

# Welcome



# Stakeholders Representing

AARP	Citizens Climate Lobby	Hispanic Chamber	Solar and Storage Coalition
ADAPT	City of Lakeway	Housing Works	State of Texas
AISD	City of Austin	HURF	Sunrise Movement
ARMA	Residential Customers	IBEW Local 520	Texas Assisted Living Association
Ascension	Downtown Commercial	LGBT Chamber	Texas Climate Jobs
Asian Chamber	Environment Texas	Pecan Street	Texas Energy Poverty Research Institute
Austin Chamber	Foundation Communities	PODER	Tri-City Region
Austin Critical Home Repair Coalition	Habitat for Humanity	Public Citizen	Urban League
CCARE	HACA	RECA	UT Energy Institute
Central Health	HEB	Sierra Club	UT Students

# What Does Austin Energy Do?

Matt Mitchell  
Public Information Officer



June 7, 2024

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Customer Driven.  
Community Focused.<sup>SM</sup>

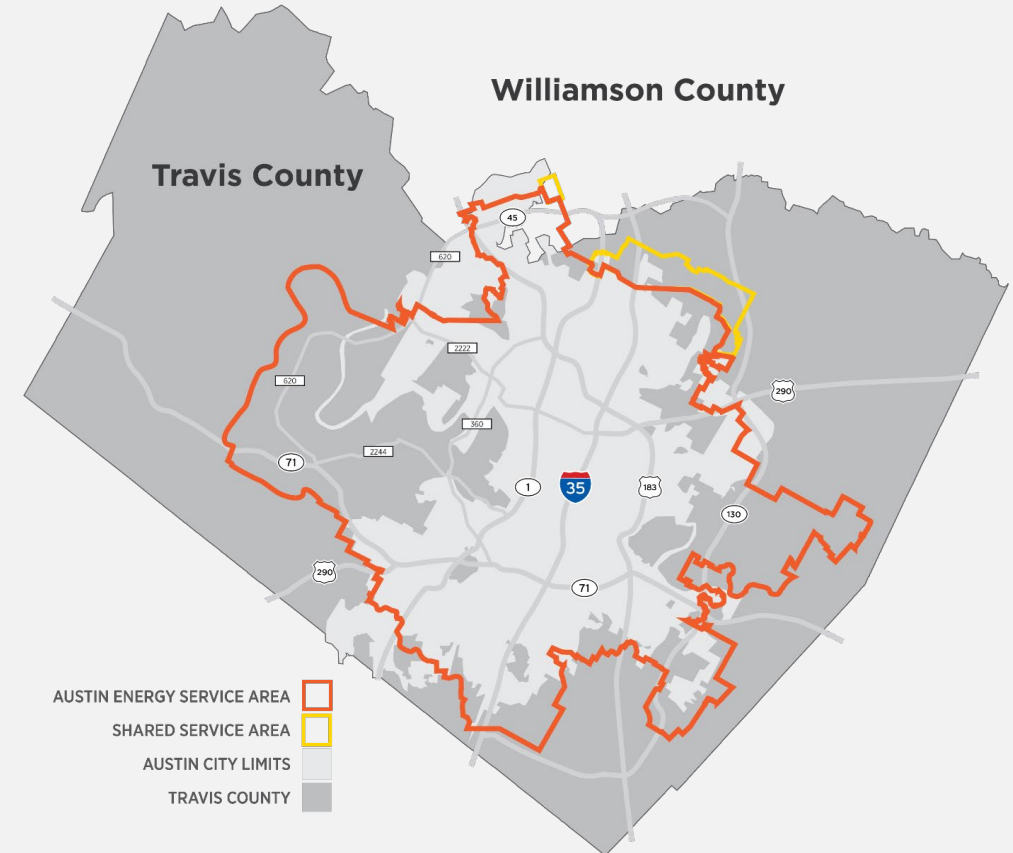


## MISSION

Safely deliver clean, affordable, reliable energy  
and excellent customer service

# About Austin Energy

- Founded in 1895
- 7th largest public power utility
- 437 square mile service territory (50% outside City of Austin)
- 1,924 full time employees
- Lowest bill in ERCOT
- 542,000 customer accounts
  - 90% residential customers  
≈ 43% revenue
  - 10% commercial customers  
≈ 57% revenue
- City of Austin Enterprise Department
- General Fund Transfer ≈ \$115M / year



