Austin Energy Generation Resource Plan Workshop #3

Facilitated by Lynda Rife

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Agenda

I. Workshop #2 Report Out

II. Impact Survey

III. "A Game of Beans" Exercise

IV. Equity & TEPRI Report Presentation

V. Most Vulnerable Survey & Discussion

VI. Objectives Survey

VII. Closing & Next Steps

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Workshop #2 Report Out

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Top Themes & Takeaways – ERCOT 101

- Austin Energy is bound to the ERCOT market and its rules and constructs.
- The ERCOT market, like any market, has both benefits and risks. Decisions made in the marketplace have tradeoffs. For example, a decision made to maximize reliability – could reduce affordability – or vice versa.
- Decisions we make for the Resource Generation Plan will affect the tools available in the future to minimize risk and maximize benefits in the ERCOT market – in terms of affordability, sustainability, reliability and equity.

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Top Themes & Takeaways – Dr. Webber's Presentation

- Utilities, including Austin Energy, need to prepare for an era of unprecedented electricity consumption.
- The challenge before us is to simultaneously expand and decarbonize the grid while the world is warming.
- Austin Energy is uniquely positioned, as a municipally-owned utility, to address load growth because it can work on both the supply and demand sides of the equation. Since the service territory is its own load zone Austin Energy can avoid congestion costs by building generation close to where customers need it.
- Do your best, clean up the rest through a combination of efficiency, electrification, clean molecules and carbon management.
- Austin Energy has an opportunity to improve the overall financial health of the utility (and therefore provide more benefit to the Austin community and customers).
- The key lens through which energy options should be considered: trade-offs.

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Impact Survey

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Values and Tradeoffs in a Constrained World

(A Game of Beans)

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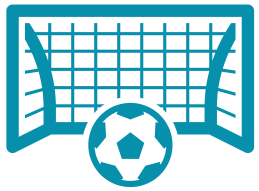
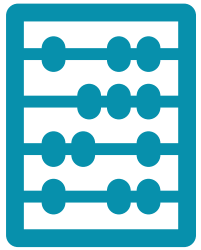
Resource Planning Tradeoffs Exercise



Exercise Goal

The goal of this exercise is for you to create valuable feedback on how Austin Energy should prioritize tradeoffs among community values.



Resource Allocation

Using finite resources, you'll create allocations to the planning values you have identified as an individual, and as a group.

Provide Insight

This exercise will provide Austin Energy insights about how you view the tradeoffs between Affordability, Reliability, Environmental Sustainability.

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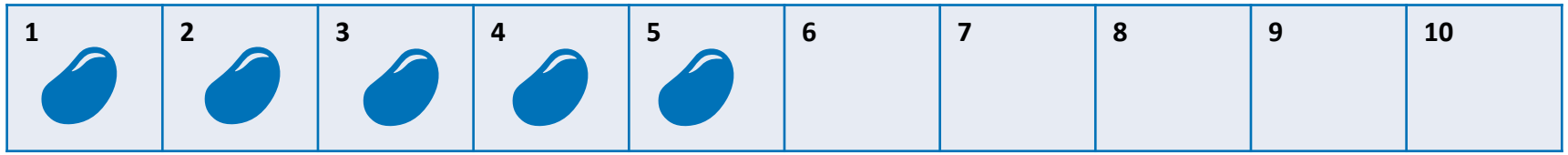
Resource Planning Tradeoffs Exercise (Individual)

Place your ten beans in the empty numbered squares numbered 6-10 provided below; to frame the priorities and tradeoffs you think Austin Energy should use in its resource planning. When you're satisfied that the allocation is as close as it can be to your priorities, write each number of beans in the "My Initial Allocation" boxes.

