

AUSTIN ENERGY  
 FY 2008 BUDGET TO ACTUAL (Budget Based Statement)



Unaudited Results

\$ in Thousands

	May 2008 Year to Date Actual	May 2008 Year to Date Budget	Variance	Percent
<b>REVENUES</b>				
Service Area Base Revenue	\$ 350,109	\$ 337,514	\$ 12,595	3.7%
Green Choice Billed Revenue	14,218	12,100	2,118	17.5%
Bilateral & Ancillary Service Sales	24,677	14,844	9,833	66.2%
Transmission Service Revenue	38,282	39,233	(951)	-2.4%
Miscellaneous Revenue	21,836	24,064	(2,228)	-9.3%
Interest Income	18,187	13,860	4,327	31.22%
<b>Total Operating Revenue Without Fuel Revenue</b>	<b>467,309</b>	<b>441,615</b>	<b>25,694</b>	<b>5.8%</b>
Fuel Revenue	212,361	211,353	1,008	0.5%
<b>Total Operating Revenue</b>	<b>679,670</b>	<b>652,968</b>	<b>26,702</b>	<b>4.1%</b>
<b>OPERATING REQUIREMENTS</b>				
Fuel and Green Power Expense	232,819	223,453	(9,366)	-4.2%
<b>Department O&amp;M Without Fuel</b>				
Department O&M	110,646	122,818	12,172	9.9%
Transmission Service Expense	33,039	33,646	607	1.8%
South Texas Project O&M	37,103	39,340	2,237	5.7%
Fayette Power Project O&M	14,291	12,789	(1,502)	-11.7%
Call Center	15,217	19,706	4,489	22.8%
Energy Conservation Rebates	8,605	7,627	(978)	-12.8%
Bad Debt Expense	2,933	4,212	1,279	30.4%
Administrative Support Transfer	8,503	8,503	0	0.0%
<b>Total Operating O&amp;M Without Fuel</b>	<b>230,337</b>	<b>248,641</b>	<b>18,304</b>	<b>7.4%</b>
<b>Total Operating Requirements</b>	<b>463,156</b>	<b>472,094</b>	<b>8,938</b>	<b>1.9%</b>
<b>DEBT SERVICE REQUIREMENTS</b>				
Revenue Bond	81,933	88,625	6,692	7.6%
Other Obligations	3,792	3,794	2	0.1%
<b>Total Debt Service Requirements</b>	<b>85,725</b>	<b>92,419</b>	<b>6,694</b>	<b>7.2%</b>
<b>TRANSFERS/USES OF COVERAGE</b>				
General Fund Transfer	68,250	68,250	0	0.0%
Electric CIP Transfer	76,049	60,614	(15,435)	-25.5%
<b>Total Transfers</b>	<b>144,299</b>	<b>128,864</b>	<b>(15,435)</b>	<b>-12.0%</b>
<b>Total Requirements Without Encumbrances</b>	<b>693,180</b>	<b>693,377</b>	<b>197</b>	<b>0.0%</b>
<b>Total Encumbrances</b>	<b>11,904</b>	<b>11,904</b>	<b>0</b>	<b>0.0%</b>
<b>Total Requirements</b>	<b>705,084</b>	<b>705,281</b>	<b>197</b>	<b>0.0%</b>
<b>CHANGE TO BEGINNING BALANCE</b>	<b>\$ (25,414)</b>	<b>\$ (52,313)</b>	<b>\$ 26,899</b>	<b>-51.4%</b>

AUSTIN ENERGY  
BALANCE SHEET



Unaudited Results

\$ in Thousands

ASSETS	June 2008	June 2007	Variance	Percent
<b>Current Assets</b>				
Cash	\$ 261,994	\$ 239,023	\$ 22,971	9.6%
Accounts Receivable	165,187	112,855	52,332	46.4%
Inventory - Fuel	41,261	23,712	17,549	74.0%
Inventory - Materials and Supplies	38,217	40,096	(1,879)	-4.7%
Unrecovered Fuel Revenue	-	-	-	0.0%
Other Current Assets	14,172	9,629	4,543	47.2%
<b>Total Current Assets</b>	<b>520,831</b>	<b>425,315</b>	<b>95,516</b>	<b>22.5%</b>
<b>Restricted Assets</b>				
Bond Debt Service	29,418	28,833	585	2.0%
Strategic Reserve	147,606	167,913	(20,307)	-12.1%
Other Restricted Assets	383,243	269,630	113,613	42.1%
<b>Total Restricted Assets</b>	<b>560,267</b>	<b>466,376</b>	<b>93,891</b>	<b>20.1%</b>
<b>Property, Plant, and Equipment</b>				
Net Plant in Service	1,980,021	1,891,057	88,964	4.7%
Construction Work in Progress	281,335	254,802	26,533	10.4%
Nuclear Fuel	30,275	29,128	1,147	3.9%
Plant Held for Future Use	27,783	27,783	-	0.0%
<b>Net Utility Plant</b>	<b>2,319,414</b>	<b>2,202,770</b>	<b>116,644</b>	<b>5.3%</b>
Advances to Other Funds	2,350	2,737	(387)	-14.1%
Other Long-term Assets	144	662	(518)	-78.2%
Deferred Costs and Expenses	263,487	224,422	39,065	17.4%
<b>TOTAL ASSETS</b>	<b>\$ 3,666,493</b>	<b>\$ 3,322,282</b>	<b>\$ 344,211</b>	<b>10.4%</b>
<b>LIABILITIES AND FUND EQUITY</b>				
<b>Current Liabilities</b>				
Accounts Payable	\$ 117,969	\$ 58,934	\$ 59,035	100.2%
Deferred Fuel Revenue	52,772	30,683	22,089	0.0%
Other Liabilities	20,907	19,389	1,518	7.8%
<b>Total Current Liabilities</b>	<b>191,648</b>	<b>109,006</b>	<b>82,642</b>	<b>75.8%</b>
<b>Liabilities Payable from Restricted Assets</b>				
Liabilities Payable from Debt Service Accounts	92,426	95,602	(3,176)	-3.3%
Other Liabilities Payable from Restricted Assets	303,834	190,403	113,431	59.6%
<b>Total Liabilities Payable from Restricted Assets</b>	<b>396,260</b>	<b>286,005</b>	<b>110,255</b>	<b>38.6%</b>
<b>Long-term Liabilities</b>				
Long Term Debt	1,342,580	1,289,557	53,023	4.1%
Other Liabilities	93,818	83,252	10,566	12.7%
<b>Total Long-term Liabilities</b>	<b>1,436,398</b>	<b>1,372,809</b>	<b>63,589</b>	<b>4.6%</b>
<b>Total Liabilities</b>	<b>2,024,306</b>	<b>1,767,820</b>	<b>256,486</b>	<b>14.5%</b>
<b>Fund Equity</b>				
Contributions	-	-	-	-
Retained Earnings	1,642,187	1,554,462	87,725	5.6%
<b>Total Fund Equity</b>	<b>1,642,187</b>	<b>1,554,462</b>	<b>87,725</b>	<b>5.6%</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 3,666,493</b>	<b>\$ 3,322,282</b>	<b>\$ 344,211</b>	<b>10.4%</b>

AUSTIN ENERGY  
Other Restricted Assets



Unaudited Results

\$ in Thousands

	<u>June</u> <u>2008</u>	<u>June</u> <u>2007</u>	<u>Variance</u>	<u>Percent</u>
<b>Other Restricted Assets</b>				
Decommissioning Account	\$ 157,914	\$ 143,735	\$ 14,179	9.9%
Collateral & Escrow Deposits	102,018	1,846	100,172	5426.6%
Investment in Construction Account	47,249	39,319	7,930	20.2%
Repair and Replacement Fund	32,064	45,559	(13,495)	-29.6%
Cash Held to Fund Nuclear Fuel Costs	24,369	22,208	2,161	9.7%
Customer Deposits	19,630	16,963	2,666	15.7%
<b>Total Other Restricted Assets</b>	<u>\$ 383,243</u>	<u>\$ 269,630</u>	<u>\$ 113,613</u>	<u>\$ 42.1%</u>