Austin  
Bee Cave  
Cedar Park

Creedmoor  
Del Valle  
Lakeway

Pflugerville  
Rollingwood  
Sunset Valley

Village of the Hills  
Westlake Hills

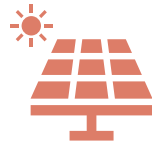


# How We Provide Power To Our Customers

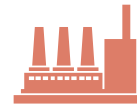
## Generation



WIND



SOLAR



NATURAL GAS



COAL



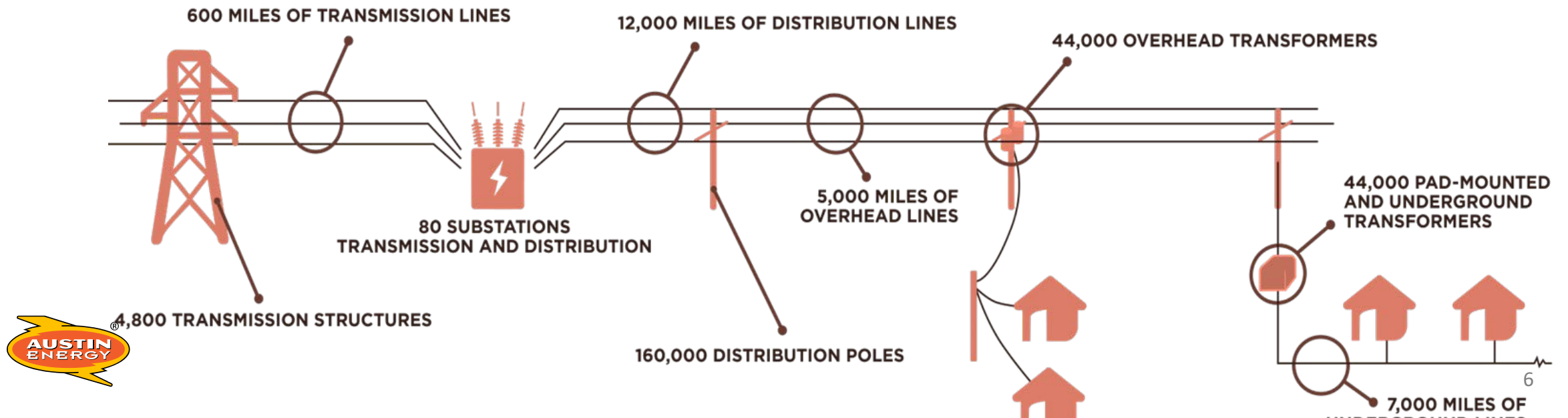
NUCLEAR



BIOMASS

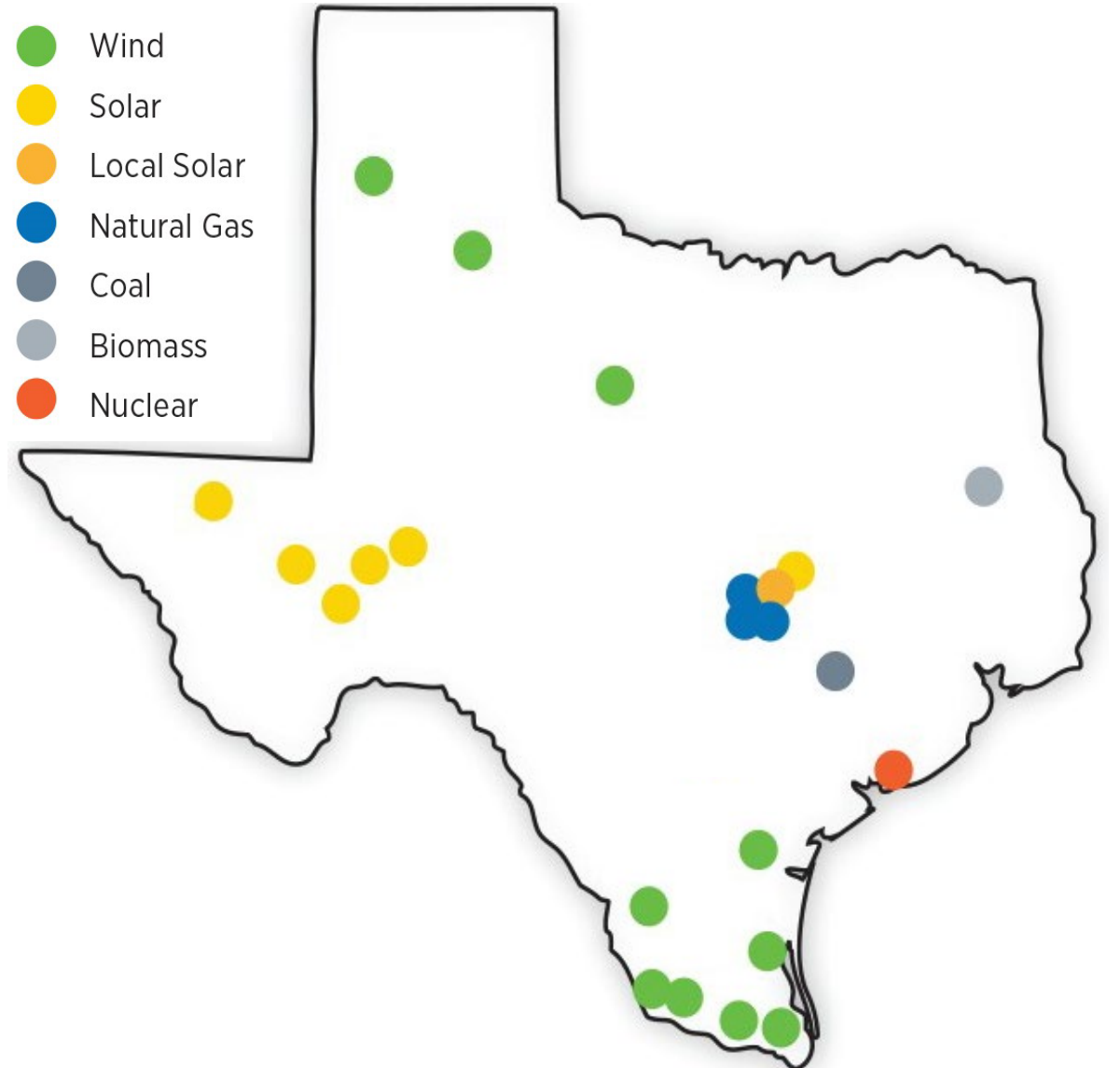
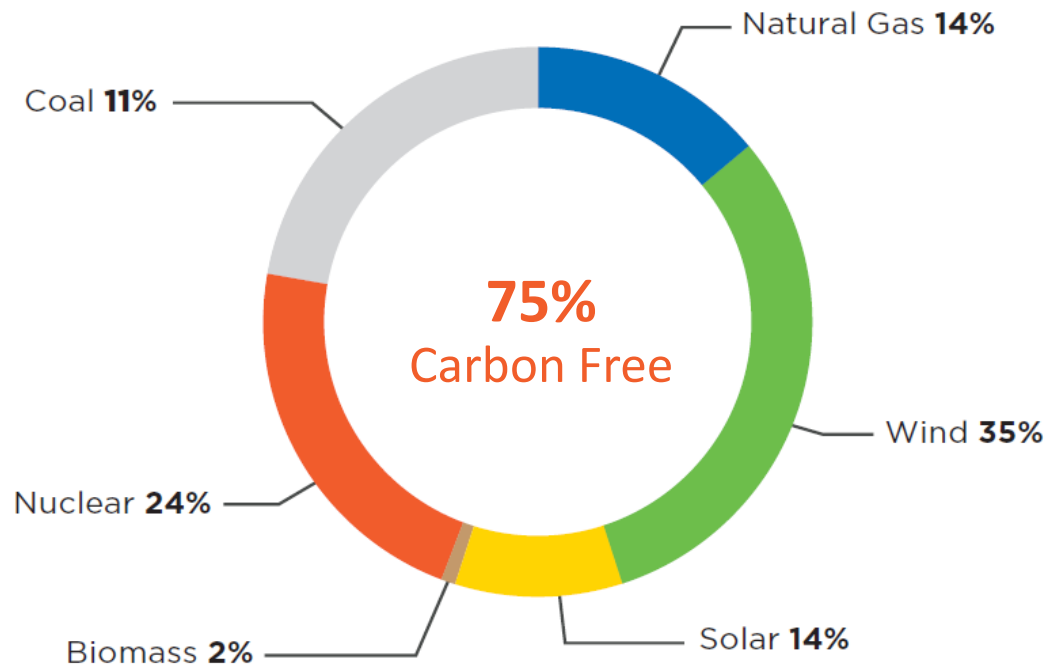
## Transmission

