



Public Power Pool

500 W. 13th St. Austin, TX 78701 Ph 512-233-5780 Fx 512-233-5781 www.publicpowerpool.org

Date: October 3, 2011
To: Members of Public Power Pool
From: David Quin, Program Manager, Public Power Pool
Re: Monthly Savings Update

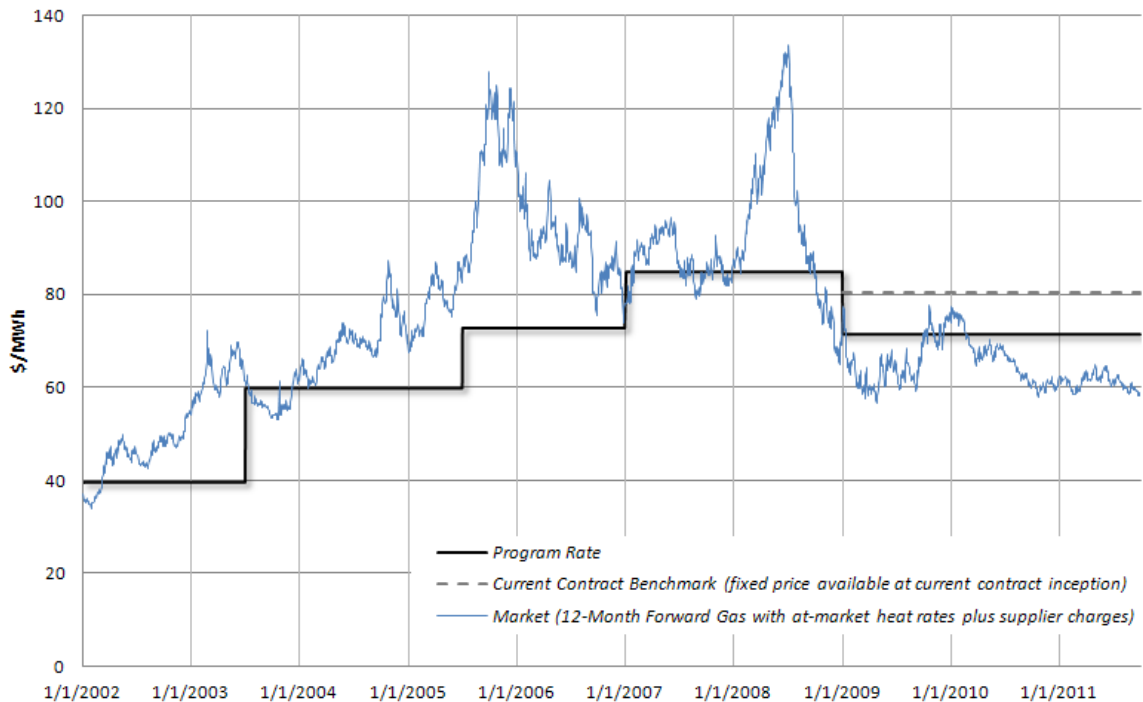
HISTORIC SAVINGS

- P³ members have saved **\$131,289,954** against market rates (the 12 month forward gas price with at-market heat rates plus supplier charges) since program inception in 2002.

CURRENT CONTRACT SAVINGS

- Under our current 2009-13 contract, P³ members have saved **\$32,265,913** since 2009, reflecting a 11.5% savings against the benchmark rate (the price available on the date the current contract transacted).
- Current energy rate averages \$66.56 vs. \$75.80 available at contract inception; a \$12.8m per year reduction due to our strategic price locking and incremental purchasing program.

Program vs. Market Rates



Cumulative Savings



Year	Total Cost	Market Rate		Benchmark Rate	
		Discount	Savings	Discount	Savings
2002	\$114,180,253	\$5.53	\$9,787,674	\$0.00	\$0
2003	\$129,740,318	\$8.31	\$14,449,104	\$1.65	\$2,864,862
2004	\$146,904,277	\$10.18	\$17,637,596	\$0.50	\$869,243
2005	\$175,240,940	\$27.03	\$51,928,798	-\$2.31	-\$4,430,429
2006	\$195,495,855	\$17.45	\$34,935,521	-\$3.60	-\$7,197,068
2007	\$216,568,654	\$2.42	\$4,781,261	\$4.94	\$9,740,974
2008	\$142,244,725	\$12.12	\$15,706,722	\$3.52	\$4,565,468
2009	\$132,793,827	-\$4.79	-\$6,610,470	\$7.50	\$10,347,737
2010	\$135,178,369	-\$3.98	-\$5,588,027	\$9.06	\$12,711,280
2011	\$100,250,134	-\$4.13	-\$5,738,225	\$6.63	\$9,206,896
			<u>\$131,289,954</u>		<u>\$38,678,962</u>

Market Rate: The 12 month forward gas price with at-market heat rates plus supplier charges
 Benchmark Rate: The price available on the date the current contract transacted