A	18.5	19.74	8.99
Incentive rate ($/kWh)	N/A	N/A	$0.14	$0.14	$0.14

Table 25: Solar Rebate Program (contd.)

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Solar Water Heating					
Rebate Dollars	$27,000	$52,000	$88,000	$93,500	$185,000
No. of Rebates	14	27	41	44	90
kW-AC	9.1	17.55	26.65	30.875	60.45
Avg. Rebate per customer	$1,928.57	$1,925.93	$2,146.34	$2,125.00	$2,055.56
Avg. System Size kW-AC	0.65	0.65	0.65	0.70	0.67
$/kW-AC	$2,967.03	$2,962.96	$3,302.06	$3,028.34	$3,060.38
Municipal					
Installed Cost	$550,668	$48,624	$1,132,206	$117,716	$1,066,867
No. of projects	6	1	6	1	9
kW-AC	60	3	178	14	139
Avg. Cost per Project	$91,778	$48,624	$188,701	$117,716	$118,540.81
Avg. System Size kW-AC	10	3	29.67	14	15.44
$/kW-AC	$9,177.80	$16,208	$6,360.71	$8,408.29	$7,675.32
Schools					
Installed Cost to AE	$58,173.60	$73,501.54	$68,714.14	$29,707.22	$601,055.00
No. of projects	2	6	4	1	14
kW-AC	3.7	12.63	8.62	2.77	38.81
Avg. Cost per Project	$29,086.80	$12,250.26	$17,178.54	$29,707.22	$42,932.50
Avg. System Size kW-AC	1.85	2.11	2.16	2.77	2.77
$/kW-AC	$15,722.59	$5,819.60	$7,971.48	$10,724.63	$15,487.91
Webberville Solar Farm					
kW-AC	-	-	-	-	30,000
Total Dollars Spent	**$4,914,450.38**	**$6,489,399.80**	**$5,062,104.06**	**$4,960,963.75**	**$7,611,144.79**
Total Number of Projects	**269**	**326**	**275**	**382**	**581**
Total kW-AC	**868.00**	**1,212.87**	**1,131.32**	**1,558.20**	**32,241.42**

Chart 1: Residential Solar Rebate Program History

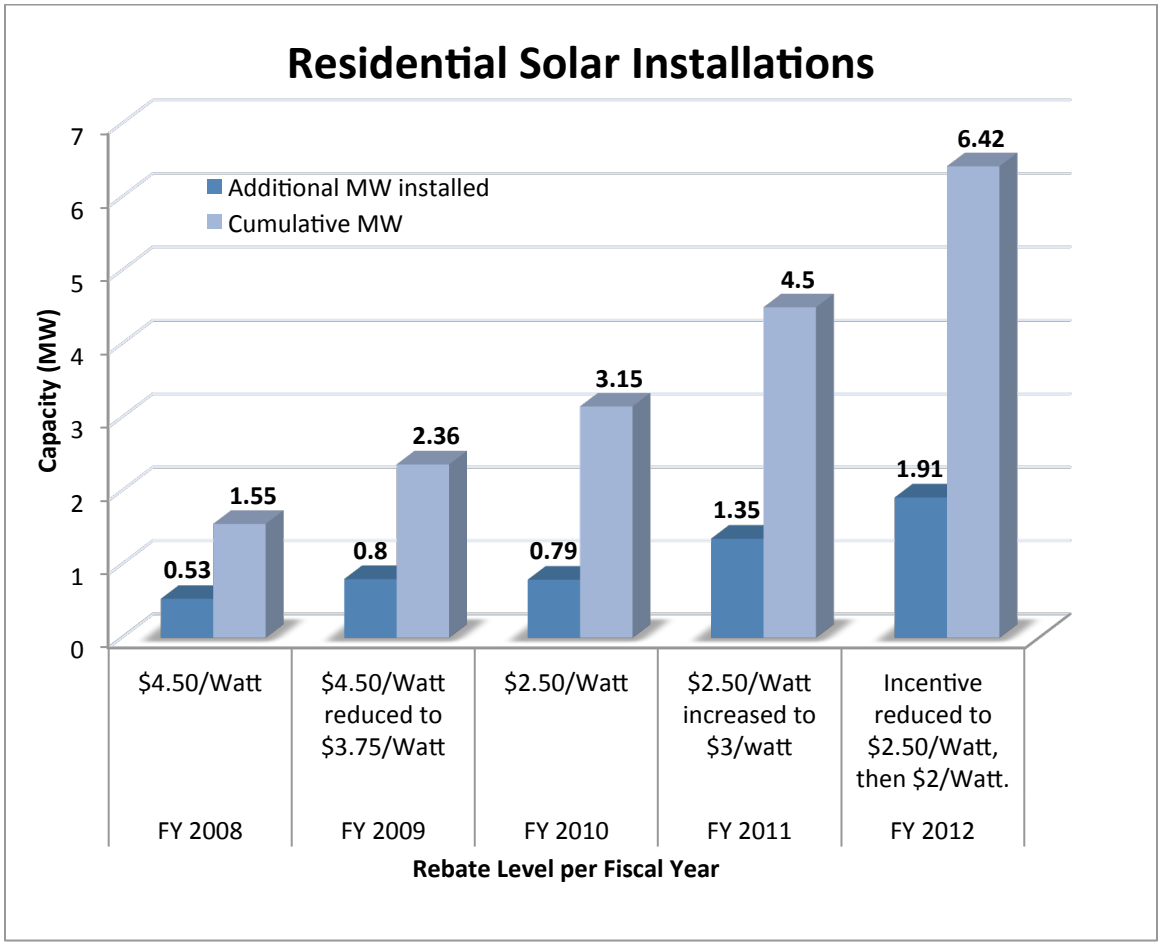


Chart 2: Commercial Solar Rebate Program History

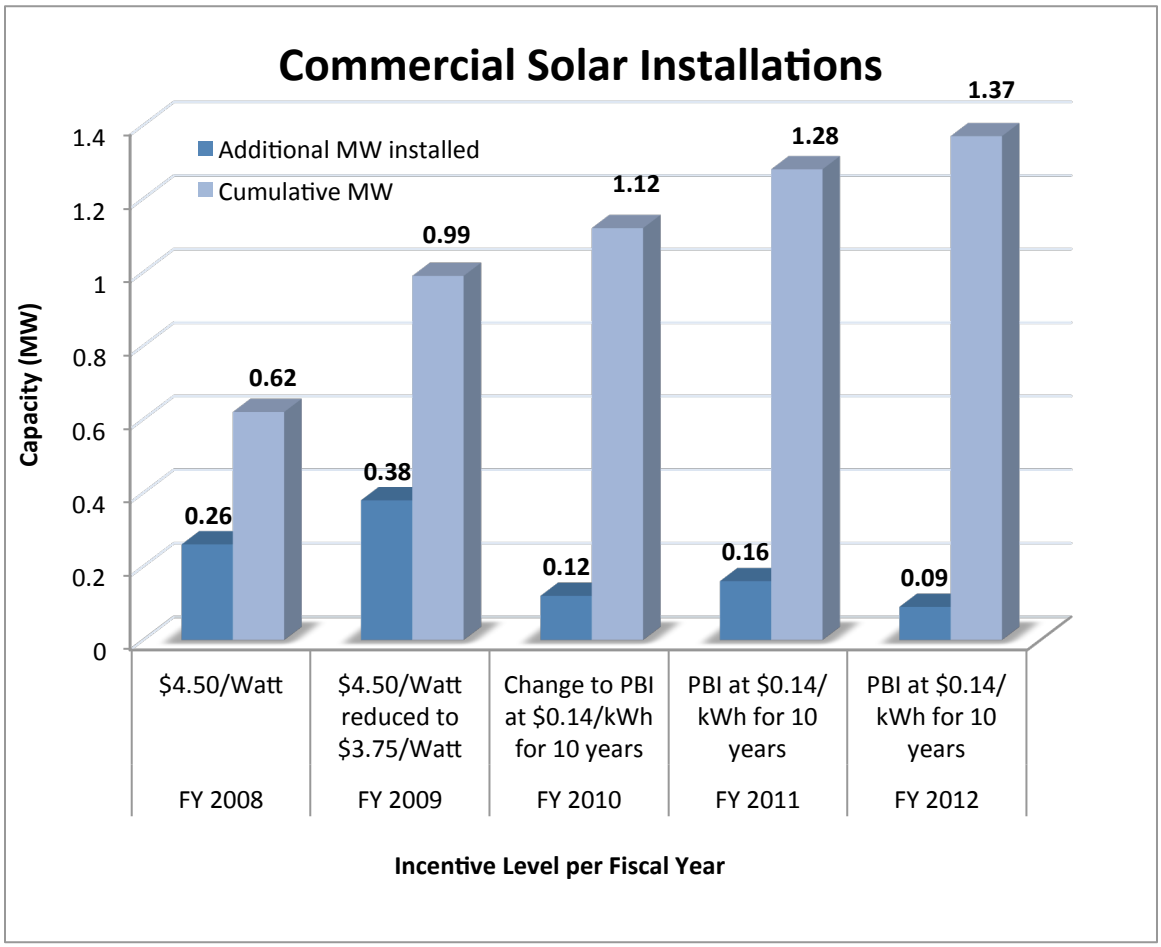
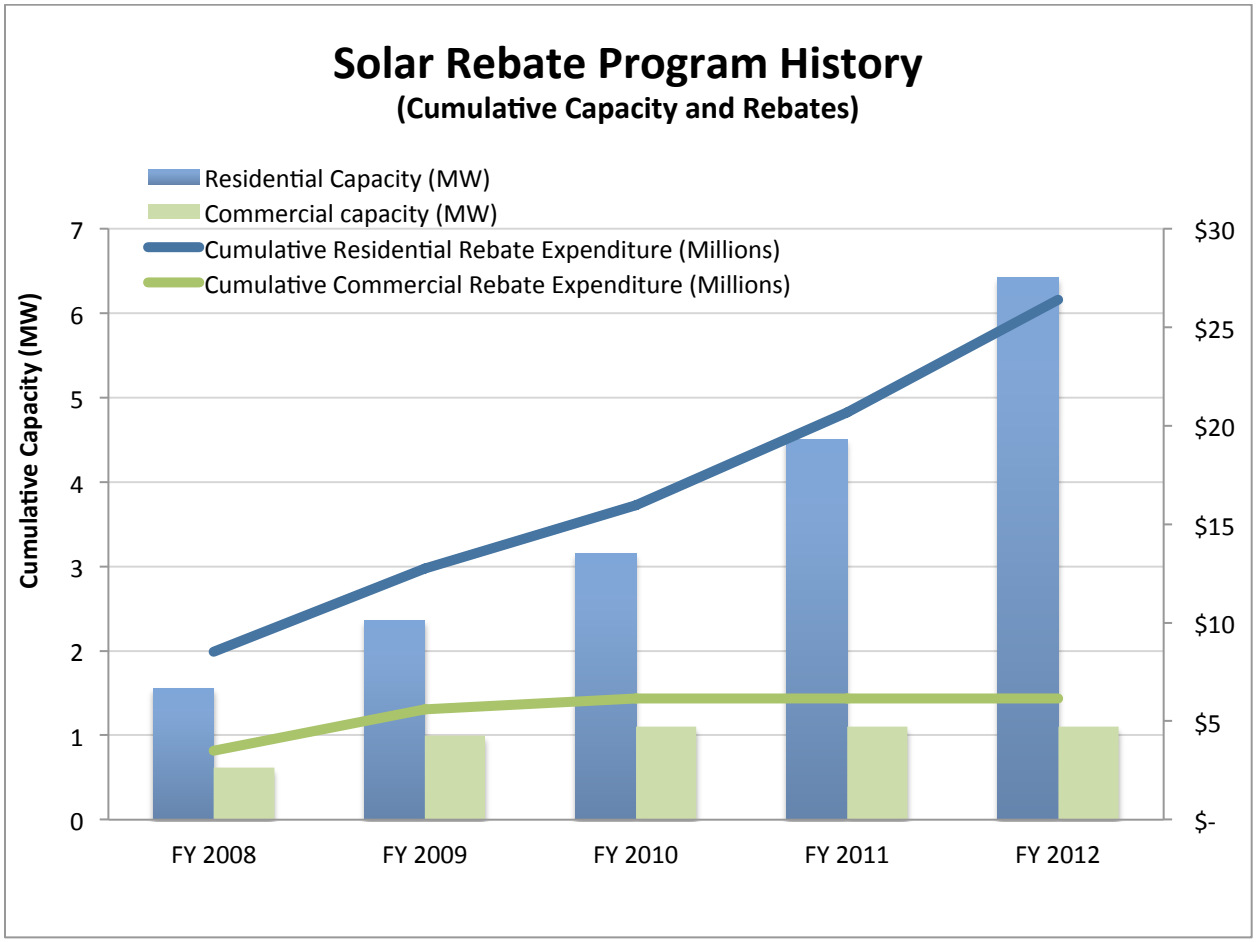