AUSTIN ENERGY  
 INCOME STATEMENT  
 VARIANCE ANALYSIS  
 Unaudited Results



YEAR TO DATE	June Year to Date Fiscal 2008	June Year to Date Fiscal 2007	Variance	Percent
Service Area Base	\$ 412,997	\$ 391,041	\$ 21,956	5.6%
Fuel	260,917	221,234	39,683	17.9%
Other Revenue	114,194	114,780	(586)	-0.5%
Total Operating Revenue	<u>788,108</u>	<u>727,055</u>	<u>61,053</u>	<u>8.4%</u>
Operating Expenses	287,266	278,950	8,316	3.0%
Fuel	260,917	221,234	39,683	17.9%
Depreciation	<u>82,364</u>	<u>83,097</u>	<u>(733)</u>	<u>-0.9%</u>
Total Operating Expenses	<u>630,547</u>	<u>583,281</u>	<u>47,266</u>	<u>8.1%</u>
Net Operating Income	157,561	143,774	13,787	9.6%
<b><u>Nonoperating Revenue (Expense)</u></b>				
Interest Income	24,154	24,763	(609)	-2.5%
Interest Charges and Other Expense	(64,537)	(67,414)	2,877	-4.3%
Gain (Loss) on disposal of assets	(4,758)	(7,155)	2,397	-33.5%
Cost to be Recovered in Future Years	<u>3,003</u>	<u>19,849</u>	<u>(16,846)</u>	<u>-84.9%</u>
Net Income before Transfers	115,423	113,817	1,606	1.4%
Transfers to General Fund	(68,250)	(63,375)	(4,875)	7.7%
Transfer to Other Funds	-	-	-	0.0%
<b>Net Income (Loss)</b>	<u>\$ 47,173</u>	<u>\$ 50,442</u>	<u>\$ (3,269)</u>	<u>-6.5%</u>

AUSTIN ENERGY  
 FY 2008 BUDGET TO ACTUAL (Budget Based Statement)



Unaudited Results

\$ in Thousands

	June 2008 Year to Date Actual	June 2008 Year to Date Budget	Variance	Percent
<b>REVENUES</b>				
Service Area Base Revenue	\$ 412,997	\$ 397,891	\$ 15,106	3.8%
Green Choice Billed Revenue	16,837	13,804	3,033	22.0%
Bilateral & Ancillary Service Sales	30,326	16,616	13,710	82.5%
Transmission Service Revenue	42,122	44,208	(2,086)	-4.7%
Miscellaneous Revenue	24,909	26,832	(1,923)	-7.2%
Interest Income	20,116	15,771	4,345	27.55%
<b>Total Operating Revenue Without Fuel Revenue</b>	<b>547,307</b>	<b>515,122</b>	<b>32,185</b>	<b>6.2%</b>
Fuel Revenue	260,917	245,574	15,343	6.2%
<b>Total Operating Revenue</b>	<b>808,224</b>	<b>760,696</b>	<b>47,528</b>	<b>6.2%</b>
<b>TRANSFERS IN</b>				
General Fund	-	-	-	0.0%
Repair & Replacement Fund	30,000	30,000	-	0.0%
Strategic Reserve Fund	17,985	17,985	-	0.0%
<b>Total Transfers</b>	<b>47,985</b>	<b>47,985</b>	<b>-</b>	<b>0.0%</b>
<b>Total Revenue</b>	<b>856,209</b>	<b>808,681</b>	<b>47,528</b>	<b>5.9%</b>
<b>OPERATING REQUIREMENTS</b>				
Fuel and Green Power Expense	285,546	259,378	(26,168)	-10.1%
<b>Department O&amp;M Without Fuel</b>				
Department O&M	124,629	138,033	13,404	9.7%
Transmission Service Expense	36,871	37,904	1,033	2.7%
South Texas Project O&M	41,747	43,495	1,748	4.0%
Fayette Power Project O&M	16,704	14,405	(2,299)	-16.0%
Call Center	17,085	22,118	5,033	22.8%
Energy Conservation Rebates	9,625	9,470	(155)	-1.6%
Bad Debt Expense	3,450	4,938	1,488	30.1%
Administrative Support Transfer	9,566	9,566	0	0.0%
<b>Total Operating O&amp;M Without Fuel</b>	<b>259,677</b>	<b>279,929</b>	<b>20,252</b>	<b>7.2%</b>
<b>Total Operating Requirements</b>	<b>545,223</b>	<b>539,307</b>	<b>(5,916)</b>	<b>-1.1%</b>
<b>DEBT SERVICE REQUIREMENTS</b>				
Revenue Bond	101,729	108,770	7,041	6.5%
Other Obligations	3,839	4,290	451	10.5%
<b>Total Debt Service Requirements</b>	<b>105,568</b>	<b>113,060</b>	<b>7,492</b>	<b>6.6%</b>
<b>TRANSFERS/USES OF COVERAGE</b>				
General Fund Transfer	68,250	68,250	0	0.0%
Electric CIP Transfer	85,429	69,083	(16,346)	-23.7%
Repair & Replacement Fund Transfer	505	505	0	0.0%
<b>Total Transfers</b>	<b>154,184</b>	<b>137,838</b>	<b>(16,346)</b>	<b>-11.9%</b>
<b>Total Requirements Without Encumbrances</b>	<b>804,975</b>	<b>790,205</b>	<b>(14,770)</b>	<b>-1.9%</b>
<b>Total Encumbrances</b>	<b>16,388</b>	<b>16,388</b>	<b>0</b>	<b>0.0%</b>
<b>Total Requirements</b>	<b>821,363</b>	<b>806,593</b>	<b>(14,770)</b>	<b>-1.8%</b>
<b>CHANGE TO BEGINNING BALANCE</b>	<b>\$ 34,846</b>	<b>\$ 2,088</b>	<b>\$ 32,758</b>	<b>1568.9%</b>



<u>FUND</u>	<u>Description</u>	<u>June YTD Actual</u>	<u>FY2008 CIP Spending Plan</u>	<u>Actual as % of FY2008 CIP Spending Plan</u>	<u>Amount Remaining</u>
3060	Non Electric Plant - Chiller	\$ 13,888,898	\$ 22,099,000	63%	\$ 8,210,102
3070	South Texas Nuclear Plant	6,506,976	8,096,000	80%	1,589,024
3080	Fayette Plant Additions	39,682,416	78,315,000	51%	38,632,584
3120	Alternative Energy	310,353	755,000	41%	444,647
3220	Decker and Sandhill Plant	24,151,804	40,172,000	60%	16,020,196
3230	Transmission Plant	13,349,905	15,439,000	86%	2,089,095
3240	Distribution Substations	3,812,358	12,342,000	31%	8,529,642
3250	Distribution Plant	49,431,779	67,364,000	73%	17,932,221
3260	Customer Service, Billing, & Meters	7,177,681	15,171,000	47%	7,993,319
3290	Support Services Capital	8,499,177	32,014,000	27%	23,514,823
3300	Capital Equipment	4,342,813	6,718,000	65%	2,375,187
3320	Holly Decommissioning	1,378,327	4,164,000	33%	2,785,673
<b>Total</b>		<b>\$ 172,532,487</b>	<b>\$ 302,649,000</b>	<b>57%</b>	<b>\$ 130,116,513</b>

AUSTIN ENERGY  
 FY 2008 BUDGET TO ACTUAL (Budget Based Statement)