## Distribution



# Austin Energy Generation Resources

**Percent of Energy Generated from Austin Energy Assets (MWh) FY23**



# More Than Just an Electric Bill

Nationally Recognized Customer Assistance Programs



Utility Bill  
Discounts for  
Low-Income



Weatherization  
Assistance



Medically  
Vulnerable  
Registry



Plus 1 Financial  
Support for  
Short-term Needs



# Customers Save Money & Use Less Energy

\$21M annual incentives through 15 programs across all customer classes



# Electricity and Regulatory Fundamentals



# Electricity Basics

- Electricity is generated and consumed in real-time with some storage options
- Electricity is subject to the laws of physics – it doesn't always go where you want it to
- Supply must equal demand at all times

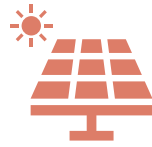


# A Complex, Dynamic Network

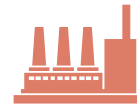
## Generation



WIND



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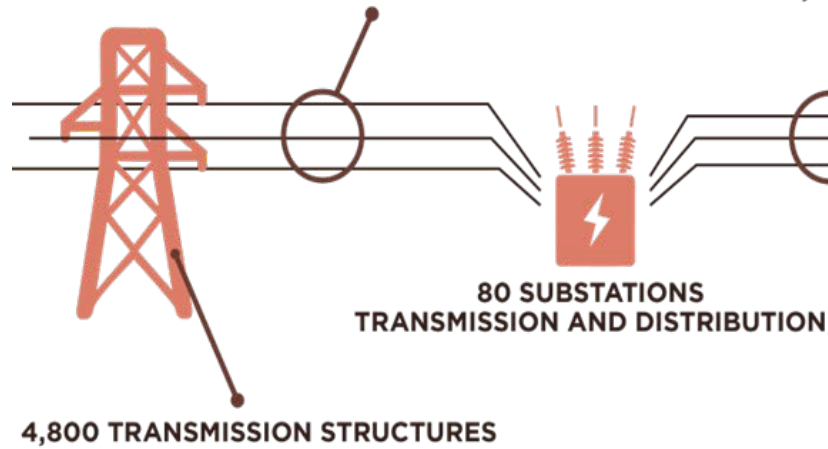