Chart 3: Solar Rebate Program Cumulative Capacity and Rebates



Affordable

Austin Energy's mission is to deliver clean, AFFORDABLE, reliable energy and excellent customer service.

Bad Debt Expense

Bad debt expense is an estimate of the amount of revenue billed in any fiscal year that is deemed uncollectible. The FY 2012 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 collection delay resulting from the transition to the new customer billing system, the utility expects to collect those balances. Bad debt expense is recorded on **inactive** accounts with delinquent balances of 60 days or more.

Table 26: Revenue and Bad Debt Expense

Fiscal Year	Revenue	Bad Debt Expense	Percentage
FY 2012	$1,183.4 million	$3.5 million	0.30%
FY 2011	$1,252.7 Billion	$3.5 million	0.27%
FY 2010	$1,151.8 Billion	$4.2 million	0.37%
FY 2009	$1,165.9 Billion	$3.6 million	0.31%
FY 2008	$1,219.8 Billion	$2.1 million	0.17%

Bill Comparisons

Customers in San Antonio and Austin can only be served by their respective city-owned utilities. There are 72 municipally owned electric utilities in Texas and 75 electric cooperatives. Sixty-six of those electric cooperatives sell retail power, while the remaining nine are wholesale providers. None of the municipal utilities and only 1 of the 66 retail co-ops have opted into partial deregulation.

Corpus Christi, Houston and Dallas are in deregulated areas of Texas, meaning customers can choose among a number of potential energy providers. These different retail electric providers often offer different prices to customers. The charts below attempt to capture the range of offers in those locations.

Chart 4: Residential Customers – Bill Comparisons – February 2012 (Winter) using 1,000 kWh

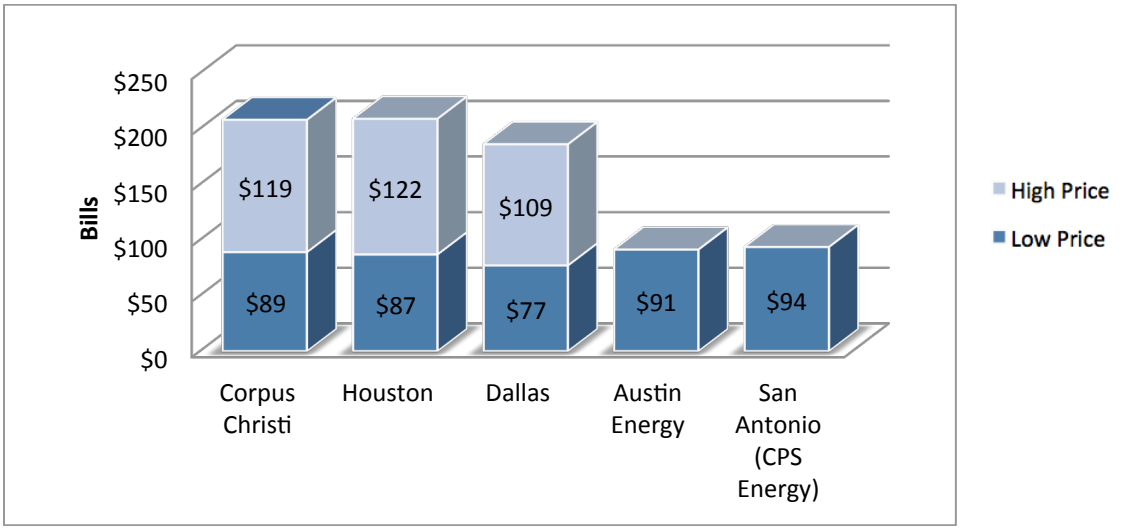
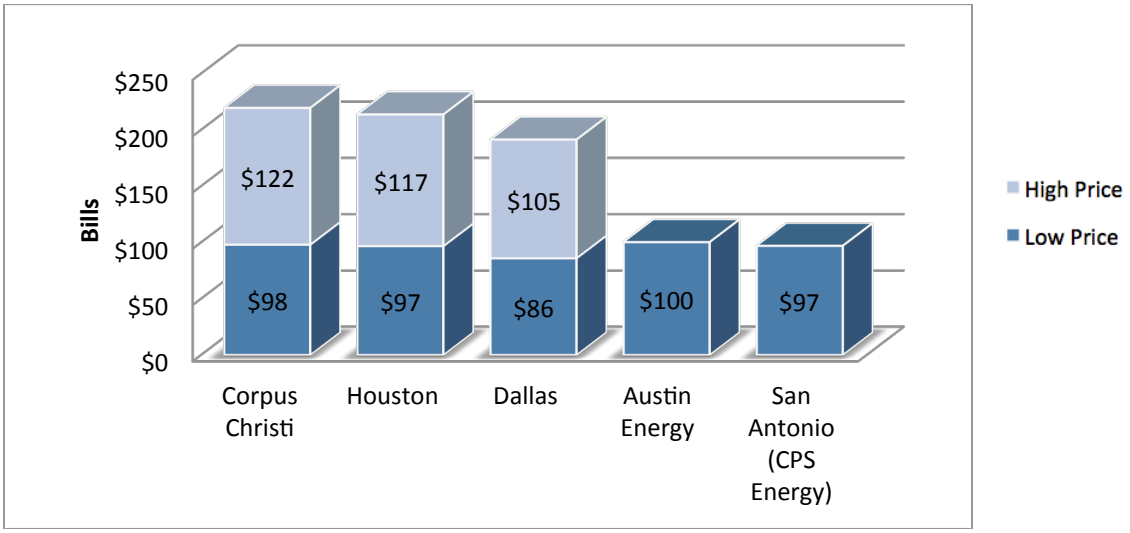


Chart 5: Residential Customers – Bill Comparisons – June 2012 (Summer) using 1,000 kWh