Unaudited Results

\$ in Thousands

	July 2008 Year to Date Actual	July 2008 Year to Date Budget	Variance	Percent
<b>REVENUES</b>				
Service Area Base Revenue	\$ 481,787	\$ 462,165	\$ 19,622	4.2%
Green Choice Billed Revenue	19,605	15,602	4,003	25.7%
Bilateral & Ancillary Service Sales	33,988	18,388	15,600	84.8%
Transmission Service Revenue	46,749	49,184	(2,435)	-5.0%
Miscellaneous Revenue	27,871	29,616	(1,745)	-5.9%
Interest Income	22,033	17,690	4,343	24.55%
<b>Total Operating Revenue Without Fuel Revenue</b>	<b>632,033</b>	<b>592,645</b>	<b>39,388</b>	<b>6.6%</b>
Fuel Revenue	335,872	281,886	53,986	19.2%
<b>Total Operating Revenue</b>	<b>967,905</b>	<b>874,531</b>	<b>93,374</b>	<b>10.7%</b>
<b>TRANSFERS IN</b>				
General Fund	-	-	-	0.0%
Repair & Replacement Fund	30,000	30,000	-	0.0%
Strategic Reserve Fund	17,985	17,985	-	0.0%
<b>Total Transfers</b>	<b>47,985</b>	<b>47,985</b>	<b>-</b>	<b>0.0%</b>
<b>Total Revenue</b>	<b>1,015,890</b>	<b>922,516</b>	<b>93,374</b>	<b>10.1%</b>
<b>OPERATING REQUIREMENTS</b>				
Fuel and Green Power Expense	364,107	297,488	(66,619)	-22.4%
<b>Department O&amp;M Without Fuel</b>				
Department O&M	139,100	153,598	14,498	9.4%
Transmission Service Expense	41,037	42,162	1,125	2.7%
South Texas Project O&M	45,788	47,413	1,625	3.4%
Fayette Power Project O&M	18,012	15,941	(2,071)	-13.0%
Call Center	20,060	24,437	4,377	17.9%
Energy Conservation Rebates	11,203	10,780	(423)	-3.9%
Bad Debt Expense	4,012	5,710	1,698	29.7%
Administrative Support Transfer	10,629	10,629	0	0.0%
<b>Total Operating O&amp;M Without Fuel</b>	<b>289,841</b>	<b>310,670</b>	<b>20,829</b>	<b>6.7%</b>
<b>Total Operating Requirements</b>	<b>653,948</b>	<b>608,158</b>	<b>(45,790)</b>	<b>-7.5%</b>
<b>DEBT SERVICE REQUIREMENTS</b>				
Revenue Bond	121,318	128,915	7,597	5.9%
Other Obligations	4,383	4,763	380	8.0%
<b>Total Debt Service Requirements</b>	<b>125,701</b>	<b>133,678</b>	<b>7,977</b>	<b>6.0%</b>
<b>TRANSFERS/USES OF COVERAGE</b>				
General Fund Transfer	91,000	91,000	0	0.0%
Electric CIP Transfer	97,669	87,720	(9,949)	-11.3%
Repair & Replacement Fund Transfer	505	505	0	0.0%
<b>Total Transfers</b>	<b>189,174</b>	<b>179,225</b>	<b>(9,949)</b>	<b>-5.6%</b>
<b>Total Requirements Without Encumbrances</b>	<b>968,823</b>	<b>921,061</b>	<b>(47,762)</b>	<b>-5.2%</b>
<b>Total Encumbrances</b>	<b>14,522</b>	<b>14,522</b>	<b>0</b>	<b>0.0%</b>
<b>Total Requirements</b>	<b>983,345</b>	<b>935,583</b>	<b>(47,762)</b>	<b>-5.1%</b>
<b>CHANGE TO BEGINNING BALANCE</b>	<b>\$ 32,545</b>	<b>\$ (13,067)</b>	<b>\$ 45,612</b>	<b>-349.1%</b>



<u>FUND</u>	<u>Description</u>	<u>July YTD Actual</u>	<u>FY2008 CIP Spending Plan</u>	<u>Actual as % of FY2008 CIP Spending Plan</u>	<u>Amount Remaining</u>
3060	Non Electric Plant - Chiller	\$ 14,554,858	\$ 22,099,000	66%	\$ 7,544,142
3070	South Texas Nuclear Plant	6,816,366	8,096,000	84%	1,279,634
3080	Fayette Plant Additions	56,390,586	78,315,000	72%	21,924,414
3120	Alternative Energy	349,382	755,000	46%	405,618
3220	Decker and Sandhill Plant	26,584,910	40,172,000	66%	13,587,090
3230	Transmission Plant	13,311,628	15,439,000	86%	2,127,372
3240	Distribution Substations	8,809,619	12,342,000	71%	3,532,381
3250	Distribution Plant	53,960,484	67,364,000	80%	13,403,516
3260	Customer Service, Billing, & Meters	7,582,794	15,171,000	50%	7,588,206
3290	Support Services Capital	9,702,997	32,014,000	30%	22,311,003
3300	Capital Equipment	4,613,132	6,718,000	69%	2,104,868
3320	Holly Decommissioning	1,409,261	4,164,000	34%	2,754,739
<b>Total</b>		<b>\$ 204,086,019</b>	<b>\$ 302,649,000</b>	<b>67%</b>	<b>\$ 98,562,981</b>

AUSTIN ENERGY  
 FY 2008 BUDGET TO ACTUAL (Budget Based Statement)



Unaudited Results

\$ in Thousands

	August 2008 Year to Date Actual	August 2008 Year to Date Budget	Variance	Percent
<b>REVENUES</b>				
Service Area Base Revenue	\$ 550,951	\$ 529,035	\$ 21,916	4.1%
Green Choice Billed Revenue	22,379	17,412	4,967	28.5%
Bilateral & Ancillary Service Sales	36,584	20,160	16,424	81.5%
Transmission Service Revenue	51,377	54,159	(2,782)	-5.1%
Miscellaneous Revenue	30,861	32,441	(1,580)	-4.9%
Interest Income	23,853	19,631	4,222	21.51%
<b>Total Operating Revenue Without Fuel Revenue</b>	<b>716,005</b>	<b>672,838</b>	<b>43,167</b>	<b>6.4%</b>
Fuel Revenue	395,657	319,029	76,628	24.0%
<b>Total Operating Revenue</b>	<b>1,111,662</b>	<b>991,867</b>	<b>119,795</b>	<b>12.1%</b>
<b>TRANSFERS IN</b>				
General Fund	-	-	-	0.0%
Repair & Replacement Fund	30,000	30,000	-	0.0%
Strategic Reserve Fund	17,985	17,985	-	0.0%
<b>Total Transfers</b>	<b>47,985</b>	<b>47,985</b>	<b>-</b>	<b>0.0%</b>
<b>Total Revenue</b>	<b>1,159,647</b>	<b>1,039,852</b>	<b>119,795</b>	<b>11.5%</b>
<b>OPERATING REQUIREMENTS</b>				
Fuel and Green Power Expense	425,746	336,441	(89,305)	-26.5%
<b>Department O&amp;M Without Fuel</b>				
Department O&M	152,963	168,462	15,499	9.2%
Transmission Service Expense	46,290	46,420	130	0.3%
South Texas Project O&M	50,369	51,449	1,080	2.1%
Fayette Power Project O&M	20,150	17,506	(2,644)	-15.1%
Call Center	21,842	26,751	4,909	18.4%
Energy Conservation Rebates	12,499	12,357	(142)	-1.1%
Bad Debt Expense	4,577	6,509	1,932	29.7%
Administrative Support Transfer	11,692	11,692	0	0.0%
<b>Total Operating O&amp;M Without Fuel</b>	<b>320,382</b>	<b>341,146</b>	<b>20,764</b>	<b>6.1%</b>
<b>Total Operating Requirements</b>	<b>746,128</b>	<b>677,587</b>	<b>(68,541)</b>	<b>-10.1%</b>
<b>DEBT SERVICE REQUIREMENTS</b>				
Revenue Bond	141,241	149,059	7,818	5.2%
Other Obligations	4,544	5,189	645	12.4%
<b>Total Debt Service Requirements</b>	<b>145,785</b>	<b>154,248</b>	<b>8,463</b>	<b>5.5%</b>
<b>TRANSFERS/USES OF COVERAGE</b>				
General Fund Transfer	91,000	91,000	0	0.0%
Electric CIP Transfer	105,450	107,202	1,752	1.6%
Repair & Replacement Fund Transfer	505	505	0	0.0%
<b>Total Transfers</b>	<b>196,955</b>	<b>198,707</b>	<b>1,752</b>	<b>0.9%</b>
<b>Total Requirements Without Encumbrances</b>	<b>1,088,868</b>	<b>1,030,542</b>	<b>(58,326)</b>	<b>-5.7%</b>
<b>Total Encumbrances</b>	<b>13,818</b>	<b>13,818</b>	<b>0</b>	<b>0.0%</b>
<b>Total Requirements</b>	<b>1,102,686</b>	<b>1,044,360</b>	<b>(58,326)</b>	<b>-5.6%</b>
<b>CHANGE TO BEGINNING BALANCE</b>	<b>\$ 56,961</b>	<b>\$ (4,508)</b>	<b>\$ 61,469</b>	<b>-1363.6%</b>



