

GreenChoice[®] Newsletter

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Semiannual newsletter for residential and commercial subscribers to the GreenChoice Program

GreenChoice Is Nation's Top Clean Power Program

Since our last newsletter, Austin Energy's GreenChoice program was singled out as Green Power Program of the Year for 2004, the highest honor for green power suppliers. City Manager Toby Futrell accepted the accolades at the annual National Green Power Leadership Awards in Albany, New York.

Each year the U.S. Environmental Protection Agency, the U.S. Department of Energy, and the Center for Resource

Solutions honor organizations that are significantly advancing development of the green power market. Austin Energy was recognized for leading the country in sales and for its innovative strategy that locks in green power prices for up to 10 years, promotes the development of green power sources in Texas, and touts the environmental commitment that renewable energy purchasers are making to the community.

Austin Energy has also been number one in sales for 2002 and 2003 as ranked by the National Renewable Energy Laboratory, and we expect to be ranked #1 again for 2004. Currently, GreenChoice subscriptions total 365 million kilowatt-hours, enough to power more than 30,000 homes year-round. Once again, we thank our 300 commercial and more than 7,000 residential subscribers for making the green choice.

Austin Energy Doubles Wind Power



Austin Energy has doubled its wind power portfolio with the addition of the Sweetwater Wind Project which is more than 93 MW in size—that's enough to power 25,000 homes! The project features 62 turbines on 240-foot towers, and is interconnected to an existing 345,000-volt transmission system. Sweetwater is located west of Abilene in

Nolan county and became operational in early January 2005.

The Austin City Council has already approved a future 35 MW expansion for Sweetwater, which is expected to become operational this fall. With this project, 6.5% of Austin Energy's total generation will be provided by renewable energy sources. This keeps the Utility on track to achieve the goal of generating 20% of Austin's power needs from renewable energy sources by the year 2020.

Attention Businesses... Our Great Energy Efficiency Rebates Just Got 20% Better!

For a limited time, commercial customers applying for rebates will receive 20% more! See less of your money go out the window by taking advantage of our increased rebate amounts.

Funding is limited, so apply now!

Eligible equipment includes technologies such as: high efficiency lighting and HVAC, ceiling/roof insulation and reflective coatings, premium efficiency motors, and more...

Contact Joe Peña at 482-5346 or visit www.austinenergy.com for more information.



Change a Light, Change the World

Save money and improve the environment—one light bulb at a time. If every U.S. household used ENERGY STAR[®] qualified compact fluorescent light bulbs (CFLs) in their five most frequently used light fixtures, each home would save more than \$60 a year in energy costs, and prevent air pollution equivalent to the emissions from one million cars. It's easy to join in! Just visit www.austinenergy.com and look under "Energy Saving Opportunities" for your **\$2 off coupons** for the purchase of CFLs or stop by participating Home Depot stores, American Light, Breed & Company, or The Light Bulb Shop.

To discontinue receiving this newsletter by e-mail, please send your name and mailing address to green.choice@austinenergy.com and include "unsubscribe" in the subject line.

Time to Harness the Sun!



Want to get something more than a sunburn out of Austin's hot days? With Austin Energy's new Solar Rebate Program, you can get money back for installing a solar photovoltaic (PV) system on your home or business. In fact, AE's solar rebates are among the highest in the country, offering 50%–80% of the cost of a residential solar system (maximum of \$15,000 for a residential installation or \$100,000 for a commercial installation). Even though the program only began in the summer of 2004, residents have already received more than \$330,000 in rebates, with an average rebate of \$13,500. The average-sized system (2.8 kW) can produce between 3,000 and 4,500 kilowatt-hours (kWh) annually, which can cover 20%–30% of a home's electrical usage, depending on various factors.

What do I need to know?

- One kilowatt (kW) equals 1,000 watts.
- A 1-kW solar system (the smallest practical size) is about 120 square feet of solar panels and should produce between 1,400–1,700 kWh of electricity annually.
- This represents \$85–\$145 worth of electricity annually.
- A 1-kW system usually costs between \$6,000 and \$10,000.
- The Austin Energy rebate on a 1 kW system would be (\$5 x 1,000 watts) or \$5,000.

EPA Recognizes Texas Green Power Partners



Austin Mayor Will Wynn addresses the EPA Green Power Partnership recognition luncheon.

Texas leads the nation in the number of Green Power Partners—businesses that have purchased enough renewable energy to qualify for recognition by the Environmental Protection Agency (EPA). More than 100 businesses were applauded as renewable energy leaders at the Green Power Partnership recognition luncheon in September 2004. Texas has almost 200 Green Power Partners, about 40% of all partners in the program, far more than any other state.

Austin Energy hosted the luncheon, which featured a video saluting Texas Green Power Partners and presentations by Rob Lawrence, Senior Policy Advisor for the EPA; Will Wynn, Austin's Mayor; and Jerry Patterson, Commissioner for the Texas General Land Office. Visit www.epa.gov/greenpower/ for more information about the Green Power Partnership.



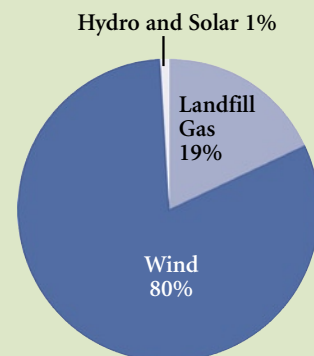
Am I a good candidate for a solar system?

- First, you must own your home.
- The roof must be in good condition and there can be no deed restrictions on solar installations.
- The system must remain in the Austin Energy service area.
- Austin Energy must perform a pre-rebate inspection to determine eligibility.
- The structure must have minimal shading and must allow for proper orientation of solar panels.
- Installations must be performed by a registered installer.
- Licensed electrical contractors must obtain appropriate permits and perform all grid interconnections.

For details or to apply online, go to www.austinenergy.com and click on the solar rebate link. Or you can contact Leslie Libby at 482-5390 for more program information.

Austin Energy's Renewable Energy Sources and Enrollment:

Corporate Champions	56
Corporate Champions at 100%.....	31
Corporate Champions kWh total	275,365,237
Small Business Partners	253
Small Business Partners at 100%	244
Small Business kWh total	18,342,315
Residential Subscribers.....	7,440
GreenChoice kWh total	382,987,552



Data current as of December 31, 2004.