Average Rates for Residential, Commercial and Industrial Customers

Chart 6: 2011 Average Residential Rates

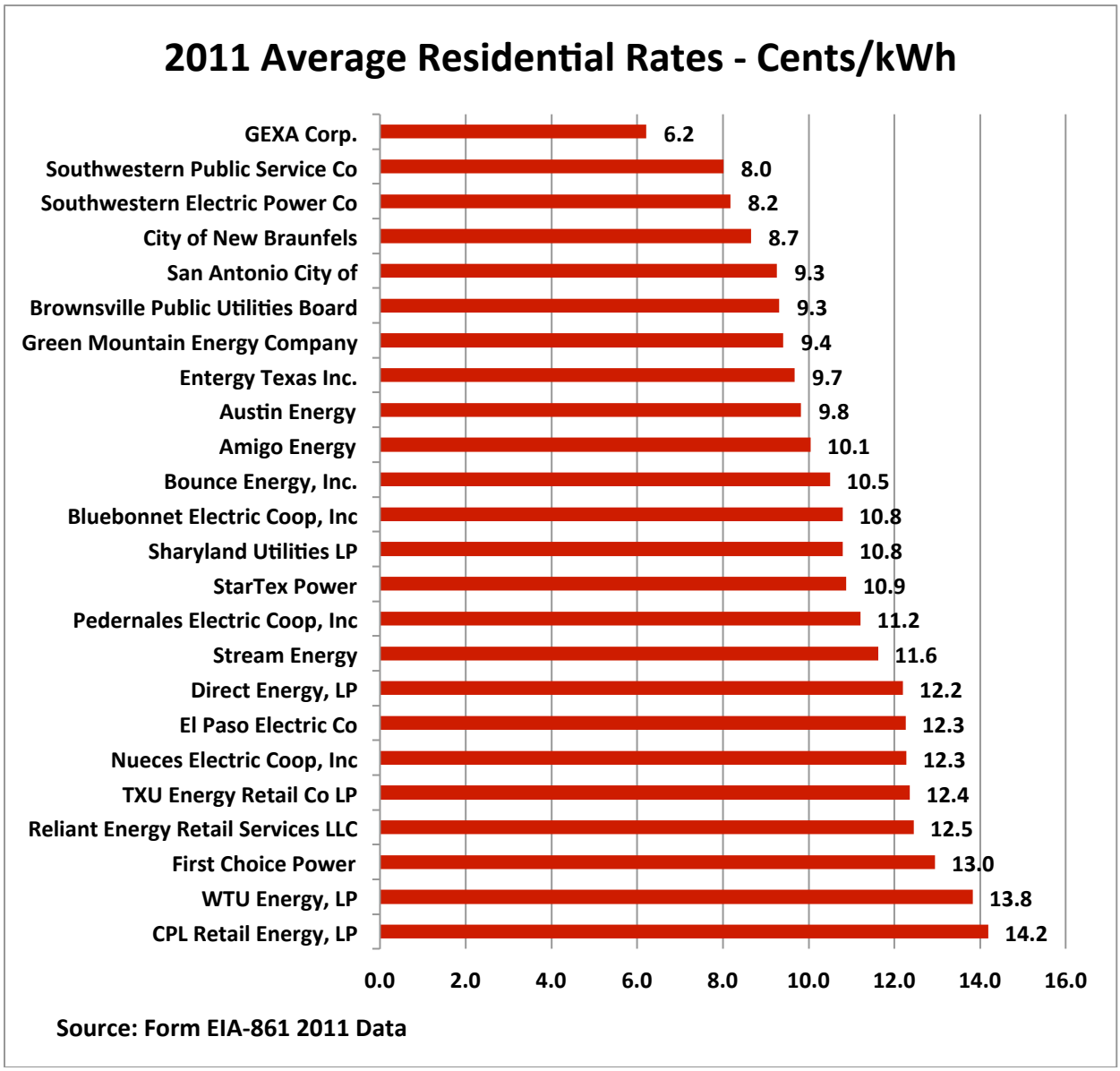


Chart 7: 2011 Average Commercial Rates

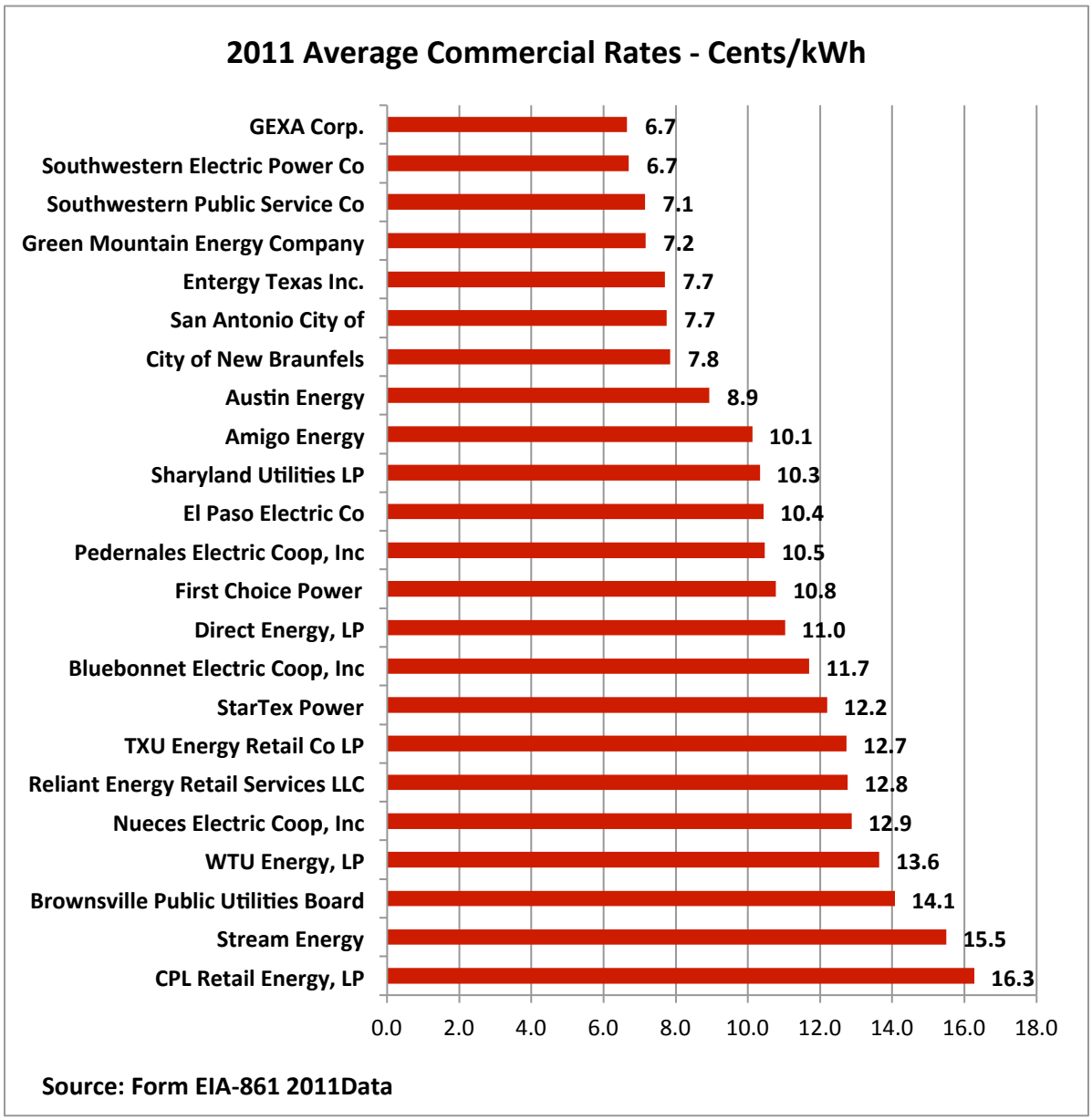
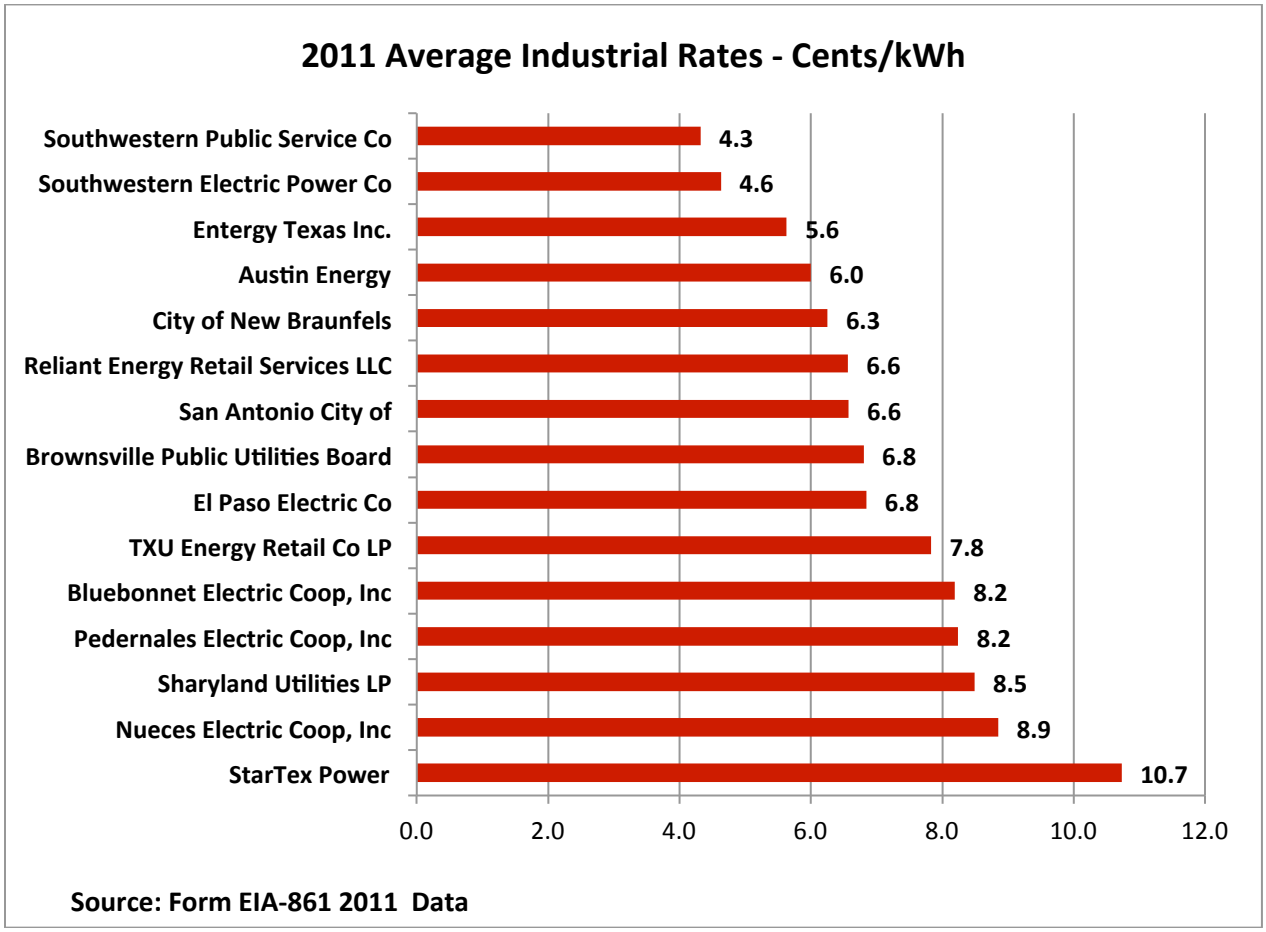