<u>FUND</u>	<u>Description</u>	<u>August YTD Actual</u>	<u>FY2008 CIP Spending Plan</u>	<u>Actual as % of FY2008 CIP Spending Plan</u>	<u>Amount Remaining</u>
3060	Non Electric Plant - Chiller	\$ 16,339,410	\$ 22,099,000	74%	\$ 5,759,590
3070	South Texas Nuclear Plant	7,354,970	8,096,000	91%	741,030
3080	Fayette Plant Additions	56,321,172	78,315,000	72%	21,993,828
3120	Alternative Energy	528,337	755,000	70%	226,663
3220	Decker and Sandhill Plant	29,019,569	40,172,000	72%	11,152,431
3230	Transmission Plant	14,269,106	15,439,000	92%	1,169,894
3240	Distribution Substations	7,984,599	12,342,000	65%	4,357,401
3250	Distribution Plant	58,628,852	67,364,000	87%	8,735,148
3260	Customer Service, Billing, & Meters	9,017,294	15,171,000	59%	6,153,706
3290	Support Services Capital	10,843,573	32,014,000	34%	21,170,427
3300	Capital Equipment	4,770,417	6,718,000	71%	1,947,583
3320	Holy Decommissioning	1,441,247	4,164,000	35%	2,722,753
<b>Total</b>		<b>\$ 216,518,546</b>	<b>\$ 302,649,000</b>	<b>72%</b>	<b>\$ 86,130,454</b>



City of Austin, Texas  
Austin Energy

*Electric Utility Commission*

*General Fund Transfer - Background  
November 17, 2008*





# Objective

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- ▶ Background
- ▶ Scenario - If GFT calculated solely on basis of non-fuel revenue, what % of non-fuel revenue would have produced the same GFT over last 5 years?





## History – Utility's General Fund Transfer (GFT)

---

- ▶ City ownership of electric utility
  - ▶ Risk of owning & operating utility
  - ▶ Return on its investment
- ▶ Policy is collaborative effort of City & utility
- ▶ Transfer Method - % of Gross Revenue
  - ▶ Payments as early as 1932
  - ▶ 1946 - 1975 Combined Utility (electric, water, wastewater)
  - ▶ 1976 - present Austin Energy separate from Austin Water





# Policy - General Fund Transfer (GFT)

## Ordinance for City Financial Policies

- ▶ *" The General Fund Transfer shall not exceed 12% of Electric's three year average revenues, calculated using the current year estimate and the previous two years' actual revenues from the City's Comprehensive Annual Financial Report."*
- ▶ Sets **maximum** % of Gross revenue
- ▶ **3 year average revenue**

## Resolution on Competition

- ▶ *" The City will decrease the General Fund Transfer from its electric utility as necessary to achieve competitive pricing for its electric utility, using the annual ERCOT average retail price as a standard, with an annual review to reaffirm the appropriate level as the competitive market develops."*
- ▶ Sets **range** for % of Gross revenue of 6.6 - 9.1%





# Calculation - General Fund Transfer (GFT)

- ▶ GFT Formula

$$\frac{y2 + y1 + y0}{3} \times R = \text{GFT}$$

- ▶ GFT formula input

- ▶ **y2** = Actual revenue, 2 years prior to current fiscal year
- ▶ **y1** = Actual revenue, 1 year prior to current fiscal year
- ▶ **y0** = Estimated revenue, current fiscal year
- ▶ **R** = Transfer Rate
- ▶ **GFT** = General Fund Transfer for next fiscal year

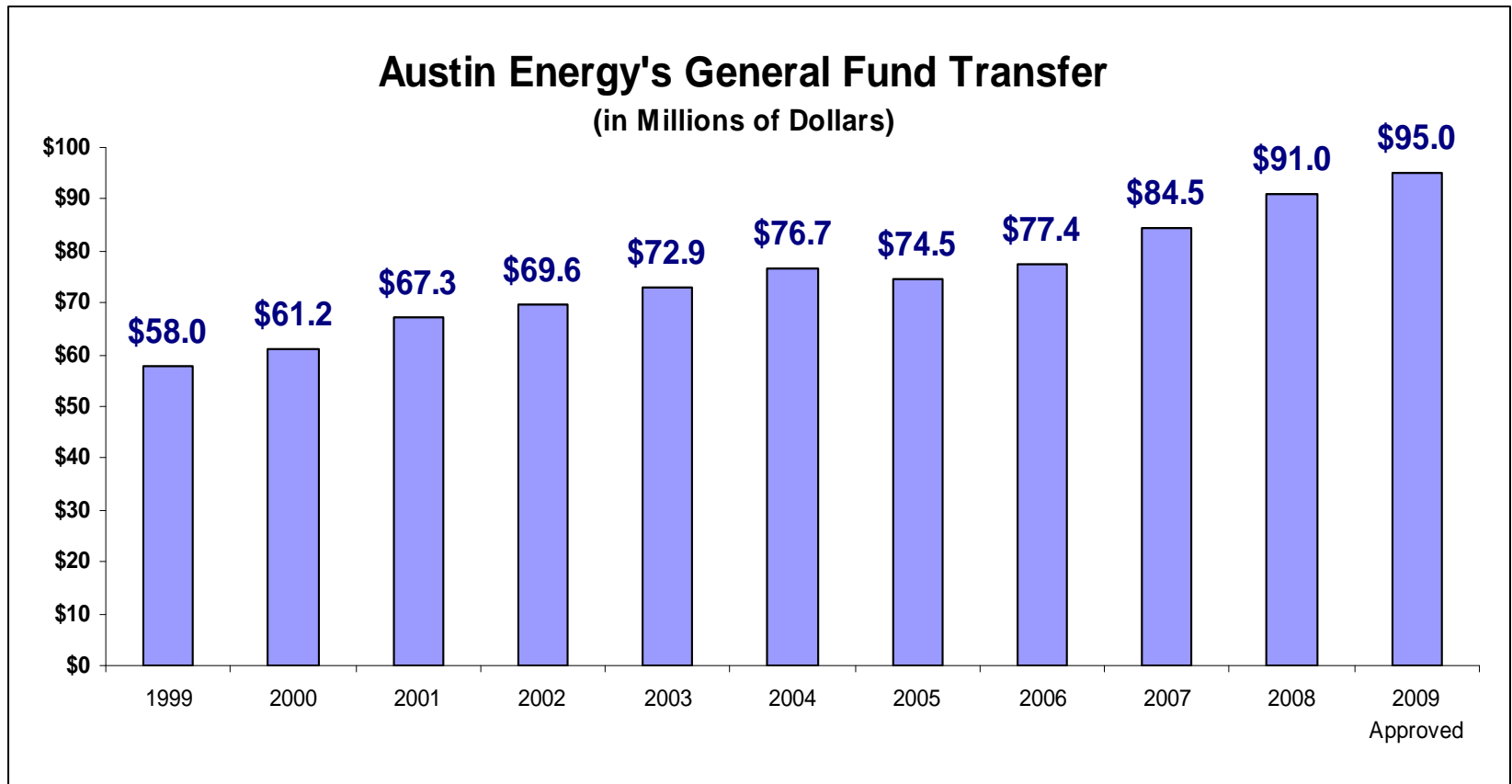
- ▶ Revenue used for GFT calculation

- ▶ Service Area Revenue or Sales of Electricity
  - ▶ Base revenue
  - ▶ Fuel revenue
- ▶ Other Revenue
  - ▶ Transmission Revenue
  - ▶ Infrastructure Rental
  - ▶ Product Sales
  - ▶ Customer Fees
  - ▶ Bilateral Sales
  - ▶ Other miscellaneous revenue such as lab fees, rental, scrap sales
- ▶ Interest Income