BIOMASS

## Transmission



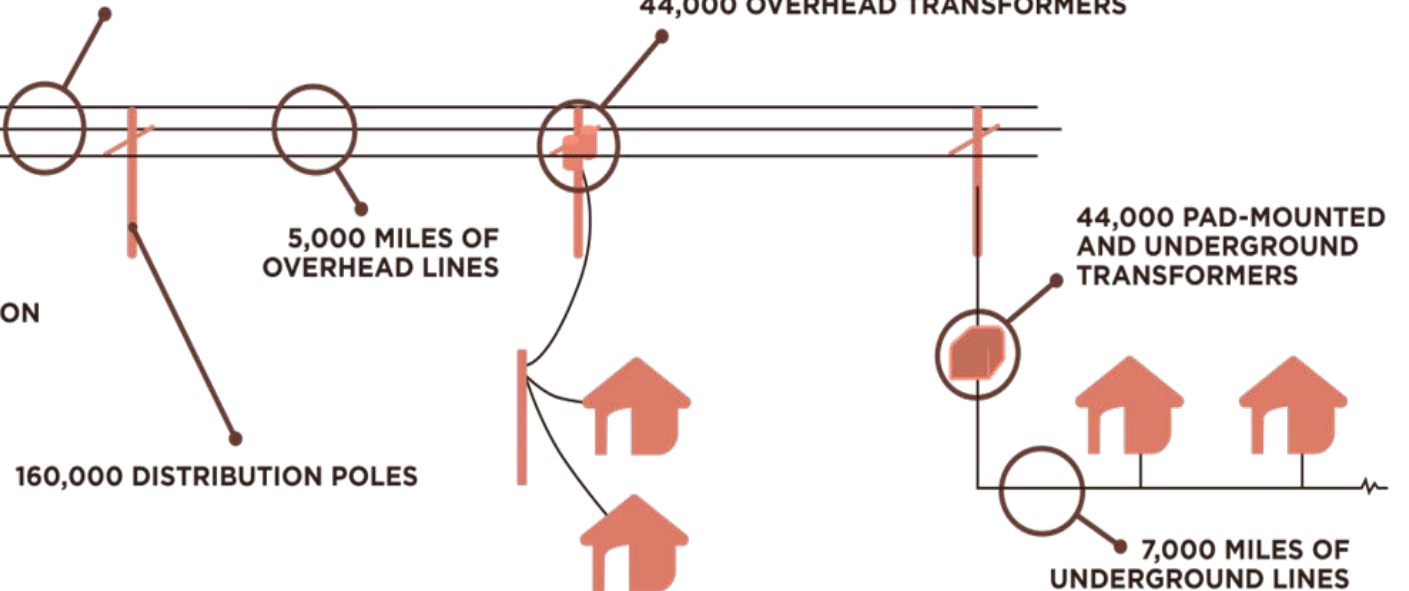
600 MILES OF TRANSMISSION LINES

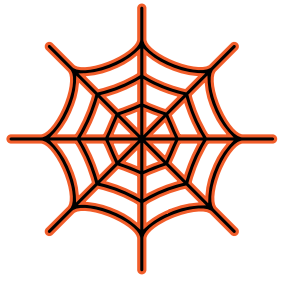


## Distribution



12,000 MILES OF DISTRIBUTION LINES





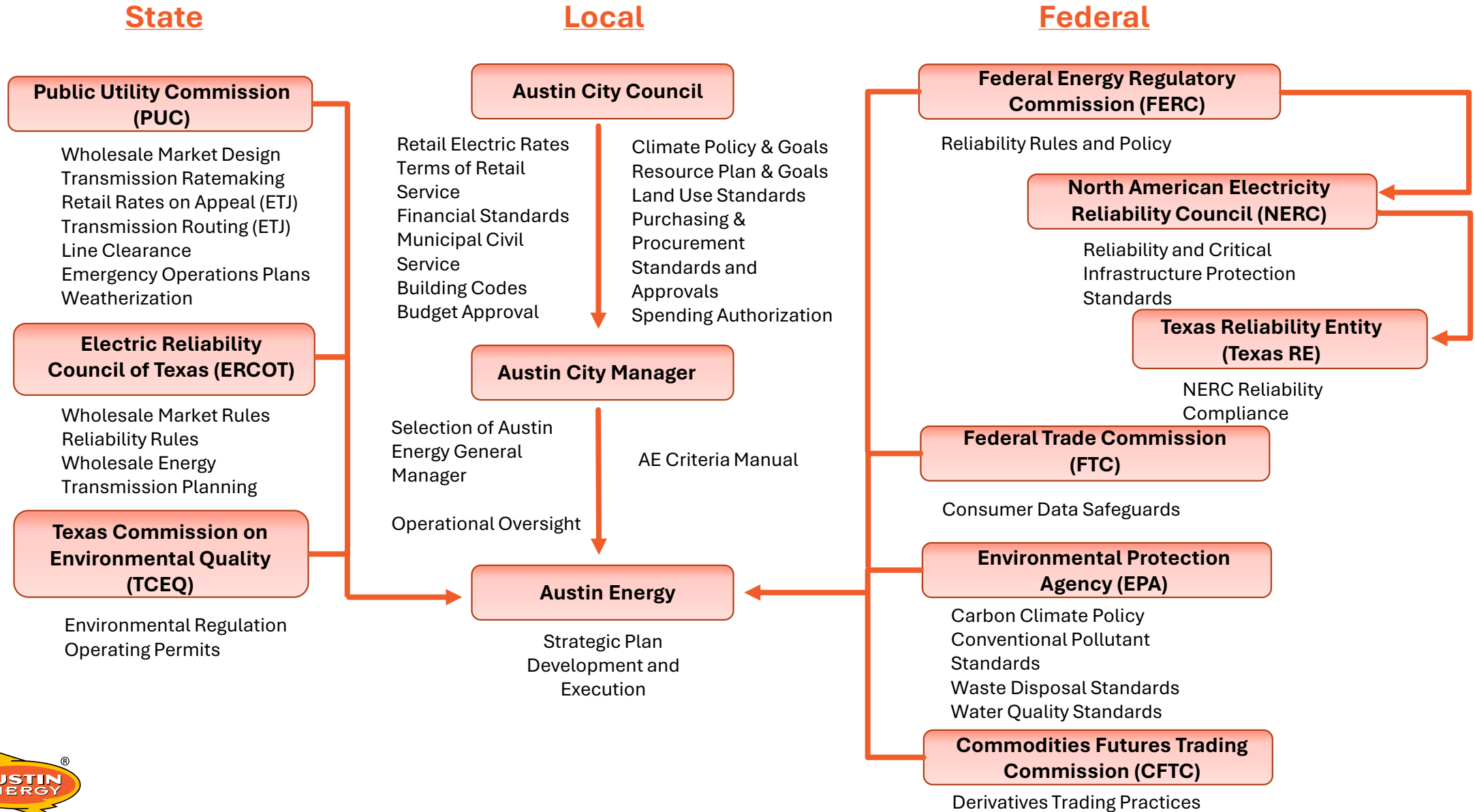
# The Power Grid

The power grid is dynamic and always changing or being changed

- Locally
- Statewide
- Balance
- Maintenance
- Growth



# Highly Regulated Environment



Our mission is ultimately about  
the people we serve



# Austin Energy's Mission





# Austin Energy's Mission

Safely deliver clean, affordable, reliable energy and excellent customer service



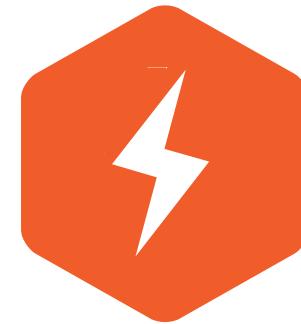
## Clean

Environmental Sustainability measured as **% of carbon-free** generation



## Affordable

Affordability maintained by limiting all-in rate increases to **2% per year** or less



