

Agenda Questions/Responses
January 08, 2004

**2. What necessitates the increase in the rate in comparison to Green Choice Batch 2?
(Council Member Raul Alvarez)**

The Batch 2 rate was set based on the contracted price per MWh for the King Mountain project. At that time the new market design was just being created. Since then, several new ERCOT fees have been imposed on that wind energy. These fees are not being collected from the GreenChoice Batch 2 customers.

In setting the rate for Batch 3, a study was done of all the costs that are expected to be incurred in producing and delivering the wind energy from West Texas to Austin. The rate of 3.3 cents per kWh is the break-even price for Batch 3 wind resources. Any lower rate will not recover the costs of the energy sources.

The major reasons for the higher cost of Batch 3 include:

- 1) The contracted price for wind energy for Batch 3 is higher than what was contracted for Batch 2.
- 2) There are some costs in Batch 3 that were not part of Batch 2:
 - a) transmission congestion costs
 - b) spot market renewable energy costs
 - c) several new ERCOT fees

5. What is the impervious cover of this project? (Council Member Daryl Slusher)

The project will have up to 21% impervious cover.

Is it specifically complying with the SOS ordinance? (Council Member Daryl Slusher)

Yes. The Ordinance allows up to 25% impervious cover in the contributing zone of the "Barton Springs Zone" classification.

How many units are planned? (Council Member Daryl Slusher)

The development is proposing approximately 276 units on 46 acres. The tract is within the Williamson Creek Watershed (18 acres) and Barton Creek Watershed (28 acres). The majority of the tract within the Barton Creek Watershed, 24 of 28 acres, will be left undistributed.

- 7. Please provide figures on meeting performance measures in the original contract. (Council Member Daryl Slusher)**

A document reporting the 2002-2003 Contract Performance for Capital Idea has been sent via email attachment to Council Offices.

- 10. What are the estimated start and completion dates for this project? (Council Member Daryl Slusher)**

The estimated start date is the last week of January 2004. The estimated completion date is June 2005.

- 12. What are the estimated start and completion dates for this project? (Council Member Daryl Slusher)**

The estimated start of construction is early February 2004. The estimated date of substantial completion is early July 2004. The estimated completion date is September 2004.