## AE's General Fund Transfer (GFT) – 9.1%



- ▶ Maintained at 9.1% from 1999 – 2009, except 8.9% in 2002





## AE's General Fund Transfer (GFT)

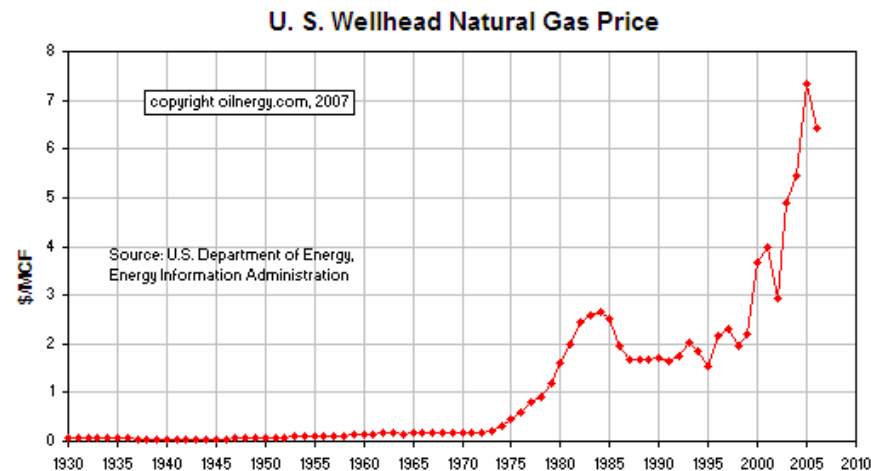
General Fund Transfer (GFT) (in 000s)	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009 Approved Budget
% of Revenue	9.1%	9.1%	9.1%	8.9%	9.1%	9.1%	9.1%	9.1%	9.1%	9.1%	9.1%
GFT Amount	\$57,991	\$61,200	\$67,283	\$69,584	\$72,864	\$76,674	\$74,520	\$77,420	\$84,500	\$91,000	\$95,000
GFT as % of Net Income before transfers	33.3%	31.0%	39.4%	39.6%	37.8%	109.0%	39.3%	38.4%	46.7%	n/a	n/a
GFT as % of General Fund Revenue	16.1%	15.4%	15.7%	14.4%	16.1%	16.2%	16.3%	15.4%	14.3%	15.3%	15.3%
SCENARIO - Fuel Revenue excluded. GFT											
GFT - % of Non-Fuel Revenue	11.2%	11.2%	11.5%	11.6%	11.9%	12.2%	12.3%	13.1%	13.1%	13.9%	14.0%
Adjustment to GFT %	2.1%	2.1%	2.4%	2.7%	2.8%	3.1%	3.2%	4.0%	4.0%	4.8%	4.9%





## General Fund Transfer (GFT) – Fuel

- ▶ Fuel cost passed through to customer at cost
- ▶ GFT Policy developed in era of stable fuel prices
  - ▶ 1990's decade - gas prices averaged \$2 per mmBtu
  - ▶ Today's gas price of \$7.00 per mmBtu
    - ▶ Expect continued future increases (as high as \$12.00)
  - ▶ Coal prices higher & more volatile in recent years
  - ▶ Coal transportation costs rose significantly in past 5 years





## EUC Discussion

---

- ▶ EUC recommends GFT policy change
  - ▶ Formula not based on gross revenue
  - ▶ Issue - growth of fuel revenue
    - ▶ "*GFT increases due to rising fuel charges on which utility earns no profit*"
    - ▶ "*Believe unpredictable future fuel prices make this issue worthy of Council attention*"
- ▶ EUC resolutions on GFT Policy
  - ▶ 2006 - January 23, March 20 & April 24
  - ▶ April 21, 2008





## Next Steps

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- ▶ Future AE Staff Presentations to EUC
  - ▶ Comparison to other municipally- owned utilities
  - ▶ EUC request for staff recommendation (with pros & cons) for other possible formulas

Questions





City of Austin, Texas  
Austin Energy (AE)

*Electric Utility Commission*

*General Fund Transfer (GFT)  
January 26, 2009*





# Agenda

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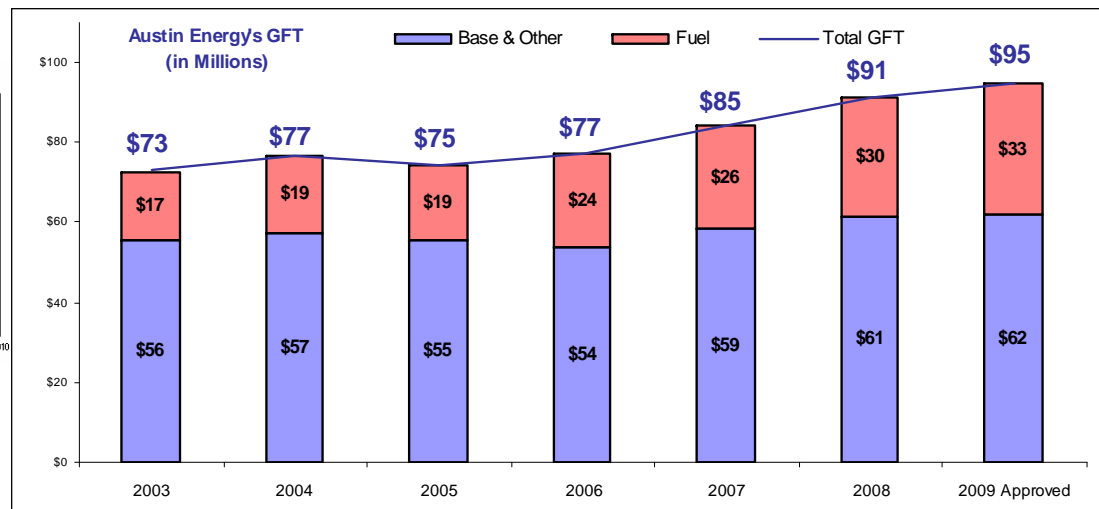
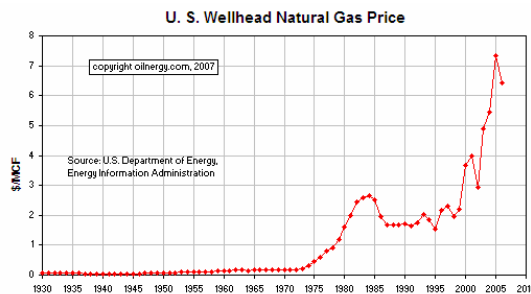
- ▶ AE General Fund Transfer (GFT)
- ▶ GFT Methods used by Public Power
- ▶ Alternative Policy Options
- ▶ Recommendation





# AE General Fund Transfer (GFT)

- ▶ Structural problem in current GFT Policy related to fuel
  - ▶ Fuel cost passed through to customers at cost (no profit)
    - ▶ No AE cost recovery mechanism for GFT paid on fuel revenue
- ▶ Financial issue developed over years & grew as fuel costs increased
  - ▶ GFT Policy developed in era of stable fuel prices
  - ▶ 1990's average natural gas \$2 per mmBtu - - today \$6 per mmBtu
  - ▶ Expect continued natural gas price increases & volatility
  - ▶ Coal & its transportation costs higher & more volatile in recent years
  - ▶ Purchased power contracts (fully loaded cost; not just fuel)
- ▶ Structural balance will be needed in the long-term