## Reliable

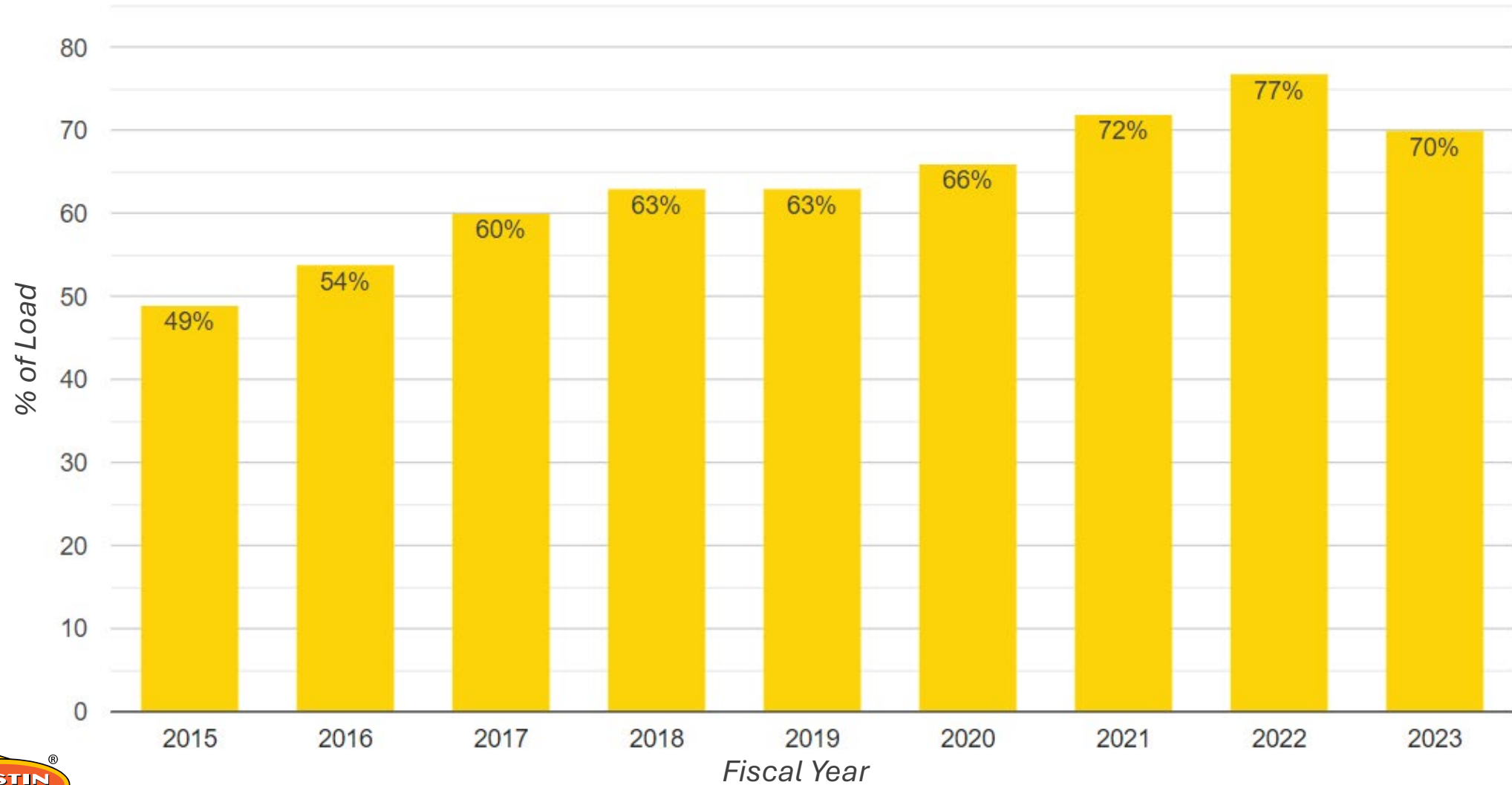
Reliability measured by **how often** outages occur and their **duration**





