

EXHIBIT A

Form of Program Note:

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF AUSTIN, TEXAS
ELECTRIC UTILITY SYSTEM
PROGRAM NOTE, TAXABLE
SERIES

No.: _____

Maximum Principal Amount: _____

Note Date: _____

Maximum Maturity Date: _____

Interest Rate (%): Base Rate (as defined in the Note Purchase Agreement)

Owner: Wells Fargo Bank, National Association

The City of Austin (the “City”), in Travis, Williamson and Hays Counties, State of Texas, FOR VALUE RECEIVED, hereby promises to pay, solely from the sources hereinafter identified and as hereinafter stated, to the order of the party specified above on the maturity date recorded by the Paying Agent/Registrar on the attached Schedule of Authorized Installment Deliveries or the date of prior redemption as provided in the Note Purchase Agreement, the principal sum specified above, or if less, the principal amount of each Authorized Installment purchased by the Bank under the Note Purchase Agreement and recorded by the Paying Agent/Registrar on the attached Schedule of Authorized Installment Deliveries, and to pay interest, if any, on said principal amount at said maturity date, from the specified note date recorded by the Paying Agent/Registrar on the attached Schedule of Authorized Installments to said maturity date at the Base Rate (or as otherwise provided in the Note Purchase Agreement) as provided in the Note Purchase Agreement (computed on the basis of actual days elapsed and a 365 day year); both principal and interest on this Note being payable in lawful money of the United States of America at the designated corporate trust office of the Paying Agent/Registrar executing the “Certificate of Authentication” endorsed hereon and appearing below, or its successor, or as otherwise provided in the Ordinance. Defined terms used herein shall have the same meaning given to said terms in the hereinafter defined Ordinance, unless the context of the use of such term indicates otherwise. The Base Rate borne by this Note, as adjusted pursuant to the Note Purchase Agreement, shall not exceed the Maximum Interest Rate.

This Initial Note is one of an issue of Program Notes (the “Program Notes” or the “Notes”) which has been duly authorized and issued in accordance with the provisions of an ordinance (the “Ordinance”) passed by the City Council of the City for the purpose of financing Project Costs of Eligible Projects for the City’s Electric Light and Power System (the “Electric Light and Power System”); to refund obligations issued in connection with an Eligible Project; and to refinance, renew or refund Program Notes or Priority Lien Obligations and any other authorized obligations

of the Electric Light and Power System, including interest thereon, issued for Eligible Projects; all in accordance in strict conformity with the provisions of the laws of the State of Texas, including the Act.

The initial Authorized Installment of the Program Notes issued on the Original Issue Date is in the principal amount of \$5,000. Thereafter, additional Authorized Installments of the Notes in an aggregate principal amount not to exceed \$100,005,000 may be issued on any date so long as the total aggregate principal amount of Notes issued does not exceed \$100,005,000, as reflected in the Schedule of Authorized Installment Deliveries attached to this Note. The foregoing notwithstanding, in no event shall an Authorized Installment of the Program Notes be issued after the end of the Authorized Installment Draw Period, and in no event shall an Authorized Installment be issued and delivered in an amount that exceeds the Maximum Available Amount in effect as of the date of the applicable draw on the Financial Security; provided that the aggregate principal amount of all Authorized Installments issued and delivered under the Ordinance may at times exceed the then applicable Maximum Available Amount due to a reduction in such amount subsequent to the issuance of Authorized Installments pursuant to the terms of the Financial Security but in no case shall the aggregate principal amount of all Authorized Installments issued and delivered under the Ordinance exceed \$100,005,000.

This Program Note and each Authorized Installment recorded on the Schedule of Authorized Installment Deliveries attached to this Note, and any other amounts owing under the Note Purchase Agreement, are payable from and equally secured by a lien on and pledge of (i) the proceeds from the sale of Bonds issued and to be used to pay outstanding Program Notes, (ii) the amounts held in the Note Payment Fund until those amounts are used for authorized purposes, and (iii) the Pledged Revenues of the Electric Light and Power System, however, (a) on a parity with the lien and pledge securing the payment of the Program Notes made under and pursuant to the Note Purchase Agreement and all other amounts payable by the City under the Note Purchase Agreement and the Similarly Secured Notes, and (b) subordinate to the lien on and pledge securing the payment of Priority Lien Obligations. As provided in the Ordinance, this Program Note is being issued as a bond anticipation note.

This Program Note is payable solely from the sources hereinabove identified securing the payment thereof, and the Program Notes do not constitute a legal or equitable pledge, charge, lien or encumbrance upon any other property of the City or the Electric Light and Power System. The holder hereof shall never have the right to demand payment of this obligation from taxation or any sources or properties of the City except as identified above.

If there is any inconsistency or conflict between the terms or provisions of this Program Note and the Ordinance, the terms and provisions of the Ordinance shall control.

It is hereby certified and recited that all acts, conditions and things required by law and the Ordinance to exist, to have happened and to have been performed precedent to and in the issuance of this Program Note, do exist, have happened and have been performed in regular and in due time, form and manner as required by law and that the issuance of this Program Note, together with all other Program Notes, is not in excess of the principal amount of Program Notes permitted to be issued under the Ordinance.

This Program Note has all the qualities and incidents of a negotiable instrument under the laws of the State of Texas.

This Program Note shall not be entitled to any benefit under the Ordinance or be valid or become obligatory for any purpose until this Program Note shall have been authenticated by the execution by the Paying Agent/Registrar of the Certificate of Authentication hereon.

DRAFT

IN TESTIMONY WHEREOF, the City Council has caused the seal of the City to be duly impressed or placed in facsimile hereon, and this Note to be signed with the imprinted facsimile signature of the Mayor and attested by the facsimile signature of the City Clerk.

City Clerk, City of Austin, Texas

(SEAL)

Mayor, City of Austin, Texas

DRAFT

REGISTRATION CERTIFICATE OF COMPTROLLER OF PUBLIC ACCOUNTS

A-6

Form of Authentication Certificate of Paying Agent/Registrar

PAYING AGENT/REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This Note is one of the Program Notes delivered pursuant to the within mentioned Ordinance; the note or notes of the above titled and designated series originally delivered having been approved by the Attorney General of the State of Texas as registered by the Comptroller of Public Accounts, as shown by the records of the Paying Agent/Registrar.

_____,
as Paying Agent/Registrar

By: _____
Authorized Signatory

Form of Schedule of Authorized Installment Deliveries to appear on the Program Note(s)

SCHEDULE OF AUTHORIZED INSTALLMENT DELIVERIES

Issue Date	No.	Principal Amount	Remaining Available Principal Balance	Maturity Date	Date Paid	Principal and Interest Paid