Chart 8: 2011 Average Industrial Rates



Bond Ratings

Austin Energy has consistently maintained high bond ratings. 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.

Table 27: 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	2012	AA-	Aa1	AA
	2011	AA-	A1	AA
	2010	AA-	A1	AA
	2009	AA-	A1	AA
	2008	AA-	A1	AA
Combined utility revenue bonds - subordinate lien	2012	AA-	Aa2	AA
	2011	AA-	A1	AA
	2010	AA-	A1	AA
	2009	AA-	A1	AA
	2008	AA-	A1	AA
Electric utility revenue bonds - electric separate lien	2012	AA-	A1	A+
	2011	AA-	A1	A+
	2010	AA-	A1	A+
	2009	AA-	A1	A+
	2008	AA-	A1	A+

Operating Budget

Table 28: Austin Energy Operating Fund - Actual Dollars

Fiscal Year	Total Available Funds	Total Requirements	Excess/(Deficiency)
FY 2012	$1,211,535,702	$1,219,053,608	($7,517,906)
FY 2011	$1,259,288,587	$1,256,452,643	$2,835,944
FY 2010	$1,161,438,931	$1,247,517,927	($86,078,996)
FY 2009	$1,224,290,869	$1,300,176,900	($75,886,031)
FY 2008	$1,311,492,272	$1,248,009,469	$63,482,803

CIP and O&M Expenditures

Austin Energy's operating budget includes Operations & Maintenance, fuel costs, debt service payments, and cash transfers to the Capital Improvements Project fund.

Table 29: Capital Improvements

Fiscal Year	Actual Expenditures
FY 2012	$165,855,955
FY 2011	$146,060,069
FY 2010	$201,611,828
FY 2009	$254,239,693
FY 2008	$247,874,960

Table 30: Operations and Maintenance with Fuel (does not include debt service and transfers)

Operating Requirements	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Fuel	$480,998,900	$442,789,384	$438,286,450	$471,788,888	$425,895,800
Power Supply & Market Operations	$123,595,487	$124,978,787	$135,838,492	$144,230,284	$140,538,765
Electric Service Delivery	$112,627,646	$128,031,667	$131,416,061	$128,814,600	$137,923,078
Distributed Energy Services	$28,758,771	$34,208,249	$30,590,851	$30,184,082	$32,015,121
Customer Care	$24,120,110	$28,670,858	$25,712,622	$31,202,456	$26,248,955
Administrative & General	$79,860,010	$93,614,766	$107,934,153	$106,645,672	$107,262,926
Totals	**$849,960,924**	**$852,293,711**	**$869,778,629**	**$912,865,982**	**$869,884,645**

Customers

Austin Energy has four primary customer classes: **residential, commercial, industrial, and other**.

- **Residential** customers live in single-family dwellings, mobile homes, townhouses, or individually metered apartment units.
- The majority of **commercial** customers are small to large businesses are served at Austin Energy's secondary level of service. This means Austin Energy owns, operates, and maintains the equipment (wires, transformers, etc.) supplying power to those facilities.
- **Industrial (primary)** customers take service at high voltage (12,500 volts or higher) 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 the primary level of service. These customers have very high usage and load factors because they tend to operate 24/7.
- The final class, **other**, typically refers to street lighting and facilities such as ballparks.

Table 31: Customers

Customers	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2012 % by class
Residential	352,574	363,217	368,700	372,329	376,614	89.2%
Commercial	42,585	43,049	43,489	43,815	44,006	10.4%
Industrial	78	81	80	81	82	0.0%
Other	1,553	1,579	1,601	1,640	1,668	0.4%
Total	**396,790**	**407,926**	**413,870**	**417,865**	**422,370**	**100.0%**

Table 32: Sales – kWh by Customer Class

Fiscal Year	Residential	Commercial	Industrial	Public Street & Highway	Government Entities*	Total Billed kWh	% Inc/Dec
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%
FY 2009	4,218,600,234	4,480,902,380	2,218,314,628	47,830,865	1,137,492,172	12,103,140,282	-0.67%
FY 2008	4,220,597,712	4,534,963,675	2,233,505,323	47,689,860	1,147,483,264	12,184,239,834	7.59%

Table 33: Sales – Revenue by Customer Class

Revenue	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2012 % of revenue
Residential	$416,809,000	$406,393,000	$407,074,000	$457,262,000	$422,195,183	39%
Commercial	$408,808,000	$402,032,000	$409,952,000	$433,887,000	$409,330,445	37%
Industrial	$138,901,000	$132,792,000	$122,714,000	$145,553,000	$158,727,132	15%
Other	$94,472,000	$91,181,000	$90,390,000	$85,447,000	$91,356,677	8%
Total	**$1,058,990,000**	**$1,032,398,000**	**$1,030,130,000**	**$1,122,149,000**	**$1,081,609,438**	**100%**

Table 34: Sales – Percentage of Revenue by Customer Class

Revenue (% by class)	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Residential	39%	39%	39%	40%	39%
Commercial	39%	39%	40%	39%	38%
Industrial	13%	13%	12%	13%	15%
Other	9%	9%	9%	8%	8%
Total	**100%**	**100%**	**100%**	**100%**	**100%**

Table 35: Cents per kWh by Customer Class

Customer Class	FY 2008	FY 2009	FY 2010	FY 2011	FY2012
Residential	9.863	9.633	9.604	10.024	9.637
Commercial	9.024	8.972	9.002	9.280	8.834
Industrial	6.218	5.986	6.019	6.213	5.993
Other	7.901	7.693	7.894	7.474	8.677

Table 36: Sales - % of MWh by Customer Class

MWh (% by class)	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Residential	35%	35%	35%	36%	34%
Commercial	37%	37%	38%	37%	36%
Industrial	18%	18%	17%	18%	21%
Other	10%	10%	10%	9%	8%
Total	**100%**	**100%**	**100%**	**100%**	**100%**

(Totals may not sum due to rounding.)

Fuel Collections

Over/Under fuel recovery represents the difference between actual fuel costs and the amount recovered through the fuel rate.