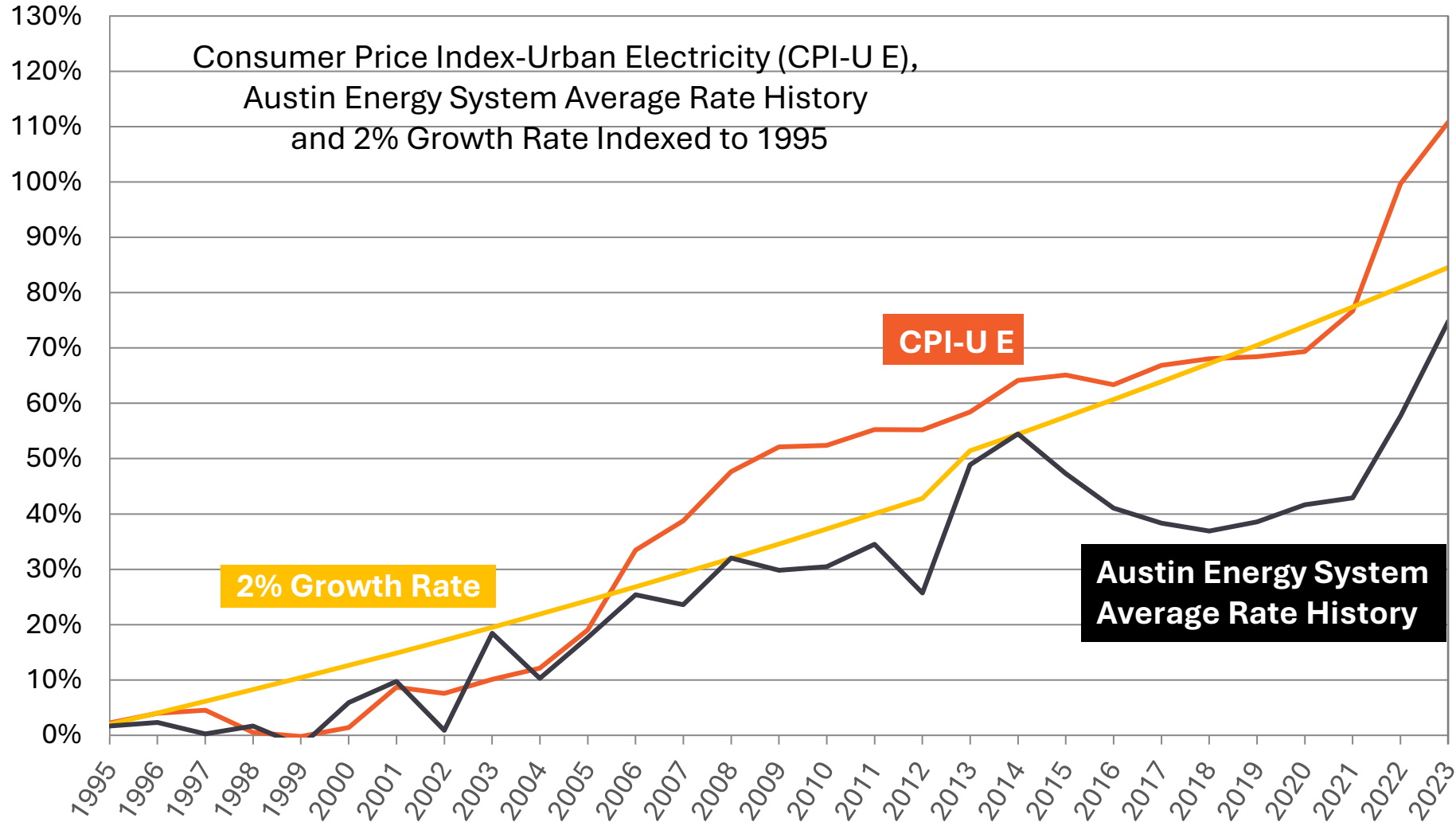
# Sustainability Goal

100% Carbon-Free Energy as a Percentage of Load



# Affordability Goal

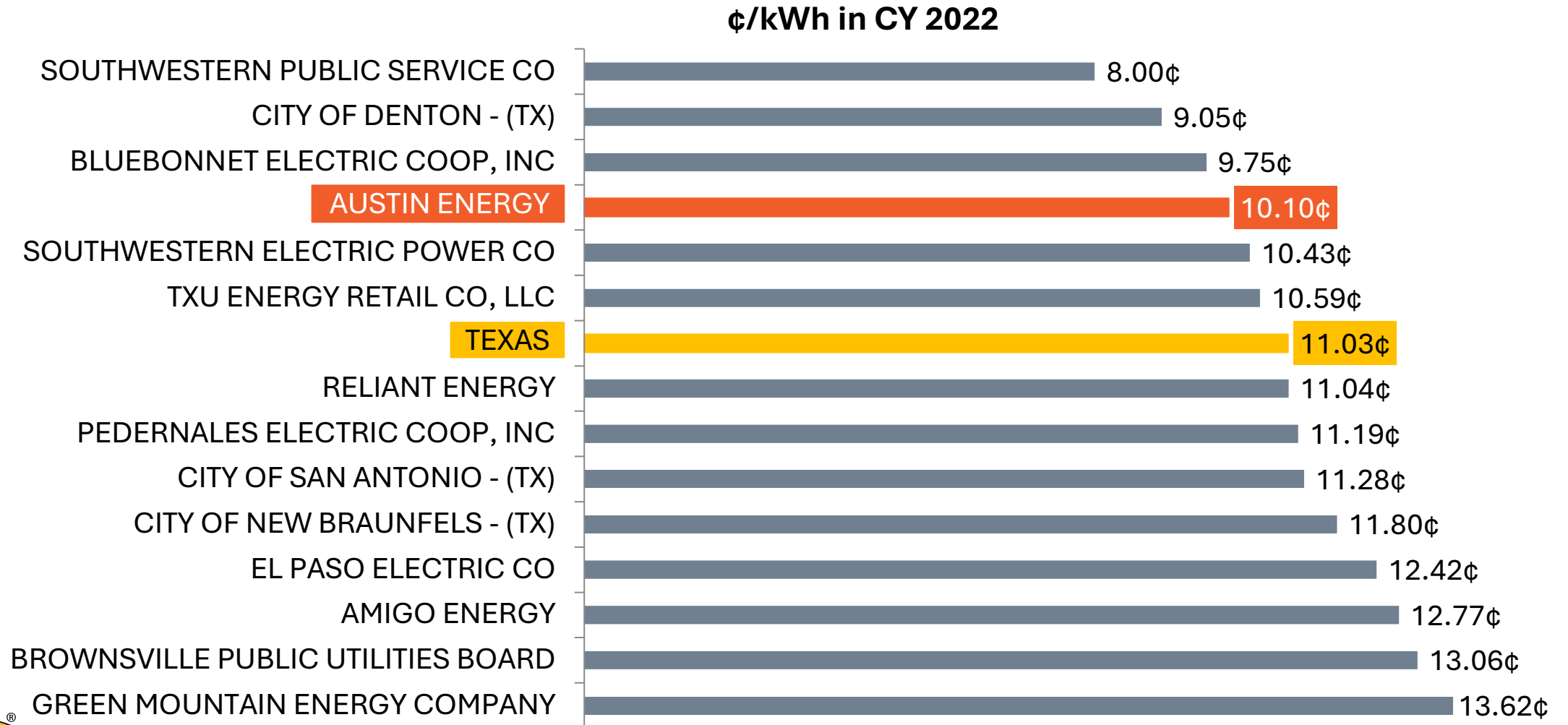
Limit Rate Increases to 2% per Year or Less





# Affordability Goal

Lower 50% of System Average Rates



Source: U.S. Energy Information Administration Form 861, October 2023



# Reliability Goal

## Minimize How Often and How Long People are Without Power

### ★ THE TEXAS TRIBUNE

#### Texas cities weren't ready for a massive winter storm in 2021. Has that changed?

Cities have made some preparations in case of another severe winter storm. But keeping the lights and water on is far from guaranteed.

BY JOSHUA FECHTER DEC. 6, 2021 5 AM CENTRAL



Austin was covered in snow amid freezing temperatures as the devastating winter storm in February hit the state. © Jordan Vonderhaar for The Texas Tribune



**© CBS NEWS**

### As Texas' largest-ever wildfire nears containment, Panhandle braces for "extremely critical fire weather conditions"

By Li Cohen  
Updated on: March 13, 2024 / 10:20 AM EDT / CBS News

**The Weather Channel**

### Ice Storm Blamed In At Least 10 Deaths; Power Outages Top 500,000

By Jan Wesner Childs and Ron Brackett · February 02, 2023



A tree is seen down due to the ice storm in Austin, Texas, on Wednesday, Feb. 1, 2023. Samuel Yu via Twitter

**AP**

### Widespread power outages from deadly Houston storm raise new risk: hot weather

UPDATED MAY 18, 2024 · 9:58 PM ET

By The Associated Press



A video photojournalist shoots footage of damage at a tire shop at the intersection of Sowden and Bingle in the aftermath of a severe storm on Friday, in Houston. Brett Coomer/AP

**BBC**

### Power cuts could last for days in storm-hit Texas

5 days ago  
James FitzGerald, BBC News

Share



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Community Focused.<sup>SM</sup>**



A wide-angle photograph of a lush green field under a bright blue sky with scattered white clouds. A large tree is visible on the left side of the frame, and a line of trees is visible in the distance. The text "Table Discussion" is overlaid in the center of the image.

