

*Houston-Galveston Area Emission Reduction Credit Organization Financial Report
February 2, 2015*

| | | | |
|--|-------------------------|----------------------------|---------------|
| Previous Total | | \$1,260,438.40 | |
| Previous Earmarks | | \$1,260,438.40 | |
| Current Total: | | \$1,084,107.81 | |
| Current Earmarks: | | \$1,084,107.81 | |
| State SEP Account Transactions for | | | |
| <i>4th Quarter: October 1, 2014 –December 31, 2014</i> | | | |
| Account Income | | | |
| Date of Deposit | Earmarked? | Company | Amount |
| October 31, 2014 | Yes | OCTOBER INTEREST | \$31.31 |
| October 14, 2014 | Yes | | \$22,962.50 |
| October 14, 2014 | Yes | | \$12,784.00 |
| October 20,2014 | Yes | | \$9,360.00 |
| November 30, 2014 | Yes | NOVEMBER INTEREST | \$29.47 |
| November 03, 2014 | Yes | | \$1,660.00 |
| November 06, 2014 | Yes | | \$19,890.00 |
| November 18, 2014 | Yes | | \$33,530.00 |
| November 24, 2014 | Yes | | \$6,000.00 |
| December 31, 2014 | Yes | DECEMBER INTEREST | \$34.20 |
| December 18, 2014 | Yes | | \$3,375.00 |
| December 31, 2014 | Yes | | \$7,380.00 |
| Account Expenses | | | |
| Date of Withdrawal | Prev. Earmarked? | Project/Description | Amount |
| October 28, 2014 | Yes | CROSBY ISD | \$79,000.00 |
| October 28, 2014 | Yes | HIGH ISLAND ISD | \$76,206.73 |
| November 25, 2014 | Yes | KLEIN ISD | \$138,000.00 |
| Account Balances | | | |
| Previous Total | | \$1,208,593.59 | |
| Previous Earmarks | | \$1,208,593.59 | |
| Current Total | | \$1,032,423.34 | |
| Current Earmarks | | \$1,032,423.34 | |

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| General Account Transactions for 4 th Quarter: October 01, 2014 – December 31, 2014 | | | | |
|---|-------------------|-------------------------|-------------|--------|
| Account Income | | | | |
| Date of Deposit | Earmarked? | Company | Amount | |
| | | | | |
| | | | | |
| Account Expenses | | | | |
| Date of Withdrawal | Prev. Earmarked? | Project/Description | Amount | |
| October 31, 2014 | Yes | Account Analysis Charge | \$53.41 | |
| August 31, 2014 | Yes | Account Analysis Charge | \$53.52 | |
| September 30, 2014 | Yes | Account Analysis Charge | \$53.41 | |
| | | | | |
| | | | | |
| Reclassified Funds | | | | |
| Original Transaction Date | Modification Date | Change | Description | Amount |
| | | | | |
| Account Balances | | | | |
| Previous Total | | | \$51,844.81 | |
| Previous Earmarks | | | \$51,844.81 | |
| Current Total | | | \$51,684.47 | |
| Current Earmarks | | | \$51,684.47 | |