Table 37: Fuel Collections

	Fiscal Year Ended	Amount
(Over)/Under Fuel Recovery	2012	($10,384,851)
(Over)/Under Fuel Recovery	2011	$19,139,368
(Over)/Under Fuel Recovery	2010	($39,230,735)
(Over)/Under Fuel Recovery	2009	($22,696,920)
(Over)/Under Fuel Recovery	2008	($1,730,474)

Fuel Costs

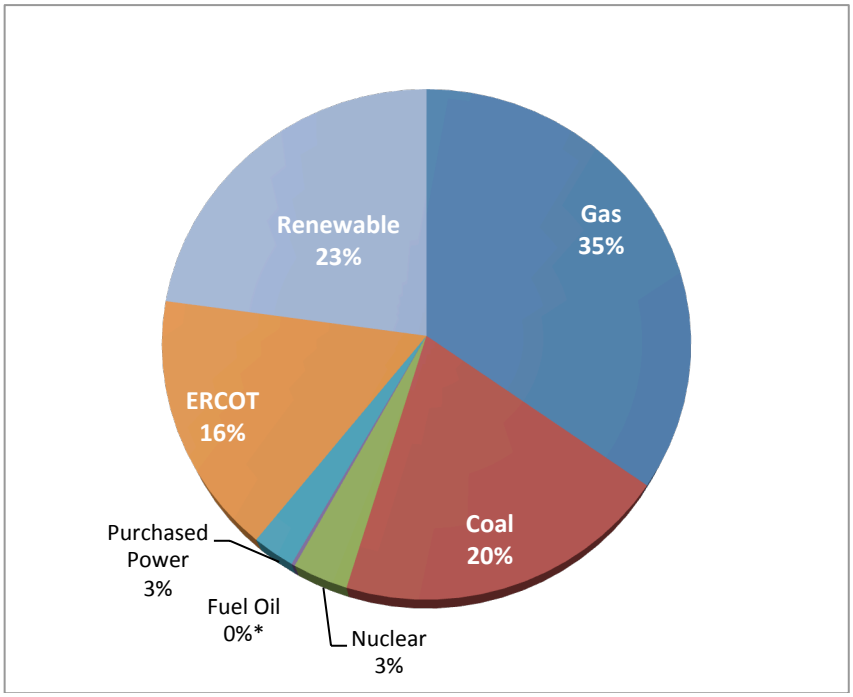
Costs allowed in the fuel tariff include commodity, purchase power, and ERCOT-related charges.

Table 38: Fuel Costs

Fuel Cost	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Gas	$250,721,680	$214,711,985	$203,976,741	$190,320,211	$148,047,838
Coal	$87,063,860	$84,635,000	$91,590,706	$88,068,421	$85,032,243
Nuclear	$15,823,059	$16,866,183	$16,655,851	$18,295,747	$14,087,793
Fuel Oil	$420,142	$566,981	$2,405,166	$2,698,718	$897,703
Purchase Power	$90,621,318	$54,863,996	$53,409,677	$57,820,582	$10,831,546
ERCOT*	$10,165,180	$21,889,298	$21,617,196	$66,372,518	$69,831,165
Renewable	$26,183,662	$49,567,759	$48,631,116	$48,212,653	$97,167,511
Total	**$480,998,901**	**$443,101,202**	**$438,286,453**	**$471,788,849**	**$425,895,800**

*Through FY12, the ERCOT line item includes fees and charges from ERCOT such as net power costs and administrative and nodal fees. Beginning in FY13, those administrative and nodal fees associated with power supply adjustment customers will be recovered through the regulatory charge.

Chart 9: Percentage of Fuel Cost by Type



*A small amount of fuel oil is purchased (0.21 percent in FY 2012) as an ignition source for Decker 2 only.

Table 39: Percentage of Fuel Cost by Type

Fuel Cost (% by type)	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Gas	52%	49%	46%	40%	35%
Coal	18%	19%	21%	19%	20%
Nuclear	3%	4%	4%	4%	3%
Fuel Oil*	0%	0%	1%	1%	0%
Purchased Power	19%	12%	12%	12%	3%
ERCOT	2%	5%	5%	14%	16%
Renewable	6%	11%	11%	10%	23%
Total	**100%**	**100%**	**100%**	**100%**	**100%**

Fuel Charge

Austin Energy's Fuel Charge is reviewed annually. Generally, changes to the fuel rate are effective on Jan. 1 for the calendar year. (Effective FY 2013, the fuel charge — now called the power supply adjustment — will be set as part of the annual budget process.) Fuel Charge rates are established based on the type of electric service required by a customer and fall into one of three levels: secondary, primary, or transmission.

Primary Level Customers - This rate is applicable to electric service required by any customer who receives service at 12,500 volts (nominal) or higher and whose demand for power does not meet or exceed 3,000 kilowatts for any two months within the previous 12 months or as determined by the City of Austin.

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, some 30,000 businesses receive the secondary Fuel Charge rate.

Transmission Level Customers - This rate is applicable to electric service required by any customer who receives service at 69,000 volts (nominal) or higher. This rate shall be applied for a minimum of one year.

Primary and transmission voltage level customers (about 90 industrial customers) essentially receive power directly from a substation. This results in reduced line losses between the point of generation and delivery to the customer. These customers also install and maintain their own transformer(s) and related equipment at their site needed to step down the voltage before the power enters their facility. As a result, primary and transmission customers pay a slightly lower Fuel Charge.

Table 40: Austin Energy Fuel Charge

Calendar Year	Month	System	Secondary	Primary	Transmission
2012	January	3.598	3.615	3.508	3.471
2011	January	3.090	3.105	3.013	2.981
2010	January	3.635	3.653	3.544	3.507
2009	January	3.635	3.653	3.544	3.507
2008	January	3.635	3.653	3.544	3.507

Heat Rate

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

The system average heat rate will vary somewhat year-to-year due to a number of factors including outages and market conditions. The approximately 1 percent increase for FY 2012 was primarily due to lower demand and lower natural gas prices which resulted in lower dispatch of Fayette Power Plant. The reduced levels of production mean that units operated at lower, less efficient levels.

Table 41: Average Annual Heat Rate

Measure	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
System annual average heat rate (BTU/net kWh)	9,803	9,810	9,884	9,943	10,050

*Austin Energy's heat rate is calculated using generating units owned entirely or jointly by the utility. Austin Energy does not own any solar or wind generating units so they are not included in the system heat rate calculation.

Generation by Fuel Type

Austin Energy has set a goal that 35 percent of energy produced will come from renewable resources by 2020. During FY 2011, about 15 percent of the energy delivered from Austin Energy came from renewable resources, or 1.2 billion kilowatt hours. Purchase power agreements for wind, solar and biomass power will bring that number closer to 25 percent by 2013. As Austin Energy increases its renewables, corresponding decreases are achievable in the percentage of power produced from coal.

Chart 10: Fuel Cost Percentage by Generation

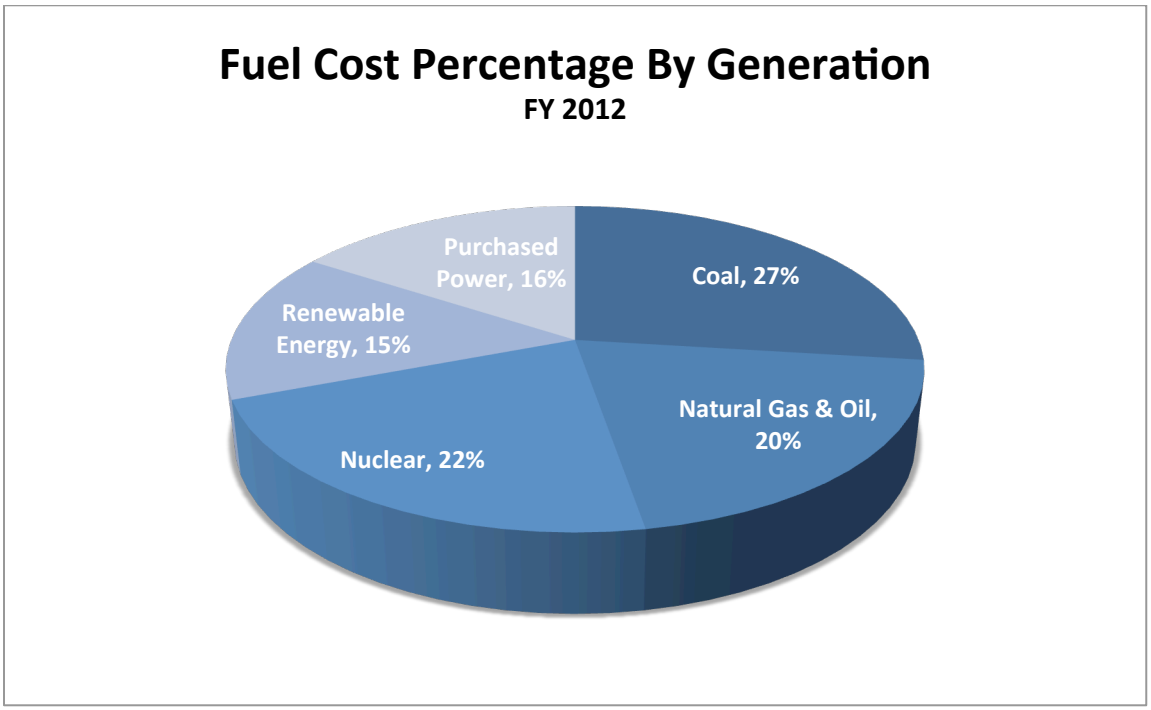


Table 42: Generation by Fuel Type

% Generation	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Coal	33.20%	28.30%	32.50%	28.92%	26.97%
Natural Gas & Oil	25.70%	26.50%	22.30%	25.81%	20.32%
Nuclear	27.10%	26.40%	25.20%	21.31%	21.92%
Renewable Energy	6.10%	9.50%	9.70%	9.51%	14.95%
Purchased Power (other than renewables)	7.90%	9.30%	10.30%	14.46%	15.84%
Total	**100%**	**100%**	**100%**	**100%**	**100%**