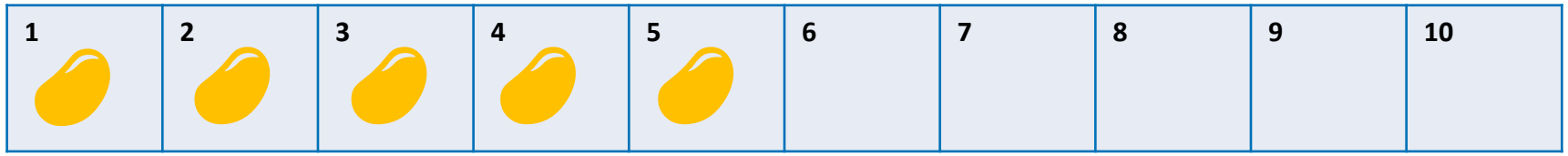
My Initial Allocation

Affordability



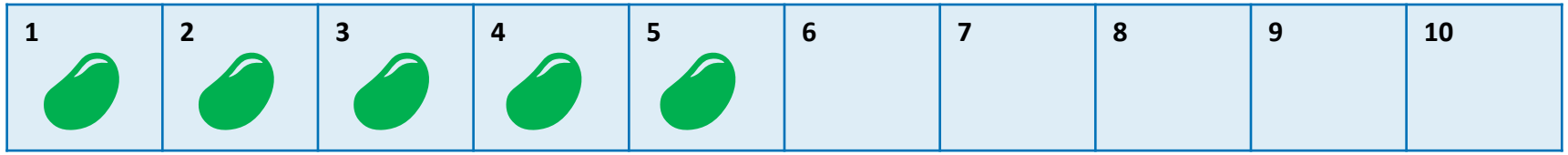
a score from 5-10

Reliability



a score from 5-10

Environmental Sustainability



a score from 5-10

Resource Planning Tradeoffs Exercise (Group)

As a group, record each individual stakeholder's total allocation (5-10) from the individual allocation exercise. When all stakeholder's allocations have been recorded; Add the allocations up to develop a "Total" and take the average to develop a “Group Allocation”.

Affordability

Individual 1	Individual 2	Individual 3	Individual 4	Individual 5	Individual 6	Individual 7	Individual 8	Individual 9	Individual 10	Individual 11	Individual 12

Total ÷ Number of Individuals = Group Allocation

Reliability

Individual 1	Individual 2	Individual 3	Individual 4	Individual 5	Individual 6	Individual 7	Individual 8	Individual 9	Individual 10	Individual 11	Individual 12

Total ÷ Number of Individuals = Group Allocation

Environmental Sustainability

Individual 1	Individual 2	Individual 3	Individual 4	Individual 5	Individual 6	Individual 7	Individual 8	Individual 9	Individual 10	Individual 11	Individual 12

Total ÷ Number of Individuals = Group Allocation

Resource Planning Tradeoffs Exercise (Group)

Discuss as a group if the "Group Allocation" meets the community priorities. If the group would recommend reallocation of beans, write the new total in the "Reallocation" box.

Affordability

Individual 1	Individual 2	Individual 3	Individual 4	Individual 5	Individual 6	Individual 7	Individual 8	Individual 9	Individual 10	Individual 11	Individual 12

Total ÷ Number of Individuals = Group Allocation → Reallocation

Reliability

Individual 1	Individual 2	Individual 3	Individual 4	Individual 5	Individual 6	Individual 7	Individual 8	Individual 9	Individual 10	Individual 11	Individual 12

Total ÷ Number of Individuals = Group Allocation → Reallocation

Environmental Sustainability

Individual 1	Individual 2	Individual 3	Individual 4	Individual 5	Individual 6	Individual 7	Individual 8	Individual 9	Individual 10	Individual 11	Individual 12

Total ÷ Number of Individuals = Group Allocation → Reallocation

"A Game of Beans"
Small Group Report Out

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Resource Planning Tradeoffs Exercise (Individual)

Based on group conversations, would you reallocate your "My Initial Allocation", or keep them the same? Record any changes from initial allocations into the "My Final Allocation" box.

Equity Considerations for the Resource Generation Plan

Key Takeaways from the Texas Energy Poverty Research Institute's (TEPRI) *Community Voices in Energy Survey*