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| AERCO Account Funding Detail | | | | | | |
|-------------------------------------|---------------------------------|-------------------------|--|---|---|--------------------------|
| <i>As of February 02, 2015</i> | | | | | | |
| Funding Reference Code | Funding Approved by TCEQ | Funding Released | Funding for Potential Recipients (in application phase) | Funding Committed (Recipients in contract phase) | Funding Reimbursed to Recipients | Funding Available |
| 2005-LOC461 | \$0.00 | \$200,000.00 | \$0.00 | \$0.00 | \$200,000.00 | \$0.00 |
| 2005-TX-SEP | \$0.00 | \$5,500.00 | \$0.00 | \$0.00 | \$5,500.00 | \$0.00 |
| 2006-TX-SEP | \$0.00 | \$170,255.00 | \$0.00 | \$0.00 | \$170,255.00 | \$0.00 |
| 2006-GA-SB-Texas | \$0.00 | \$75,000.00 | \$0.00 | \$0.00 | \$75,000.00 | \$0.00 |
| 2007-TX-SEP | \$0.00 | \$665,364.98 | \$0.00 | \$0.00 | \$665,364.98 | \$0.00 |
| 2007-HA-DN-General | \$0.00 | \$50,000.00 | \$0.00 | \$0.00 | \$50,000.00 | \$0.00 |
| 2007-HA-DN-Klein | \$0.00 | \$6,000.00 | \$0.00 | \$0.00 | \$6,000.00 | \$0.00 |
| 2007-HA-DN-Spring | \$0.00 | \$6,000.00 | \$0.00 | \$0.00 | \$6,000.00 | \$0.00 |
| 2008-TX-SEP | \$0.00 | \$1,993,685.08 | \$0.00 | \$0.00 | \$1,993,685.08 | \$0.00 |
| 2008-FB-DN-General | \$0.00 | \$23.82 | \$0.00 | \$0.00 | \$ 0.00 | \$23.82 |
| 2009-TX-SEP | \$0.00 | \$1,007,353.85 | \$0.00 | \$90,000.00 | \$912,353.85 | \$5,000.00 |
| 2009-HA-SB-Eastern | \$0.00 | \$3,600,000.00 | \$0.00 | \$0.00 | \$3,600,000.00 | \$0.00 |
| 2010-HA-SB-General | \$0.00 | \$300,000.00 | \$0.00 | \$0.00 | \$300,000.00 | \$0.00 |
| 2010-TX-SEP | \$0.00 | \$149,687.36 | \$0.00 | \$0.00 | \$149,687.36 | \$0.00 |
| 2011-TX-SEP | \$0.00 | \$202,091.80 | \$0.00 | \$100,000.00 | \$63,338.56 | \$38,753.24 |
| 2012-TX-SEP | \$0.00 | \$516,001.90 | \$0.00 | \$0.00 | \$516,001.90 | \$0.00 |
| 2013-TX-SEP | \$0.00 | \$773,193.72 | \$0.00 | \$100,000.00 | \$448,110.09 | \$225,083.63 |
| 2014-TX-SEP | \$0.00 | \$346,452.50 | \$0.00 | \$0.00 | \$0.00 | \$346,452.50 |
| TOTAL | \$0.00 | \$10,053,826.01 | \$0.00 | \$290,000.00 | \$9,161,296.82 | \$602,529.19 |

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AERCO Active Projects Report

As of February 02, 2015

| Recipient | CFI # | Project Description | Status | Board Date | AERCO Funds Granted | Projected NOx Reductions (tons/year) | Funding Reference Code(s) |
|------------------|---------------|--------------------------------------|------------------|-------------------|----------------------------|---|-------------------------------------|
| Sheldon ISD | 2007-001-SHEL | 1 Bus Replacement | Compliance Phase | 17-Apr-07 | \$60,569.00 | 0.12 | 2005-LOC461; 2007-TX-SEP |
| Humble ISD | 2007-004-HUMB | 4 Repowers | Compliance Phase | 19-Jun-07 | \$54,000.00 | 0.64 | 2006-TX-SEP |
| Tomball ISD | 2007-009-TOMB | 1 Bus Replacement | Compliance Phase | 17-Jul-07 | \$48,426.00 | 0.15 | 2005-TX-SEP; 2006-TX-SEP |
| Klein ISD | 2008-005-KLEI | 4 Bus Replacements | Compliance Phase | 19-Feb-08 | \$254,297.46 | 0.66 | 2007-TX-SEP 2007-HA-DN-Klein; |
| Cy-Fair ISD | 2008-007-CYFA | 4 Engine Replacements | Compliance Phase | 18-Mar-08 | \$115,198.04 | 0.51 | 2007-HA-DN-General; 2008-TX-SEP; |
| Danbury ISD | 2008-009-DANB | 1 Bus Replacement, 2 Engine Repowers | Compliance Phase | 20-May-08 | \$160,000.00 | 1.31 | 2007-TX-SEP; |
| Pasadena ISD | 2007-028-PASA | 1 Bus Replacement | Compliance Phase | 20-May-08 | \$80,000.00 | 0.11 | 2007-HA-DN-General; 2007-TX-SEP |
| Galveston ISD | 2008-015-GALV | 2 Bus Replacements | Compliance Phase | 20-May-08 | \$105,948.13 | 0.15 | 2006-TX-SEP; 2007-TX-SEP; |
| Magnolia ISD | 2008-008-MAGN | 7 CCV Retrofits | Compliance Phase | N/A | \$5,638.22 | 0 | 2007-TX-SEP |
| Waller ISD | 2008-047-WALL | 35 Retrofits, 3 Replacements | Compliance Phase | 20-May-08 | \$125,000.00 | 0.421 | 2009-TX-SEP |
| Danbury ISD | 2008-034-DANB | 1 Bus Replacement | Compliance Phase | 16-Dec-08 | \$61,714.00 | 0.168 | 2007-TX-SEP; 2008-TX-SEP |
| Cy-Fair ISD | 2008-027-CYFA | 3 Bus Replacements | Compliance Phase | 17-Mar-09 | \$254,913.00 | 0.32 | 2008-TX-SEP |