## GFT Methods used by Public Power

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- ▶ % of Revenue = Most common method
- ▶ Flat Amount Paid Annually
- ▶ Property Tax Equivalent
- ▶ Assessment of Utility & City Budgets
- ▶ Fixed Rate per Kilowatt-hour Sold
- ▶ % of Net Utility Plant in Service
- ▶ % of Income (Net, Operating or Total)
- ▶ Other & combinations

GFT = General Fund Transfer





# Rating Agency Views on GFT

## Guidelines

- ▶ Formal policy
  - ▶ Stable
  - ▶ Predictable
- ▶ City's degree of reliance on GFT as a revenue resource
- ▶ Utility rates competitive in region
- ▶ Utility's financial condition
  - ▶ Ability to fund capital improvements & GFT

## City of Austin & Austin Energy

- ▶ Formal written policy in place
- ▶ Consistently applied over time
  - ▶ Maintained at 9.1% from 1999 – 2009, except 8.9% in 2002
- ▶ City's degree of reliance on GFT declined since 1990s
  - ▶ 15% of General Fund Sources FY2009
- ▶ AE's rates competitive in ERCOT
- ▶ AE's strong financial condition
- ▶ Overall current GFT Policy viewed favorably by rating agencies





# AE General Fund Transfer (GFT)

General Fund Transfer (GFT) (in 000s) FYE September 30	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009 Approved Budget
% of Revenue	9.1%	9.1%	9.1%	8.9%	9.1%	9.1%	9.1%	9.1%	9.1%	9.1%	9.1%
GFT Amount	\$57,991	\$61,200	\$67,283	\$69,584	\$72,864	\$76,674	\$74,520	\$77,420	\$84,500	\$91,000	\$95,000
GFT as % of General Fund Revenue	16.1%	15.4%	15.7%	14.4%	16.1%	16.2%	16.3%	15.4%	14.3%	15.3%	15.3%

- ▶ % of revenue method
- ▶ Maintained at 9.1% since 1999, except 8.9% in 2002
  - ▶ Three year average of revenue
    - ▶ To smooth volatility in amount
    - ▶ Two prior year actual & current year estimate





## Alternate Policy Options

---

- ▶ % of non-fuel revenue
  - ▶ Increase % on non-fuel revenue to achieve same GFT \$\$\$
- ▶ GFT % added in Fuel Tariff
  - ▶ Fuel tariff revised to recover fuel cost plus GFT %
- ▶ Fixed rate per kWh Sold
  - ▶ Based on kWh, not revenue





## Option - % of Non-fuel revenue

- ▶ Policy change
  - ▶ Define revenue to exclude fuel from revenue to which % applied
  - ▶ Increase % to achieve same GFT amount for non-fuel revenue
- ▶ General Fund Transfer Impact
  - ▶ Set to produce same GFT amount initially
  - ▶ May result in slower growth in GFT amount
  - ▶ GFT tied to kWh electric sales related to economic activity & weather
  - ▶ GFT not affected by fuel cost increases
- ▶ Customer Impact
  - ▶ No change in rates

General Fund Transfer (GFT) (in 000s)	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009 Approved Budget
% of Revenue	9.1%	9.1%	9.1%	8.9%	9.1%	9.1%	9.1%	9.1%	9.1%	9.1%	9.1%
GFT Amount	\$57,991	\$61,200	\$67,283	\$69,584	\$72,864	\$76,674	\$74,520	\$77,420	\$84,500	\$91,000	\$95,000
SCENARIO - Fuel Revenue excluded. GFT recalculated.											
GFT - % of Non-Fuel 3 Year Average Revenue	11.2%	11.2%	11.5%	11.6%	11.9%	12.2%	12.3%	13.1%	13.1%	13.9%	14.0%
Adjustment to GFT %	2.1%	2.1%	2.4%	2.7%	2.8%	3.1%	3.2%	4.0%	4.0%	4.8%	4.9%





## Option - GFT % added to Fuel Tariff

- ▶ Policy change
  - ▶ No change
- ▶ Tariff change - fuel tariff revised to recover fuel cost plus GFT %
- ▶ General Fund Transfer Impact
  - ▶ No change - produces same GFT amount
- ▶ Customer Impact
  - ▶ Fuel portion of customer bills increase by GFT % (9.1% in FY2009)

Customer Class	Monthly Usage kWh	Monthly Demand kW	% Increase in Avg Bill
Residential Service	1,500	-	3.40%
General Service Demand	10,200	35	3.30%
General Service Non-Demand	1,500	-	3.50%
Large Primary Service - Special Contract Rider II	3,285,000	5,000	5.00%

Applied 9.1% GFT on Fuel





## Option – Fixed rate per kWh Sold

- ▶ Policy change
  - ▶ Change from % of revenue to fixed rate per kWh sold
  - ▶ GFT based on prior year actual kWh sales
  - ▶ Delivery or “wires” charge & neutral to rate changes
- ▶ General Fund Transfer Impact
  - ▶ Set to produce same GFT amount initially
  - ▶ May result in slower growth in GFT amount
  - ▶ GFT tied to kWh electric sales related to economic activity & weather
  - ▶ GFT not affected by amount of utility revenue
  - ▶ GFT not affected by fuel cost increases
- ▶ Customer Impact
  - ▶ No change in rates

General Fund Transfer (GFT) (in 000s)	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009 Approved Budget
% of Revenue	9.1%	9.1%	9.1%	8.9%	9.1%	9.1%	9.1%	9.1%	9.1%	9.1%	9.1%
GFT Amount	\$57,991	\$61,200	\$67,283	\$69,584	\$72,864	\$76,674	\$74,520	\$77,420	\$84,500	\$91,000	\$95,000
<b>SCENARIO - GFT recalculated as Fixed Rate per kWh</b>											
MWh Sales	9,641,306	10,384,708	10,441,352	10,152,740	10,321,398	10,262,130	10,865,396	11,296,880	11,325,069	12,184,240	12,239,381
GFT Fixed Rate per kWh	\$ 0.00644	\$ 0.00635	\$ 0.00648	\$ 0.00666	\$ 0.00718	\$ 0.00743	\$ 0.00726	\$ 0.00713	\$ 0.00748	\$ 0.00804	\$ 0.00780





## Staff Recommendation

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- ▶ Structural problem in current GFT Policy related to fuel
- ▶ Financial issue developed over years & grew as fuel costs increased
- ▶ Structural balance will be needed in the long-term
  
- ▶ No change to GFT policy in FY2010 Budget Cycle
  - ▶ Economic conditions
  - ▶ Utility in sound financial condition
  - ▶ Current GFT Policy viewed favorably by rating agencies
  - ▶ No urgency to change policy at this time

Questions/Discussion



AUSTIN ENERGY  
 FY 2009 BUDGET TO ACTUAL (Budget Based Statement)