Ronnie Mendoza
Manager, Customer Assistance Programs

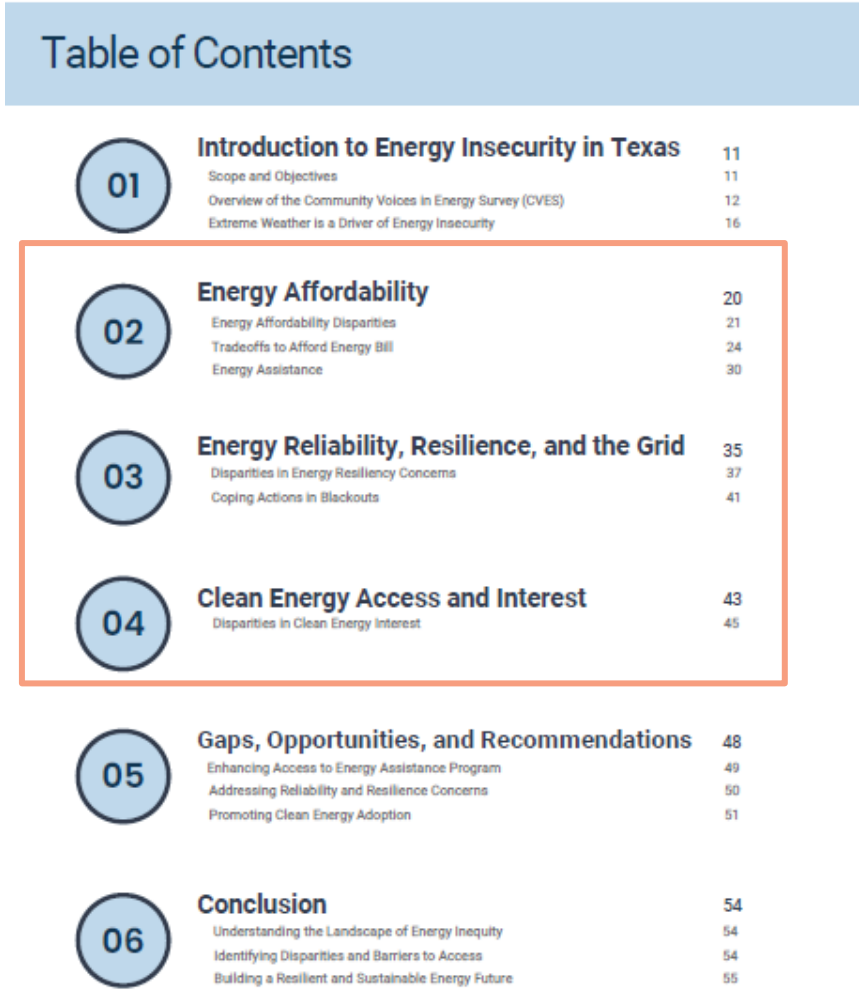
August 22, 2024

Electricity Priorities Identified by TEPRI Survey

Reflect the community values discussed in the first two workshops.

TEPRI's report highlights elements of energy equity, which echo the key community values you've been discussing in previous workshops:

- Energy Affordability
- Energy Reliability & Resilience
- Clean Energy Access (Sustainability)



