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April 4, 2016

Alfred Herrera, IHE ATTN: City Clerk City of Austin 301 W. 2nd Street Austin, Texas 78701 AUSTIN ENERGY 2016 APR -4 AMII: 08

Re: Austin Energy's Tariff Package: 2015 Cost of Service Study and Proposal to Change Base Electric Rates

Dear Examiner Herrera:

The purpose of this letter is to notify the Independent Hearings Examiner and the parties that Austin Energy will be submitting a revised version of the cost of service model. The revised model will be available today at the 2016 Rate Review website.

In the original model provided with the Tariff Package on January 25, 2016, it was necessary to redact certain proprietary customer information from the model. Additionally, the model could be run by parties using a finite set of allocation factors.

During the course of discovery, Austin Energy received questions requesting the model be updated to allow parties to select allocation factors of their choosing. In addition, Austin Energy was requested to "unhide" the customer information in order for parties to verify the amounts in the hidden cells.

In response to these questions, Austin Energy is releasing an updated version of the model that allows parties to input their own allocation factors. In addition, Austin Energy has obtained permission to release previously redacted customer information. Finally, Austin Energy has made some edits to improve the functionality of the model. Specifically, Austin Energy has made the following changes:

- * Unlocked rate cells on WP H-5.14.
- * Unlocked cells (at the bottom in the yellow shaded area) to create new allocators on Schedules F-1, F-2, F-3, F-4, F-5, and F-6.
- * Updated drop-down allocators to recognize newly created allocators on Schedules that had allocators, such as, but not limited to G-1, G-2, G-3, G-4, G-5, G-6, G-7, and G-8.

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* Updated redaction to show detail, such as, but not limited to Work Papers F-6.1, F-6.1.1, H-3.6.1, H-3.6.2 Schedule G-6, G-7, G-8, G-9 and G-10.

In the event that parties encounter problems or have questions, they may contact me at (512) 322-5857.

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Sincerely, Thomas L. Brocato

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cc: All parties