Note: totals may not sum due to rounding

Generation Capacity/Capacity Factor

Table 43: Generation Capacity and Capacity Factor

Unit	Installed	Fuel Type	Capacity Rating (MW)	Net Generation (MWh) FY 2012	Capacity Factor %
Sand Hill 5A (gas) (combined cycle)	2003	Natural Gas	180	789,765	45.52%
Sand Hill 5C (steam) (combined cycle)	2003	Natural Gas	120	512,206	47.91%
Sand Hill GT 1 (simple cycle)	2001	Natural Gas	45	49,727	14.81%
Sand Hill GT 2 (simple cycle)	2001	Natural Gas	45	47,516	15.07%
Sand Hill GT 3 (simple cycle)	2001	Natural Gas	45	48,206	14.57%
Sand Hill GT 4 (simple cycle)	2001	Natural Gas	45	48,507	14.42%
Sand Hill GT 6 (simple cycle)	2010	Natural Gas	45	50,649	18.92%
Sand Hill GT 7 (simple cycle)	2010	Natural Gas	45	53,107	19.46%
Decker 1 (steam cycle)	1970-1977	Natural Gas	321	410,082	18.21%
Decker 2 (steam cycle)	1970-1977	Natural Gas	405	595,535	18.39%
Decker GT 1 (simple cycle)	1988	Natural Gas	50	4,699	3.84%
Decker GT 2 (simple cycle)	1988	Natural Gas	50	7,100	4.34%
Decker GT 3 (simple cycle)	1988	Natural Gas	50	5,278	1.72%
Decker GT 4 (simple cycle)	1988	Natural Gas	50	7,880	4.65%
Fayette 1 (steam cycle)	1979-80	Coal	285	1,707,678	66.81%
Fayette 2 (steam cycle)	1979-80	Coal	285	1,819,145	87.55%
South Texas Project 1 (steam cycle)	1988-89	Nuclear	200	1,870,103	96.70%
South Texas Project 2 (steam cycle)	1988-89	Nuclear	200	997,717	99.93%
Total	-	-	**2,466**	**9,024,900**	-

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).

Table 44: Austin Energy Share of FPP and STP

Unit	Capacity Rating (MW)	Austin Energy's Share (MW)
Fayette 1	570	285
Fayette 2	570	285
South Texas Project 1	1,250	200
South Texas Project 2	1,250	200

System Peak Demand

System peak demand is the largest amount of electricity consumed by Austin Energy customers at any given time. Every year for the past five years, the system peak has occurred between the hours of 4 and 5 p.m. The utility works year round to assure the electric distribution grid is ready and capable of handling the peak energy use that occurs during summer months.

Table 45: System Peak Demand

Fiscal Year	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
MW	2,514	2,602	2,628	2,714	2,702
Date Set	4-Aug	29-Jun	23-Aug	29-Aug	26-Jun

System Fuel Cost Average

System fuel average cost is the cost of fuel purchased divided by the number of kilowatts generated. The steady decline in average fuel cost is largely attributable to the decrease in natural gas prices over recent years.

Table 46: System Fuel Cost Average

Measure	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
System annual average fuel cost (fuel/kWh)	3.655 cents per kWh	3.371 cents per kWh	3.446 cents per kWh	3.523 cents per kWh	3.225 cents per kWh

System Production Cost

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

Table 47: System Production Cost

Measure	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
System annual average production cost (includes fuel plus operating & maintenance)	4.403 cents per kwh	4.165 cents per kwh	4.331 cents per kwh	4.304 cents per kWh	4.197 cents per kWh

Reliable

*Austin Energy's mission is to deliver clean, affordable, **RELIABLE** energy and excellent customer service.*

Equivalent Availability Factor

A common measure of reliability for generating units is the Equivalent Availability Factor (EAF). The EAF is a measure of the number of hours the full capacity of a generating unit is available annually.

Availability targets for base load facilities (South Texas Project and Fayette Power Project) are adjusted annually depending on the duration of any planned outages for that year. For intermediate and peaking facilities, Austin Energy's peak season availability target is greater than or equal to 95 percent.

Table 48: Performance Results Measuring Equivalent Availability Factor (EAF)

Measure	Target	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
South Texas Project	94.80%	96.10%	91.65%	90.50%	87.15%	79.26%
Fayette Power Project	94.20%	91.10%	96.03%	83.78%	83.69%	83.48%
Sand Hill Energy Center Unit 5A	95.00%	99.43%	99.20%	99.17%	78.11%	74.20%
Sand Hill Energy Center Units 1-4/6-7	95.00%	97.53%	98.31%	98.17%	98.62%	92.66%
Decker Creek Power Station GT 1-4	95.00%	85.11%	88.34%	90.49%	93.07%	86.27%
Decker Creek Power Station D1-2	95.00%	90.13%	91.79%	82.63%	90.77%	74.98%

Plant Outages

The table below shows outages lasting more than 12 hours for Austin Energy-owned generating units in FY 2012 due to equipment malfunctions or other problems.

Table 49: Plant Outages

Unit	Outage Start Date/Time	Outage End Date/Time	Duration (hours)	Description
Sand Hill Energy Center Unit 5	3/22/12 0:00	5/27/12 7:00	1,567	Gas turbine compressor S1 Vane
	9/6/12 15:31	9/9/12 14:30	71	HRSG tube leak
Sand Hill Energy Center Unit 3	5/22/12 20:32	5/23/12 9:40	13	GSU #2 tripped due to fault on Unit 4
Sand Hill Energy Center Unit 4	1/12/12 15:19	3/5/12 15:26	1,236	High Pressure Turbine Repairs
	5/22/12 20:32	5/23/12 9:40	13	Failed generator breaker
	8/5/12 17:35	8/9/12 10:34	113	CPU failure
Sand Hill Unit 6	4/17/12 18:19	4/18/12 8:39	14	Loss of 480-volt station service

Unit	Outage Start Date/Time	Outage End Date/Time	Duration (hours)	Description
Sand Hill Energy Center Unit 7	4/17/12 18:19	4/18/12 8:39	14	Loss of 480-volt station service
	6/23/12 14:30	6/26/12 14:30	70	Gas turbine lube oil pump failure
Fayette Power Project Unit 1	1/20/12 1:28	1/24/12 19:05	89.62	1A BWCP tripped on high temperature cooler leak. Changed to Start-up Failure.
	1/23/12 19:05	1/24/12 8:47	13.7	Changed to Start-up Failure due to 1A APH drive coupling failure.
	3/30/12 23:55	4/15/12 15:12	375.28	Generator #8 bearing and hydrogen seal meggered low, water in oil.
	7/10/12 20:49	7/12/12 13:07	40.3	Root switch that controls communication with CP's & workstation congested.
	8/3/12 20:00	8/5/12 17:02	45.03	Lower slope water wall tube leak.
Fayette Power Project Unit 2	2/29/12 1:40	3/3/12 23:41	94.02	Absorber agitator 2B and 2A APH gearbox oil leak repair.
	5/4/12 23:54	5/10/12 17:17	138.38	Division panel and boiler inspection.
	7/10/2012 20.49	7/12/12 13:07	40.3	Root switch that controls communication with CP's & workstation congested.
South Texas Project Unit 1	3/29/12 2:40	3/31/12 16:14	61.6	Technical Specification required reactor power reduction to 75% due to issue with Shutdown Rod M14, which inserted but would not withdraw. In accordance with procedure, based on industry operating experience, we reduced Unit 1 to below 40% to facilitate recovery of the rod.
South Texas Project Unit 2	11/29/11	4/24/12	3,252	Main generator tripped off due to a stator coil failure. Damage to the generator and rotor required a factory repair and refurbishment.
Decker 1	10/5/11 1:00	10/5/11 15:15		Repairs and maintenance on Unit 2 Auxiliary (UAT) Load Tap Changer
	7/24/12 21:00	7/24/12 10:07	13.7	Repair Economizer Header Leak
	8/31/12 0:23	8/31/12 20:29	20.6	Generator Exciter Coolers Plugged
Decker 2	12/31/11 9:35	1/3/12 0:53	63.18	Boiler re-heater leak
	3/15/12 19:21	3/30/12 5:57	370.36	Main Boiler Feed Pump Turbine - No speed control
Decker GT 3	10/1/11	4/4/12	4,454.19	Rotor winding short

ERCOT Forced Load Reduction

While ERCOT does issue power watches when reserves are low, load reduction for Austin Energy customers is voluntary during these watches. ERCOT has only issued two mandatory orders for load reduction statewide — in February 2011 and April 2006.

Table 50: ERCOT Forced Load Reduction

ERCOT Event	AE Load Reduction	Rolling Blackouts Ordered	Firm Load Restored
2-Feb-11	160 MW	5:43 a.m.	1:07 p.m.
17-Apr-06	40 MW	4:13 p.m.	6:10 p.m.

Austin Energy accounts for approximately 4 percent of the peak statewide summer load, meaning Austin Energy is required to shed 4 percent of ERCOT's total load reduction during a mandatory load shedding event. On Feb. 2, 2011, ERCOT rapidly increased its load-shedding requirement to 4,000 MW, resulting in 160 MW of required load shedding for Austin Energy. Following the February 2011 weather event, Austin Energy performed a thorough review of circuits eligible for rolling blackouts and increased the number of eligible circuits from 44 to 115. This will reduce the impact on customers should such an emergency occur again.

Reliability (SAIFI/SAIDI/SATLPI)

Austin Energy invests about $80 million a year on average on capital improvements for the electric system. Austin Energy has established long-term goals that the average number of power outages per customer not exceed 0.80 per year (SAIFI); that the average duration of power outages not exceed 60 minutes (SAIDI); and that the 12-month rolling average of the number of transmission line faults per 100 miles not exceed 3.00 (SATLPI).