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tepri.org

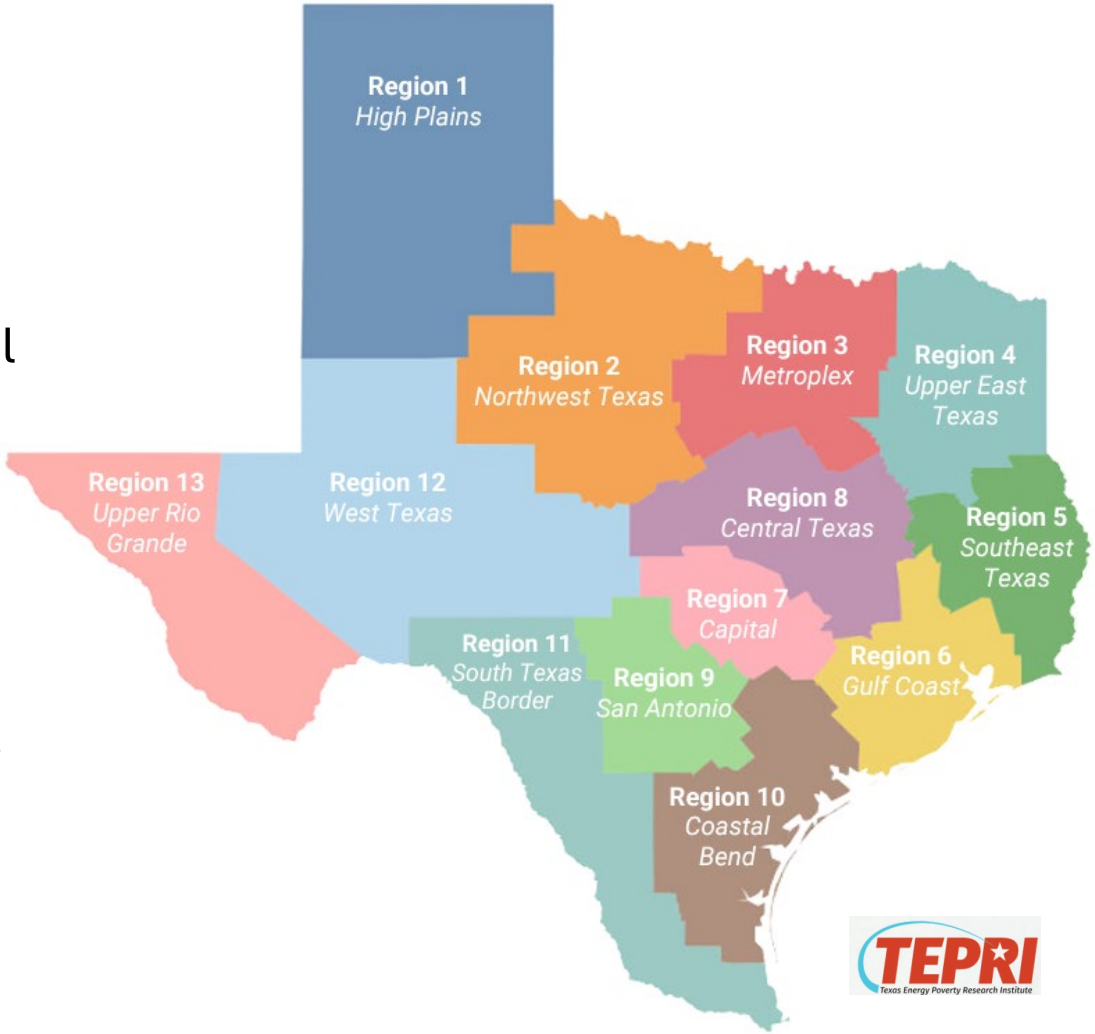
Demographics Specific to Central Texas

Relevant Capital Region 7 Facts

- Nearly 49% of residents are people of color
- 13% of residents are above the age of 65
- 10% of residents live below the Federal Poverty Level

TEPRI's Community Voices in Energy Survey Responses

- Primarily from low-moderate income (LMI) residents
- 6,500+ responses statewide
- 600+ responses within the Capital Region 7

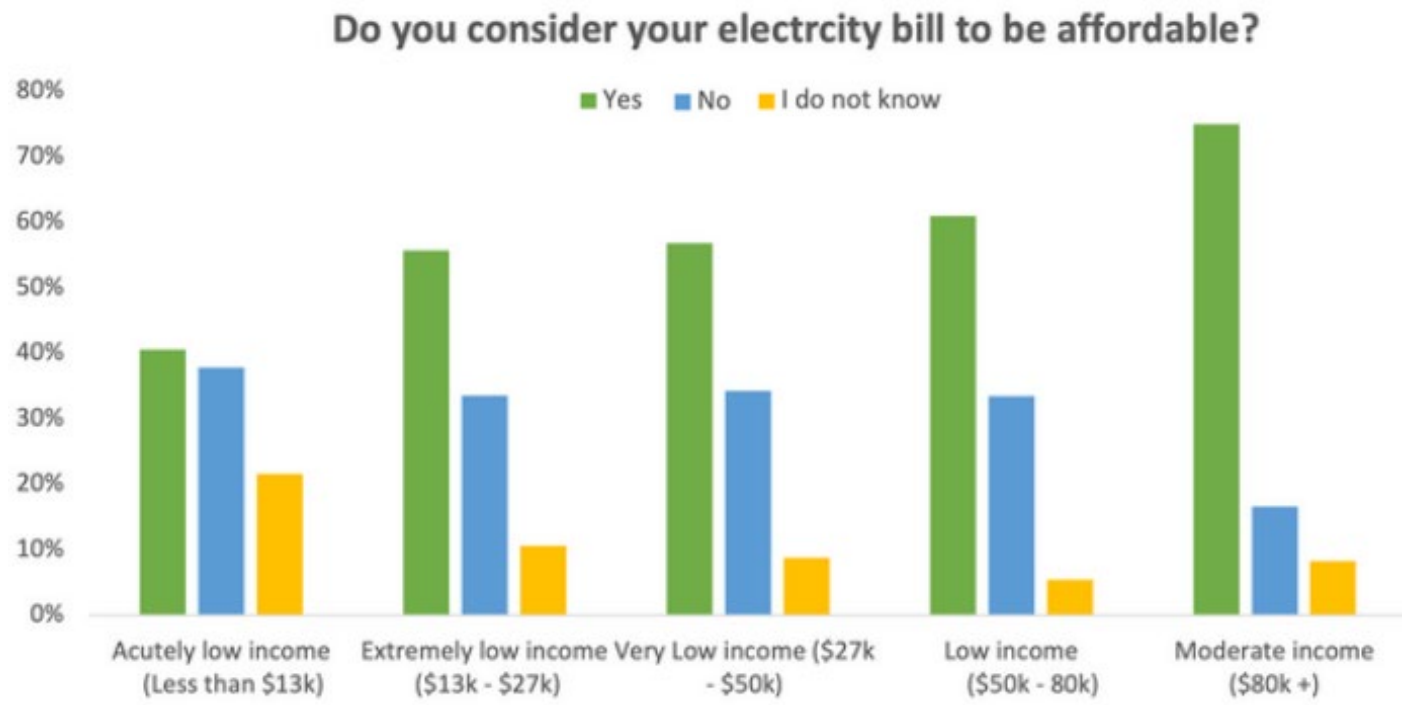


Region 7 Findings Related to Affordability

The average low-moderate income household experiences a 6.9% energy burden compared to 3.69% for all households.