# Table Discussion

# What is a Resource Plan?

Lisa Martin

Deputy General Manager & Chief Operating Officer



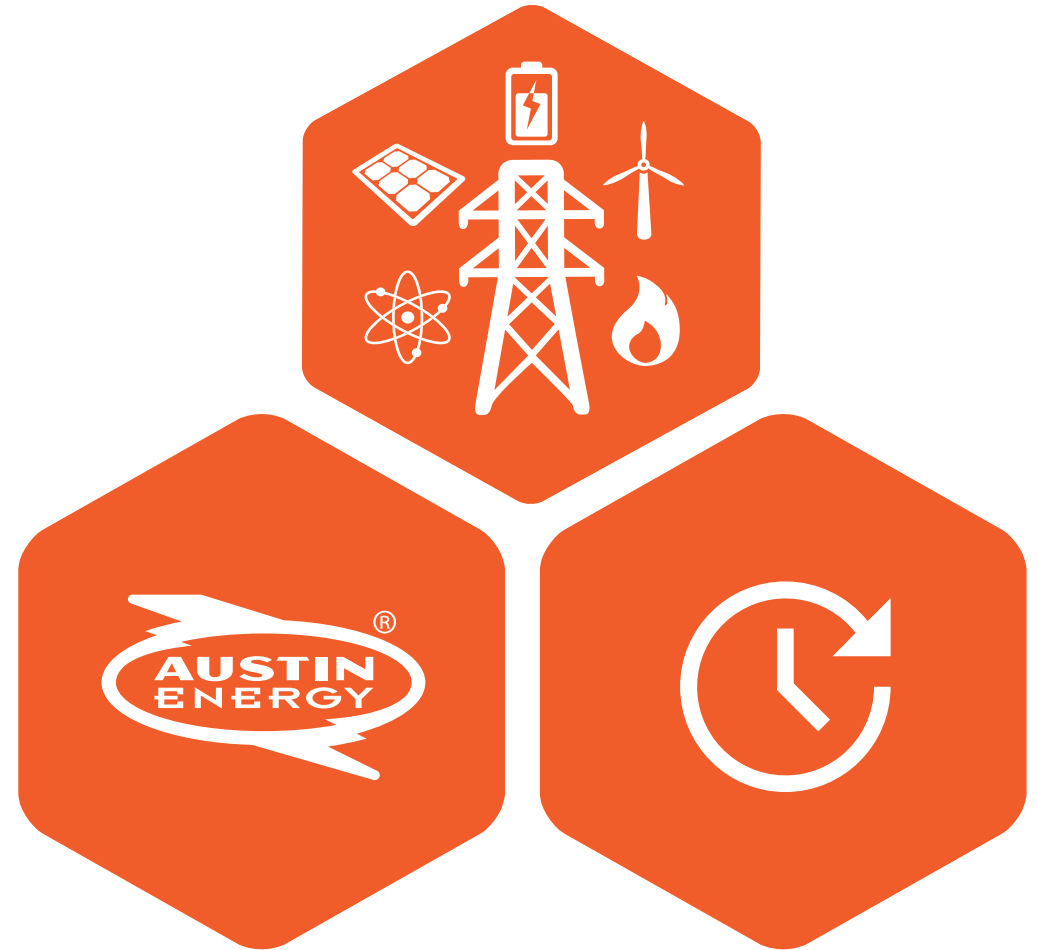
June 7, 2024

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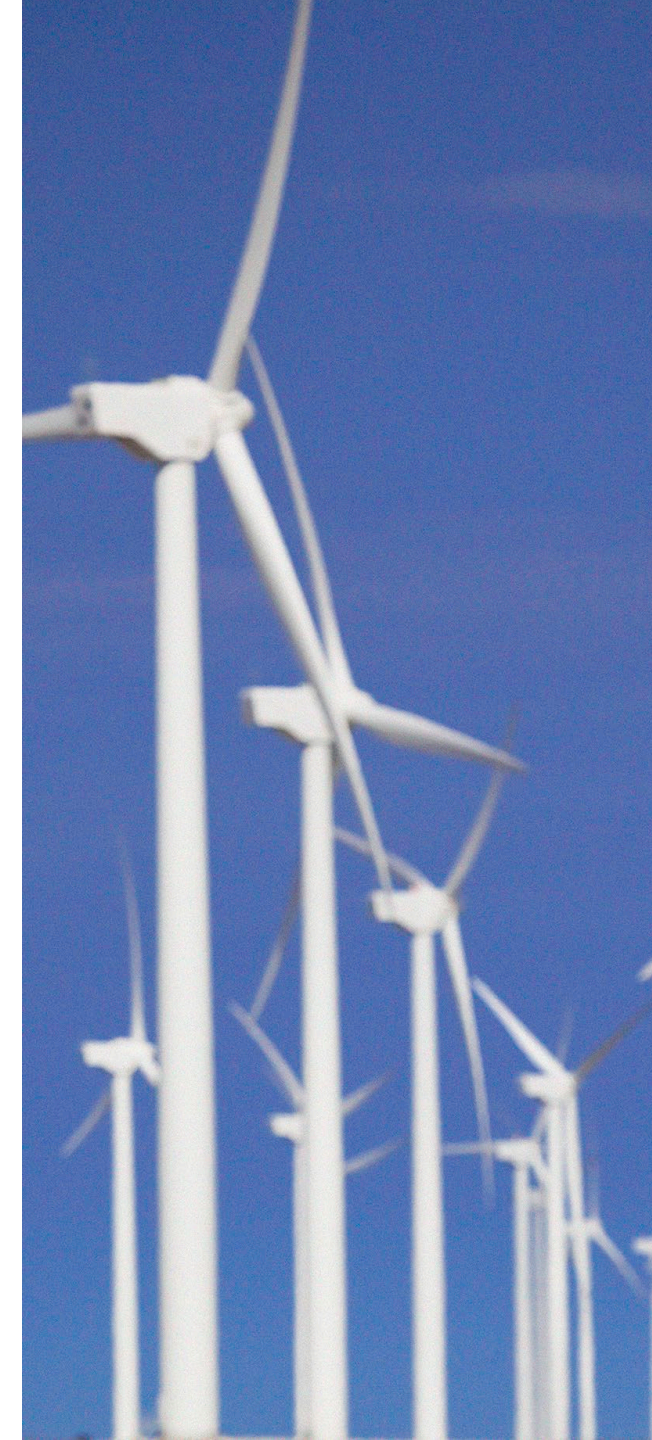
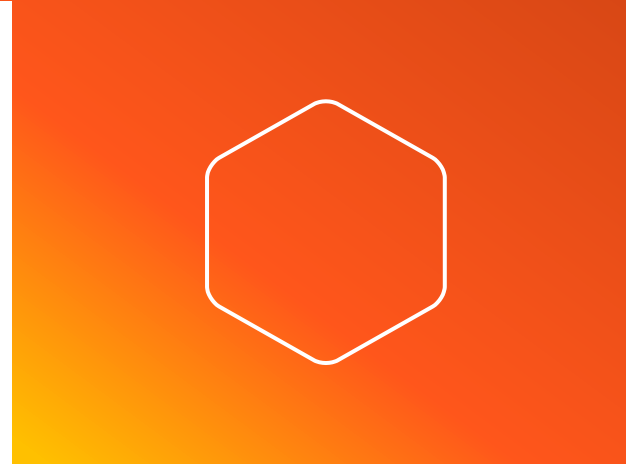
# Explore the current and future state of resource planning for electric utilities