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AERCO Active Projects Report
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| | | | | | | | |
|-------------------------|---------------|-----------------------|------------------|-----------|----------------|--------|-----------------------------------|
| Damon ISD | 2008-039-DAMO | 1 Bus Replacement | Compliance Phase | 21-Apr-09 | \$96,962.00 | 0.07 | 2008-TX-SEP |
| Our Lady Queen of Peace | 2008-038-OURL | 1 Bus Replacement | Compliance Phase | 21-Apr-09 | \$92,495.00 | 0.03 | 2007-TX-SEP |
| Columbia-Brazoria ISD | 2009-000-COLU | 10 Engine Retrofits | Compliance Phase | 21-Apr-09 | \$29,810.00 | 0.0027 | 2008-TX-SEP |
| Spring ISD | 2008-043-SPRI | 1 Bus Replacement | Compliance Phase | 21-Apr-09 | \$61,097.00 | 0.226 | 2007-HA-DN-Spring 2008-TX-SEP |
| Klein ISD | 2009-008-KLEI | 5 Engine Replacements | Compliance Phase | 16-Jun-09 | \$200,000.00 | 0.244 | 2008-TX-SEP |
| High Island ISD | 2009-031-HIGH | 1 Bus Replacement | Compliance Phase | 20-Oct-09 | \$76,993.00 | 0.134 | 2008-TX-SEP |
| Brazosport ISD | 2009-017-BRAZ | 15 Bus Replacements | Compliance Phase | 18-Feb-10 | \$1,188,763.00 | 1.975 | 2008-TX-SEP 2009-TX-SEP |
| Texas City ISD | 2009-023-TCIS | 1 Bus Replacement | Compliance Phase | 17-Nov-09 | \$83,326.00 | 0.02 | 2006-GA-SB-Texas; 2008-TX-SEP |
| Pasadena ISD | 2009-060-PASA | 13 Bus Replacements | Compliance Phase | 18-May-10 | \$1,067,840.00 | 0.988 | 2009-HA-SB-Eastern |
| Huffman ISD | 2009-057-HUFF | 2 Bus Replacements | Compliance Phase | 18-Feb-10 | \$100,000.00 | 0.202 | 2008-TX-SEP |
| High Island ISD | 2009-064-HIGH | 1 Vehicle Replacement | Compliance Phase | N/A | \$39,230 | 0.013 | 2008-TX-SEP |
| Goose Creek ISD | 2010-008-GOOS | 9 Bus Replacements | Compliance Phase | 20-Jul-10 | \$633,071.00 | 1.499 | 2009-TX-SEP 2009-HA-SB-Eastern |
| Sheldon ISD | 2010-010-SHEL | 6 Bus Replacements | Compliance Phase | 17-Aug-10 | \$567,000.00 | 0.395 | 2009-HA-SB-Eastern 2009-TX-SEP |
| Angleton ISD | 2010-013-ANGL | 2 Bus Replacements | Compliance Phase | 17-Aug-10 | \$79,371.00 | 0.272 | 2009-TX-SEP |
| Pearland ISD | 2010-016-PEAR | 3 Bus Replacements | Compliance Phase | 17-Aug-10 | \$239,145.00 | 0.47 | 2009-HA-SB-EASTERN |
| Barbers Hill ISD | 2010-022-BARB | 1 Bus Replacement | Compliance Phase | 16-Nov-10 | \$69,000.00 | 0.066 | 2009-TX-SEP |

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AERCO Active Projects Report