In a recent benchmark study released of 21 utilities in the U.S. and Canada, Austin Energy ranked in the 1st quartile with the lowest frequency of outages per customer and the shortest outage duration per average customer. Other utilities in the study by First Quartile Consulting included CenterPoint Energy (Houston), CPS Energy (San Antonio), Oncor (Dallas), Portland General Electric, KCP&L of Kansas City, and Baltimore Gas & Electric.

In FY 2012, Austin Energy experienced 2.9 transmission faults per 100 miles against a goal of 3 or fewer per 100 miles. Austin Energy had 18 transmission disturbances during the fiscal year compared to 33 in 2001.

Table 51: SAIFI/SAIDI/SATPLI

Measure	Target	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
System Average Interruption Frequency Index (SAIFI)	≤0.8	0.63	0.89	0.69	0.77	0.77
System Average Interruption Duration Index (SAIDI)	≤60	46.48	63.41	51.57	54.54	60.74
System Average Transmission Line Performance Index (SATLPI)	≤3	1.46	2.1	1.94	1.78	2.9

Line Clearance Program (Tree Trimming)

Austin Energy invests about $9 million annually in its tree-trimming program. A staff of 13 Austin Energy arborists and foresters oversee the program. Contractors prune trees system wide on a six-year cycle, maintaining approximately 400 miles of power lines each year. About 50 crews (160 to 170 staff members) are in the field each day. Vegetation Management is important for public safety and the reliability of the electric system.

Austin Energy is one of the few utilities in the nation that attempts 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, less than 1 percent annually.

Table 52: Tree Trimming Workload

Fiscal Year	Miles Trimmed	Properties	Refusals
FY 2012	375	12,170	11
FY 2011	447	11,856	19
FY 2010	324	13,223	38
FY 2009	480	13,892	26
FY 2008	409	12,145	47

Table 53: Customer Surveys

FY2012	% of customers satisfied with line clearance on their property	% of customers who acknowledge importance of line clearance
Quarter 1	73%	99%
Quarter 2	77%	96%
Quarter 3	78%	100%
Quarter 4	71%	99%

*Note: All customers surveyed had trees trimmed in FY 2012.

Service

Austin Energy's mission is to deliver clean, affordable, reliable energy and ***EXCELLENT CUSTOMER SERVICE****.*

City of Austin 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 54: Contacts Received

Fiscal Year	Contacts Received
FY 2012	1,641,039
FY 2011	1,377,317
FY 2010	1,525,739
FY 2009	1,435,929
FY 2008	1,405,573

Table 55: Call Distribution

Type	Percentage
General Residential	92%
General Commercial	5%
Outages	4%

Note: Total may not sum due to rounding.

Table 56: Average Speed for Answering Calls

Fiscal Year	Seconds
FY 2012	101
FY 2011*	116
FY 2010	90
FY 2009	92
FY 2008	74

*The average time for answering calls was up in FY 2011 due to marketing of the "Best Offer Ever" campaign, calls on the White Rodgers thermostat recalls, and additional training for CC&B.

Austin 3-1-1 Call Center

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, 7 days a week, 365 days a year.

Table 57: Austin 3-1-1 Calls and Service Requests

Fiscal Year	Calls Answered	Service Requests
FY 2012	1,047,020	172,155
FY 2011	1,138,325	193,280
FY 2010	1,151,903	188,413
FY 2009	1,205,039	198,615
FY 2008	1,135,616	217,313

Table 58: Austin 3-1-1 Call Distribution by Percentage for FY 2012

Department	Percentage
Animal Services Office	7%
Austin Energy	6%
Austin Resource Recovery	7%
Austin Water Utility	3%
Code Compliance Department	2%
General Inquiries	6%
Neighboring Cities/Counties	6%
Other	8%
Parks & Recreation Department	2%
Planning & Development Review	2%
Police Department	45%
State	3%
Transportation Department	3%

Payment Arrangements

Utility payment arrangements are available to customers who fall behind on their City of Austin utility bills. To enter into an arrangement, customers must pay one-third of their delinquent total and pay monthly installments as well as their monthly bill. Special six-month payment arrangements are generally available during the summer.

Table 59: Customer Payment Plans

Fiscal Year	Avg. No of Payment Plans Per Month	Total $ Per Fiscal Year
FY 2012	7,032	$46.2 million
FY 2011	13,175	$70.4 million
FY 2010	12,389	$75.7 million
FY 2009	11,984	$70.8 million
FY 2008	11,366	$76.8 million

Budget Billing

Austin Energy's Levelized Billing Program, now known as Budget Billing, is available to any customer who prefers to avoid significant fluctuations in their monthly utility bills. With this program, Austin Energy takes an average of a customer's previous 12 month's worth of utility bills to calculate an average utility bill payment. With Budget Billing, accounts are reviewed and adjusted every six months. The below averages reflect all City of Austin utilities including electric, water, wastewater, solid waste, transportation and drainage fees.

Table 60: Customers Using Budget Billing

Fiscal Year 2012	Month and Year	Billed Levelized Accounts Per Month	Average Levelized Bill Amount
	Oct-11	8,321	$236.50
	Nov-11	9,927	$233.75
	Dec-11	10,810	$231.34
	Jan-12	11,403	$228.02
	Feb-12	11,908	$226.92
	Mar-12	12,303	$222.95
	Apr-12	12,672	$218.44
	May-12	13,051	$209.11
	Jun-12	13,472	$204.11
	Jul-12	14,171	$199.29
	Aug-12	15,033	$194.20
	Sep-12	15,771	$191.91
Average (monthly)		**12,404**	**$216.38**
Total		**148,842**	**$2,596.54**

Low-Income Discount Program

The City of Austin has one of the most generous Customer Assistance Programs in the nation. Utility 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. Nearly 10,000 customers are currently receiving combined City of Austin utility bill discounts at an average of about $400 per year per family, $280 of which comes from Austin Energy. In FY 2012, Austin Energy waived the Electric Service Customer Charge of $6 per month and provides a discounted Fuel Charge of 1.7 cents per kWh. Total utility bill savings for all recipients totaled almost $4 million annually.

Table 61: City of Austin Low-Income Discount Program Annual Customer Savings

Utility Discount Program (electric only)	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Average Customers Served Monthly	4,005	5,137	8,599	8,587	6,608
Average Household Savings Per Month	$22.56	$23.58	$23.29	$23.33	$24.05
Average Annual Combined Customer Savings	$1.084 million	$1.453 million	$2.402 million	$2.403 million	$1.908 million

Table 62: City of Austin Low-Income Discount Program Enrollment

Enrollment Type	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Automatic	0	2,547	3,525	2,748	4,505
Manual	4,005	2,590	5,074	5,839	2,103
Total	**4,005**	**5,137**	**8,599**	**8,587**	**6,608**

Table 63: City of Austin Low-Income Discount Program Monthly Customer Savings

Fiscal Year 2012	Month	Number of Customers	Customer Service Charge Savings	kWh Charge Savings	Totals
	Oct-11	7,313	$43,998	$134,504	**$178,502**
	Nov-11	7,000	$42,138	$73,602	**$115,740**
	Dec-11	6,168	$37,212	$66,716	**$103,928**
	Jan-12	6,232	$37,752	$108,084	**$145,836**
	Feb-12	6,812	$40,710	$91,605	**$132,315**
	Mar-12	6,798	$41,112	$93,469	**$134,581**
	Apr-12	6,752	$40,716	$97,318	**$138,034**
	May-12	6,530	$39,558	$112,366	**$151,924**
	Jun-12	6,153	$37,362	$141,330	**$178,692**
	Jul-12	6,359	$38,334	$164,112	**$202,446**
	Aug-12	6,550	$39,660	$182,054	**$221,714**
	Sep-12	6,622	$40,038	$163,853	**$203,891**
Average (monthly)		**6,607**	**$39,883**	**$119,084**	**$158,967**
FY Totals		**79,289**	**$478,590**	**$1,429,013**	**$1,907,603**

Plus 1 Fund

The City of Austin's Plus 1 Fund provides emergency utility bill financial assistance to customers experiencing extreme hardships such as medical illness or sudden job loss. In 2009, the City of Austin doubled to $300,000 the amount of funding made available annually for this program. Beginning in FY 2009, City of Austin employees were given the option to donate to the Plus 1 Fund through the City's annual Combined Charities Campaign, which raises money for local and regional charitable groups. Additionally, utility customers have the option to donate to the Plus 1 Fund through their utility bill payments. Plus 1 funding is distributed to customers by more than a dozen social service agencies.

Table 64: Plus 1 Funding

Funding Source	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Austin Energy	$150,000	$300,000	$300,000	$300,000	$300,000
COA Combined Charities Campaign (COA employees)	$0	$4,718.13	$3,820.47	$2,574.45	$2,173
Residential Customers	$44,438	$43,649	$39,723	$37,556.45	$36,613
Total	**$194,438**	**$348,367.13**	**$343,543.47**	**$340,130.45**	**$338,786**

Table 65: Plus 1 Fund Distribution

Fiscal Year 2012	Month and Year	Dollars Dispersed	Households Served
	Oct-11	$11,672.81	73
	Nov-11	$26,324.00	184
	Dec-11	$20,884.00	129
	Jan-12	$30,067.00	170
	Feb-12	$46,881.00	257
	Mar-12	$32,296.00	216
	Apr-12	$33,131.00	198
	May-12	$32,246.00	197
	Jun-12	$27,364.00	179
	Jul-12	$49,497.00	255
	Aug-12	$41,412.00	229
	Sep-12	$24,720.00	154
Average (monthly)		**$31,374.57**	**187**
Totals		**$376,494.81**	**2,241**

Free Weatherization Program

Austin Energy offers free weatherization services to qualifying low-income, elderly and physically/ mentally disabled customers. The program provides up to $1,500 in home improvements including installation of attic insulation, sealing and repair of ducts, solar screen installations, weather stripping around entry doors, and minor home repairs to improve the effectiveness of efficiency improvements.