- In General
- Specific to Austin Energy
- For the Future



# What is the Purpose of a Resource Plan?

- To inform a utility's resource decisions (generally, generation resources)
- Primary objectives are to have enough generation to meet needs at lowest possible cost
- Approved by a regulatory body
- Updated every 3-5 years



# What is Typical of Austin Energy's Resource Plan?



## Focus on Environmental Sustainability

One of the most aggressive clean energy plans in the country



## Affordable, Rather Than Least Cost

Willing to pay more to support values our community believes in



## Demand-Side Emphasis

Focus on energy efficiency, demand reduction, rooftop solar



# Global Trends Driving Resource Plan Changes



Rapid Technology Change  
& Shifting Costs



Load Growth &  
Transmission and Distribution



Stakeholder Awareness  
& Inclusivity



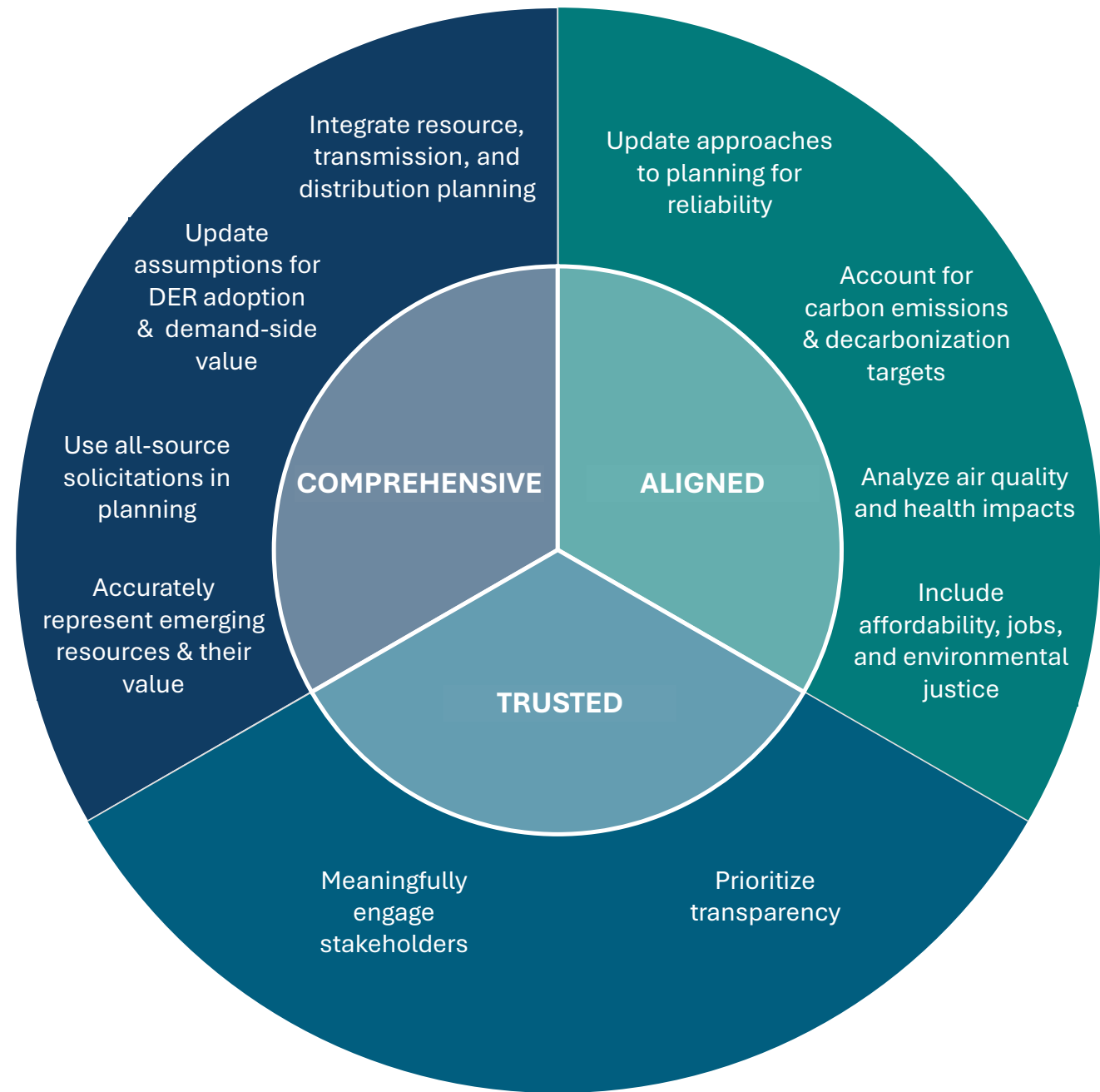
Evolving Federal &  
State Policies

# Rocky Mountain Institute: Resource Planning Wheel

Following best practices, Austin Energy considers the Rocky Mountain Institute's Resource Planning Wheel

Austin Energy's 2035 Plan will be

- Comprehensive
- Aligned
- Trusted



# Your Role is Vital

What is this stakeholder group doing?

Shaping the energy future of Austin and nearby communities

Why is this important?

Global trends make for more challenging decisions

How is this going to help?

Your input informs the values, priorities, and metrics for success

What will be the outcome?

A balanced 2035 Resource Plan rooted in our community values and priorities





**Customer Driven.  
Community Focused.<sup>SM</sup>**



# Group Discussion

A wide-angle photograph of a lush green field under a bright blue sky filled with scattered white clouds. In the foreground on the left, a tree branch with green leaves hangs into the frame. The middle ground is dominated by a vast, flat green lawn. In the background, a dense line of trees stretches across the horizon, with some buildings visible in the distance on the left. The overall scene is bright and open.



# Workshops

## June

- Electricity 101
- Austin Energy's mission and definitions
- Shared values
- Building a Generation Plan

## July

- Current and future state
- Risks and tolerances
- Energy and technology options

## August

- Value measurement and goal setting frameworks
- Balancing priorities

## September

- Reviewing outcomes

**Thank You!**



How About Next Time?