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| | | | | | | | |
|-----------------|---------------|-------------------------------------|----------------------|-----------|----------------|--------|---|
| Clear Creek ISD | 2010-025-CLEA | 11 Bus Replacements | Compliance Phase | 21-Sep-10 | \$1,058,123.00 | 1.932 | 2009-HA-SB-Eastern |
| Pasadena ISD | 2010-035-PASA | 1 Bus Replacement | Compliance Phase | 19-Oct-10 | \$93,487.00 | 0.071 | 2009-TX-SEP |
| Humble ISD | 2010-036-HUMB | 4 Bus Replacements | Compliance Phase | 19-Oct-10 | \$480,000.00 | 0.312 | 2010-HA-SB-General 2009-HA-SB-Eastern 2009-TX-SEP |
| Waller ISD | 2010-037-WALL | 2 Bus Replacements | Compliance Phase | 15-Feb-11 | \$144,968.00 | 0.312 | 2009-TX-SEP 2010-TX-SEP |
| Santa Fe ISD | 2011-004-SANT | 2 Bus Replacements | Compliance Phase | 15-Mar-11 | \$40,000.00 | 0.173 | 2010-TX-SEP |
| Friendswood ISD | 2011-011-FRIE | 2 Bus Replacements | Compliance Phase | 19-Jul-11 | \$95,000.00 | 0.362 | 2010-TX-SEP 2011-TX-SEP |
| Clear Creek ISD | 2011-022-CLEA | 5 Conversions and 1 Bus Replacement | Compliance Phase | 17-Apr-12 | \$222,573.00 | 0.647 | 2009-HA-SB-EASTERN 2011-TX-SEP |
| Damon ISD | 2011-026-DAMO | 2 Bus Replacements | Compliance Phase | 21-Feb-12 | \$100,000.00 | 0.216 | 2009-TX-SEP 2011-TX-SEP |
| Houston ISD | 2011-030-HOUS | Bus Replacements | Compliance Phase | 17-Apr-12 | \$26,800.00 | 15.474 | 2009-TX-SEP |
| Danbury ISD | 2012-004-DANB | Bus Replacements | Compliance Phase | 16-Oct-12 | \$45,715.00 | 0.14 | 2011-TX-SEP 2012-TX-SEP |
| Crosby ISD | 2012-005-CROS | 3 Bus Replacements | Implementation Phase | 18-Sep-12 | \$62,250.00 | 0.475 | 2012-TX-SEP |
| Texas Serenity | 2012-009-TSER | Bus Replacements | Compliance Phase | 18-Dec-12 | \$53,576.00 | 0.29 | 2012-TX-SEP |
| Dayton ISD | 2012-016-DAYT | Bus Replacements | Implementation Phase | 16-Oct-12 | \$70,000.00 | 0.391 | 2012-TX-SEP |
| Santa Fe ISD | 2012-019-SANT | 1 Bus Replacement | Compliance Phase | 16-Oct-12 | \$50,000.00 | 0.164 | 2012-TX-SEP |

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| | | | | | | | |
|-----------------------|---------------|---------------------------------|----------------------|-----------|--------------|--------|-----------------------------------|
| City of Baytown | 2012-023-CBAY | 4 light duty truck replacements | Implementation Phase | 18-Dec-12 | \$22,000.00 | 0.043 | 2012-TX-SEP |
| Clear Creek ISD | 2012-033-CLEA | Bus Replacements | Compliance Phase | 16-Jul-13 | \$138,393.00 | 1.96 | 2012-TX-SEP 2009-HA-SB-EASTERN |
| Hull-Diasetta ISD | 2013-013-HULL | 2 Vehicle Replacements | Compliance Phase | 16-Jul-13 | \$100,000.00 | 0.08 | 2012-TX-SEP 2013-TX-SEP |
| High Island ISD | 2013-014-HIGH | Bus Replacement | Compliance Phase | 15-Oct-13 | \$ 76,206.73 | 0.1506 | 2012-TX-SEP 2013-TX-SEP |
| Klein ISD | 2013-024-KLEI | Bus Replacements | Compliance Phase | 15-Oct-13 | \$138,000.00 | 0.099 | 2013-TX-SEP |
| Liberty ISD | 2013-030-LIBE | Bus Replacements | Compliance Phase | 17-Dec-13 | \$100,000.00 | 0.6395 | 2013-TX-SEP |
| Crosby ISD | 2013-041-CROS | Bus Replacements | Compliance Phase | 18-Mar-14 | \$100,000.00 | 0.3379 | 2013-TX-SEP |
| Crosby ISD | 2014-007-CROS | Bus Replacements | Implementation Phase | 20-May-14 | \$79,000.00 | 0.16 | 2013-TX-SEP |
| High Island ISD | 2014-011-HIGH | Bus Replacement | Implementation Phase | 16-Sep-14 | \$90,000.00 | 0.02 | 2009-TX-SEP |
| Columbia-Brazoria ISD | 2014-020-COLU | Bus Replacements | Implementation Phase | 16-Sep-14 | \$100,000.00 | 0.268 | 2013-TX-SEP |