Unaudited Results

\$ in Thousands

	December 2008		December 2008	
	Year to Date		Year to Date	
<b>REVENUES</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>Percent</b>
Service Area Base Revenue	\$ 134,173	\$ 134,565	\$ (392)	-0.3%
Bilateral & Ancillary Service Sales	7,343	4,542	2,801	61.7%
Transmission Service Revenue	13,883	13,883	-	0.0%
Miscellaneous Revenue	9,541	10,886	(1,345)	-12.4%
Interest Income	4,602	6,000	(1,398)	-23.30%
<b>Total Operating Revenue Without Fuel Revenue</b>	<b>169,542</b>	<b>169,876</b>	<b>(334)</b>	<b>-0.2%</b>
Fuel & Green Choice Revenue	99,716	117,495	(17,779)	-15.1%
<b>Total Revenue</b>	<b>269,258</b>	<b>287,371</b>	<b>(18,113)</b>	<b>-6.3%</b>
<b>OPERATING REQUIREMENTS</b>				
Fuel and Green Power Expense	102,325	117,994	15,669	13.3%
<b>Department O&amp;M Without Fuel</b>				
Department O&M	39,179	54,527	15,348	28.1%
Transmission Service Expense	13,247	13,218	(29)	-0.2%
South Texas Project O&M	16,377	17,681	1,304	7.4%
Fayette Power Project O&M	8,002	5,803	(2,199)	-37.9%
Call Center	7,553	8,501	948	11.2%
Energy Conservation Rebates	2,977	4,273	1,296	30.3%
Bad Debt Expense	1,151	1,106	(45)	-4.1%
Administrative Support Transfer	3,469	3,469	0	0.0%
<b>Total Operating O&amp;M Without Fuel</b>	<b>91,955</b>	<b>108,578</b>	<b>16,623</b>	<b>15.3%</b>
<b>Total Operating Requirements</b>	<b>194,280</b>	<b>226,572</b>	<b>32,292</b>	<b>14.3%</b>
<b>DEBT SERVICE REQUIREMENTS</b>				
Revenue Bond	43,012	44,604	1,592	3.6%
Other Obligations	197	1,688	1,491	88.3%
<b>Total Debt Service Requirements</b>	<b>43,209</b>	<b>46,292</b>	<b>3,083</b>	<b>6.7%</b>
<b>TRANSFERS/USES OF COVERAGE</b>				
General Fund Transfer	23,750	23,750	0	0.0%
Electric CIP Transfer	35,869	34,250	(1,619)	-4.7%
Repair & Replacement Fund Transfer	-	-	0	0.0%
<b>Total Transfers</b>	<b>59,619</b>	<b>58,000</b>	<b>(1,619)</b>	<b>-2.8%</b>
<b>Total Requirements Without Encumbrances</b>	<b>297,108</b>	<b>330,864</b>	<b>33,756</b>	<b>10.2%</b>
<b>Total Encumbrances</b>	<b>18,636</b>	<b>18,636</b>	<b>0</b>	<b>0.0%</b>
<b>Total Requirements</b>	<b>315,744</b>	<b>349,500</b>	<b>33,756</b>	<b>9.7%</b>
<b>CHANGE TO BEGINNING BALANCE</b>	<b>\$ (46,486)</b>	<b>\$ (62,129)</b>	<b>\$ 15,643</b>	<b>-25.2%</b>

# Agenda Item 6b

**AUSTIN ENERGY**  
**FY 2009 BUDGET TO ACTUAL (Budget Based Statement)**



Unaudited Results

\$ in Thousands

<b>REVENUES</b>	<b>January 2009 Year to Date Actual</b>	<b>January 2009 Year to Date Budget</b>	<b>Variance</b>	<b>Percent</b>
Service Area Base Revenue	\$ 179,364	\$ 178,636	\$ 728	0.4%
Bilateral & Ancillary Service Sales	10,487	6,056	4,431	73.2%
Transmission Service Revenue	18,510	18,619	(109)	-0.6%
Miscellaneous Revenue	11,953	13,305	(1,352)	-10.2%
Interest Income	5,830	7,336	(1,506)	-20.53%
<b>Total Operating Revenue Without Fuel Revenue</b>	<b>226,144</b>	<b>223,952</b>	<b>2,192</b>	<b>1.0%</b>
Fuel & Green Choice Revenue	133,918	160,418	(26,500)	-16.5%
<b>Total Revenue</b>	<b>360,062</b>	<b>384,370</b>	<b>(24,308)</b>	<b>-6.3%</b>
<b><u>OPERATING REQUIREMENTS</u></b>				
Fuel and Green Power Expense	137,259	161,126	23,867	14.8%
<b><u>Department O&amp;M Without Fuel</u></b>				
Department O&M	57,786	72,300	14,514	20.1%
Transmission Service Expense	17,686	17,315	(371)	-2.1%
South Texas Project O&M	21,189	22,708	1,519	6.7%
Fayette Power Project O&M	10,513	7,651	(2,862)	-37.4%
Call Center	9,526	10,144	618	6.1%
Energy Conservation Rebates	4,086	3,483	(603)	-17.3%
Bad Debt Expense	1,547	1,488	(59)	-4.0%
Administrative Support Transfer	4,625	4,625	0	0.0%
<b>Total Operating O&amp;M Without Fuel</b>	<b>126,958</b>	<b>139,714</b>	<b>12,756</b>	<b>9.1%</b>
<b>Total Operating Requirements</b>	<b>264,217</b>	<b>300,840</b>	<b>36,623</b>	<b>12.2%</b>
<b><u>DEBT SERVICE REQUIREMENTS</u></b>				
Revenue Bond	51,986	54,656	2,670	4.9%
Other Obligations	339	2,135	1,796	84.1%
<b>Total Debt Service Requirements</b>	<b>52,325</b>	<b>56,791</b>	<b>4,466</b>	<b>7.9%</b>
<b><u>TRANSFERS/USES OF COVERAGE</u></b>				
General Fund Transfer	47,500	47,500	0	0.0%
Electric CIP Transfer	47,105	45,667	(1,438)	-3.1%
Repair & Replacement Fund Transfer	-	-	0	0.0%
<b>Total Transfers</b>	<b>94,605</b>	<b>93,167</b>	<b>(1,438)</b>	<b>-1.5%</b>
<b>Total Requirements Without Encumbrances</b>	<b>411,147</b>	<b>450,798</b>	<b>39,651</b>	<b>8.8%</b>
<b>Total Encumbrances</b>	<b>16,063</b>	<b>16,063</b>	<b>0</b>	<b>0.0%</b>
<b>Total Requirements</b>	<b>427,210</b>	<b>466,861</b>	<b>39,651</b>	<b>8.5%</b>
<b>CHANGE TO BEGINNING BALANCE</b>	<b>\$(67,148)</b>	<b>\$(82,491)</b>	<b>\$15,343</b>	<b>-18.6%</b>

AUSTIN ENERGY  
 FY 2009 BUDGET TO ACTUAL (Budget Based Statement)



Unaudited Results

\$ in Thousands

	February 2009 Year to Date Actual	February 2009 Year to Date Budget	Variance	Percent
<b>REVENUES</b>				
Service Area Base Revenue	\$ 218,474	\$ 217,979	\$ 495	0.2%
Bilateral & Ancillary Service Sales	14,141	7,570	6,571	86.8%
Transmission Service Revenue	23,138	23,356	(218)	-0.9%
Miscellaneous Revenue	14,102	15,761	(1,659)	-10.5%
Interest Income	7,834	8,570	(736)	-8.59%
<b>Total Operating Revenue Without Fuel Revenue</b>	<b>277,689</b>	<b>273,236</b>	<b>4,453</b>	<b>1.6%</b>
Fuel & Green Choice Revenue	162,269	198,052	(35,783)	-18.1%
<b>Total Revenue</b>	<b>439,957</b>	<b>471,289</b>	<b>(31,330)</b>	<b>-6.6%</b>
<b>OPERATING REQUIREMENTS</b>				
Fuel and Green Power Expense	166,712	198,915	32,203	16.2%
<b>Department O&amp;M Without Fuel</b>				
Department O&M	72,554	89,094	16,540	18.6%
Transmission Service Expense	22,125	21,413	(712)	-3.3%
South Texas Project O&M	25,979	27,477	1,498	5.5%
Fayette Power Project O&M	11,984	9,453	(2,531)	-26.8%
Call Center	11,565	12,751	1,186	9.3%
Energy Conservation Rebates	5,271	4,905	(366)	-7.5%
Bad Debt Expense	1,884	1,825	(59)	-3.2%
Administrative Support Transfer	5,782	5,782	0	0.0%
<b>Total Operating O&amp;M Without Fuel</b>	<b>157,144</b>	<b>172,700</b>	<b>15,556</b>	<b>9.0%</b>
<b>Total Operating Requirements</b>	<b>323,856</b>	<b>371,615</b>	<b>47,759</b>	<b>12.9%</b>
<b>DEBT SERVICE REQUIREMENTS</b>				
Revenue Bond	60,993	64,708	3,715	5.7%
Other Obligations	347	2,567	2,220	86.5%
<b>Total Debt Service Requirements</b>	<b>61,340</b>	<b>67,275</b>	<b>5,935</b>	<b>8.8%</b>
<b>TRANSFERS/USES OF COVERAGE</b>				
General Fund Transfer	47,500	47,500	0	0.0%
Electric CIP Transfer	58,342	57,083	(1,259)	-2.2%
Repair & Replacement Fund Transfer	-	-	0	0.0%
<b>Total Transfers</b>	<b>105,842</b>	<b>104,583</b>	<b>(1,259)</b>	<b>-1.2%</b>
<b>Total Requirements Without Encumbrances</b>	<b>491,038</b>	<b>543,473</b>	<b>52,435</b>	<b>9.6%</b>
<b>Total Encumbrances</b>	<b>14,657</b>	<b>14,657</b>	<b>0</b>	<b>0.0%</b>
<b>Total Requirements</b>	<b>505,695</b>	<b>558,130</b>	<b>52,435</b>	<b>9.4%</b>
<b>CHANGE TO BEGINNING BALANCE</b>	<b>\$ (65,738)</b>	<b>\$ (86,841)</b>	<b>\$ 21,103</b>	<b>-24.3%</b>