In FY 2010, Austin Energy received total grants of $9.2 million from American Recovery and Reinvestment Act (ARRA) funds that allowed for the weatherization of 1,864 homes or apartments for low-income, elderly, and disabled customers within Austin Energy's service area. Under this program, each dwelling received, on average, about $5,000 worth of improvements including new energy efficient appliances and air conditioning and heating equipment.

Table 66: Customer Assistance Program Customers Receiving Free Weatherization

Fiscal Year	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Homes Receiving Weatherization	505	538	456*	1044*	715*

*In FY 2010, 127 of the 456 homes received weatherization through the use of ARRA funds.
*In FY 2011, all homes received weatherization through the use of ARRA funds.
*In FY 2012, the 715 homes used both ARRA funds and AE funds.

Medically-Vulnerable Program

The City of Austin maintains a Medically-Vulnerable Registry of customers with a long-term disease, ailment or critical illness. Customers eligible for the registry receive additional time to pay their utility bills and personal case management services from Austin Energy and partnering social service agencies.

Table 67: Medically-Vulnerable Program Participants

Fiscal Year 2012	Month	Households Served
	Oct-11	189
	Nov-11	194
	Dec-11	172
	Jan-12	188
	Feb-12	193
	Mar-12	190
	Apr-12	192
	May-12	197
	Jun-12	195
	Jul-12	200
	Aug-12	199
	Sep-12	203
Average (monthly)		**193**
Total*		**2,312**

*Customers may overlap from one month to the next.

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 in 2011 and a weakened economy, despite Austin Energy providing among the lowest electric rates in Texas. Ratings for Austin Energy reliability and quality are consistently high.

Table 68: Overall Satisfaction Ratings

Measure	Target	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Overall Customer Satisfaction	83/100	82/100	75/100	71/100	70/100	61/100

Table 69: Satisfaction Ratings by Customer Type

Customer Satisfaction	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Residential	76%	73%	74%	69%	68%
Commercial	84%	76%	78%	68%	62%
Key Accounts*	86%	75%	60%	76%	55%

*Residential and Commercial surveys are conducted quarterly. Key Accounts surveys are conducted annually.

Payment Processing

All City of Austin utility payments are posted the same day received — far exceeding the industry average of up to three days. This requires the daily posting of about 24,000 checks and payment stubs. In addition, the number of payments received electronically is exceptionally high and continues to increase. Part of that success is due to a Western Union wire program set up by Austin Energy to transfer customer payments to the utility when made through some 50 retail locations.

Table 70: Breakdown of Payment Methods

Fiscal Year	Authorized Pay Stations via Western Union (ex. ACE cash Express, HEB, Money Box, Randall's)	Online Banking (via customers bank)	Bill Matrix (via phone or Austin Energy Website) (credit, debit, E-check)	Austin Energy Website (registered with Online Customer Care) (e-check)	Electronic Fund Transfer (draft by AE)	Misc. (ex. Collections, IRS)	Walk-in Payment Centers	Mail
FY 2012	14.90%	24.34%	6.11%	13.50%	9.76%	0.31%	1.65%	29.43%
FY 2011	15.11%	21.24%	6.09%	13.55%	7.18%	0.37%	1.55%	34.91%
FY 2010	13.05%	16.87%	4.79%	9.59%	5.54%	0.32%	1.24%	48.59%
FY 2009	12.83%	15.26%	4.24%	7.94%	4.60%	0.34%	1.36%	53.43%
FY 2008	12.57%	13.90%	3.89%	5.82%	4.21%	0.34%	1.38%	57.89%

Table 71: Manual and Electronic Payments

Fiscal Year	% Manual Payments	% Electronic Payments
FY 2012	31.08%	68.92%
FY 2011	36.46%	63.54%
FY 2010	49.83%	50.17%
FY 2009	54.79%	45.21%
FY 2008	59.27%	40.73%

Web Links

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

Quarterly Report (Listed under Financial)
http://www.austinenergy.com/About%20Us/Newsroom/Reports/

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

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

Resource Management Commission reports and presentations including Energy Efficiency/Solar Reports
http://www.austintexas.gov/cityclerk/boards_commissions/meetings/44_1.htm

Electric Utility Commission reports and presentations including Financial Report
http://www.austintexas.gov/cityclerk/boards_commissions/meetings/27_1.htm

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

Link and instructions to Comprehensive Annual Financial Report (CAFR)
https://www.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.
http://ampd.epa.gov/ampd/

ERCOT

Market transaction information
http://www.ercot.com/mktinfo/

System Conditions, Generation, Load and Transmission schedules
http://www.ercot.com/gridinfo/

APPENDIX

Table 1: Austin Energy System Average Carbon Intensity in Pounds of CO_2-eq/kWh 6
Table 2: Austin Energy Total CO_2-equivalent Stack Emissions from Owned Generation in Metric Tonnes 6
Table 3: Plant Emissions Reported Annually to EPA 7
Table 4: Single-Family Audits 8
Table 5: Single-Family Audit Results 8
Table 6: Single-Family Audit Results 9
Table 7: Multi-Family Audits 9
Table 8: Multi-Family Audits 9
Table 9:Multi-Family Audit Results 9
Table 10: Multi-Family Audit Results 10
Table 11: Multi-Family Audit Results 10
Table 12: Commercial Buildings Requiring Audits 10
Table 13: Peak Demand 11
Table 14: Avoided Emissions 11
Table 15: Energy Efficiency Energy Savings 12
Table 16: Energy Efficiency Program Expenditures 13
Table 17: Residential and Commercial Rebates 14
Table 18: Velocity Credit Union 14
Table 19: Grants Awarded to Austin Energy 15
Table 20: GreenChoice® Batch Subscriptions 16
Table 21: Renewable Energy and GreenChoice® Sales 16
Table 22: Avoided Emissions Associated with FY 2012 Renewable Energy Purchases 16
Table 23: Purchase Power Agreements (current and upcoming) 17
Table 24: Renewable Energy Resources 17
Table 25: Solar Rebate Program 18
Chart 1: Residential Solar Rebate Program History 20
Chart 2: Commercial Solar Rebate Program History 21
Chart 3: Solar Rebate Program Cumulative Capacity and Rebates 22
Table 26: Revenue and Bad Debt Expense 23
Chart 4: Residential Customers – Bill Comparisons – February 2012 (Winter) using 1,000 kWh ... 24
Chart 5: Residential Customers – Bill Comparisons – June 2012 (Summer) using 1,000 kWh 24
Chart 6: 2011 Average Residential Rates 25
Chart 7: 2011 Average Commercial Rates 26
Chart 8: 2011 Average Industrial Rates 27
Table 27: Bond Ratings 28
Table 29: Capital Improvements 29
Table 30: Operations and Maintenance with Fuel (does not include debt service and transfers) . 29
Table 31: Customers 30
Table 32: Sales – kWh by Customer Class 30

Table 33: Sales – Revenue by Customer Class 31
Table 34: Sales – Percentage of Revenue by Customer Class 31
Table 35: Cents per kWh by Customer Class 31
Table 36: Sales - % of MWh by Customer Class 31
Table 37: Fuel Collections 32
Table 38: Fuel Costs 32
Chart 9: Percentage of Fuel Cost by Type 33
Table 40: Austin Energy Fuel Charge 34
Table 41: Average Annual Heat Rate 35
Chart 10: Fuel Cost Percentage by Generation 36
Table 42: Generation by Fuel Type 36
Table 43: Generation Capacity and Capacity Factor 37
Table 44: Austin Energy Share of FPP and STP 38
Table 45: System Peak Demand 38
Table 46: System Fuel Cost Average 38
Table 47: System Production Cost 38
Table 48: Performance Results Measuring Equivalent Availability Factor (EAF) 39
Table 49: Plant Outages 39
Table 50: ERCOT Forced Load Reduction 41
Table 51: SAIFI/SAIDI/SATPLI 41
Table 52: Tree Trimming Workload 42
Table 53: Customer Surveys 42
Table 54: Contacts Received 43
Table 55: Call Distribution 43
Table 56: Average Speed for Answering Calls 43
Table 57: Austin 3-1-1 Calls and Service Requests 44
Table 58: Austin 3-1-1 Call Distribution by Percentage for FY 2012 44
Table 59: Customer Payment Plans 45
Table 60: Customers Using Budget Billing 45
Table 61: City of Austin Low-Income Discount Program Annual Customer Savings 46
Table 62: City of Austin Low-Income Discount Program Enrollment 46
Table 63: City of Austin Low-Income Discount Program Monthly Customer Savings 46
Table 64: Plus 1 Funding 47
Table 65: Plus 1 Fund Distribution 47
Table 66: Customer Assistance Program Customers Receiving Free Weatherization 48
Table 67: Medically-Vulnerable Program Participants 48
Table 68: Overall Satisfaction Ratings 49
Table 69: Satisfaction Ratings by Customer Type 49
Table 70: Breakdown of Payment Methods 50
Table 71: Manual and Electronic Payments 50