AUSTIN ENERGY  
 FY 2009 BUDGET TO ACTUAL (Budget Based Statement)



Unaudited Results

\$ in Thousands

	March 2009 Year to Date Actual	March 2009 Year to Date Budget	Variance	Percent
<b>REVENUES</b>				
Service Area Base Revenue	\$ 256,507	\$ 255,529	\$ 978	0.4%
Bilateral & Ancillary Service Sales	15,547	9,084	6,463	71.1%
Transmission Service Revenue	28,256	28,092	164	0.6%
Miscellaneous Revenue	16,002	18,346	(2,344)	-12.8%
Interest Income	8,012	9,684	(1,672)	-17.27%
<b>Total Operating Revenue Without Fuel Revenue</b>	<b>324,324</b>	<b>320,735</b>	<b>3,589</b>	<b>1.1%</b>
Fuel & Green Choice Revenue	191,586	234,616	(43,030)	-18.3%
<b>Total Operating Revenue</b>	<b>515,910</b>	<b>555,352</b>	<b>(39,441)</b>	<b>-7.1%</b>
<b>OPERATING REQUIREMENTS</b>				
Fuel and Green Power Expense	196,639	235,621	38,982	16.5%
<b>Department O&amp;M Without Fuel</b>				
Department O&M	88,110	106,325	18,215	17.1%
Transmission Service Expense	28,123	25,511	(2,612)	-10.2%
South Texas Project O&M	30,008	31,794	1,786	5.6%
Fayette Power Project O&M	13,357	11,210	(2,147)	-19.2%
Call Center	13,863	15,160	1,297	8.6%
Energy Conservation Rebates	6,502	6,327	(175)	-2.8%
Bad Debt Expense	2,217	2,151	(66)	-3.1%
Administrative Support Transfer	6,938	6,938	0	0.0%
<b>Total Operating O&amp;M Without Fuel</b>	<b>189,118</b>	<b>205,416</b>	<b>16,298</b>	<b>7.9%</b>
<b>Total Operating Requirements</b>	<b>385,757</b>	<b>441,037</b>	<b>55,280</b>	<b>12.5%</b>
<b>DEBT SERVICE REQUIREMENTS</b>				
Revenue Bond	69,983	74,760	4,777	6.4%
Other Obligations	353	3,044	2,691	88.4%
<b>Total Debt Service Requirements</b>	<b>70,336</b>	<b>77,804</b>	<b>7,468</b>	<b>9.6%</b>
<b>TRANSFERS/USES OF COVERAGE</b>				
General Fund Transfer	47,500	47,500	0	0.0%
Electric CIP Transfer	69,578	68,500	(1,078)	-1.6%
Repair & Replacement Fund Transfer	-	-	0	0.0%
<b>Total Transfers</b>	<b>117,078</b>	<b>116,000</b>	<b>(1,078)</b>	<b>-0.9%</b>
<b>Total Requirements Without Encumbrances</b>	<b>573,171</b>	<b>634,841</b>	<b>61,670</b>	<b>9.7%</b>
<b>Total Encumbrances</b>	<b>18,135</b>	<b>18,135</b>	<b>0</b>	<b>0.0%</b>
<b>Total Requirements</b>	<b>591,306</b>	<b>652,976</b>	<b>61,670</b>	<b>9.4%</b>
<b>CHANGE TO BEGINNING BALANCE</b>	<b>\$ (75,396)</b>	<b>\$ (97,624)</b>	<b>\$ 22,228</b>	<b>-22.8%</b>

AUSTIN ENERGY  
 FY 2009 BUDGET TO ACTUAL (Budget Based Statement)



Unaudited Results

\$ in Thousands

	April 2009 Year to Date Actual	April 2009 Year to Date Budget	Variance	Percent
<b><u>REVENUES</u></b>				
Service Area Base Revenue	\$ 295,033	\$ 293,711	\$ 1,322	0.5%
Bilateral & Ancillary Service Sales	18,452	11,598	6,854	59.1%
Transmission Service Revenue	33,048	32,828	220	0.7%
Miscellaneous Revenue	18,245	20,972	(2,727)	-13.0%
Interest Income	9,053	10,695	(1,642)	-15.35%
<b>Total Operating Revenue Without Fuel Revenue</b>	<b>373,831</b>	<b>369,804</b>	<b>4,027</b>	<b>1.1%</b>
Fuel & Green Choice Revenue	223,154	272,992	(49,838)	-18.3%
<b>Total Operating Revenue</b>	<b>596,985</b>	<b>642,796</b>	<b>(45,811)</b>	<b>-7.1%</b>
<b><u>OPERATING REQUIREMENTS</u></b>				
Fuel and Green Power Expense	229,485	273,730	44,245	16.2%
<b><u>Department O&amp;M Without Fuel</u></b>				
Department O&M	103,531	123,752	20,221	16.3%
Transmission Service Expense	33,082	29,608	(3,474)	-11.7%
South Texas Project O&M	34,384	36,047	1,663	4.6%
Fayette Power Project O&M	14,624	13,119	(1,505)	-11.5%
Call Center	15,273	17,529	2,256	12.9%
Energy Conservation Rebates	7,141	7,750	609	7.9%
Bad Debt Expense	2,555	2,485	(70)	-2.8%
Administrative Support Transfer	8,095	8,095	0	0.0%
<b>Total Operating O&amp;M Without Fuel</b>	<b>218,685</b>	<b>238,385</b>	<b>19,700</b>	<b>8.3%</b>
<b>Total Operating Requirements</b>	<b>448,170</b>	<b>512,115</b>	<b>63,945</b>	<b>12.5%</b>
<b><u>DEBT SERVICE REQUIREMENTS</u></b>				
Revenue Bond	78,973	84,812	5,839	6.9%
Other Obligations	432	3,516	3,084	87.7%
<b>Total Debt Service Requirements</b>	<b>79,405</b>	<b>88,328</b>	<b>8,923</b>	<b>10.1%</b>
<b><u>TRANSFERS/USES OF COVERAGE</u></b>				
General Fund Transfer	71,250	71,250	0	0.0%
Electric CIP Transfer	80,815	79,917	(898)	-1.1%
Repair & Replacement Fund Transfer	-	-	0	0.0%
<b>Total Transfers</b>	<b>152,065</b>	<b>151,167</b>	<b>(898)</b>	<b>-0.6%</b>
<b>Total Requirements Without Encumbrances</b>	<b>679,640</b>	<b>751,610</b>	<b>71,970</b>	<b>9.6%</b>
<b>Total Encumbrances</b>	<b>15,860</b>	<b>15,860</b>	<b>0</b>	<b>0.0%</b>
<b>Total Requirements</b>	<b>695,500</b>	<b>767,470</b>	<b>71,970</b>	<b>9.4%</b>
<b>CHANGE TO BEGINNING BALANCE</b>	<b>\$ (98,515)</b>	<b>\$ (124,674)</b>	<b>\$ 26,159</b>	<b>-21.0%</b>