47% do not consider their energy bills affordable

10% enrolled in a bill assistance program

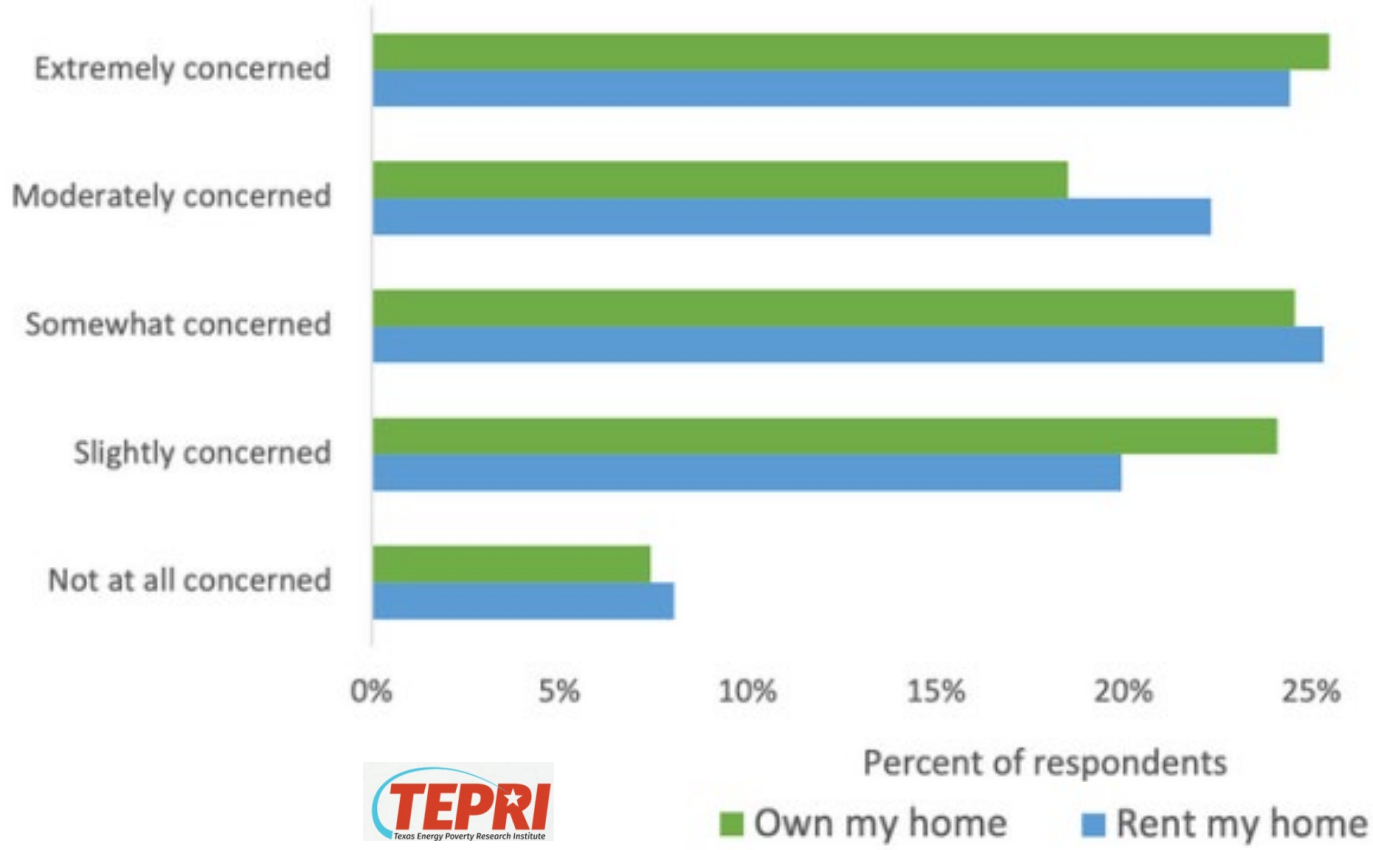


Region 7 Energy Reliability and Resiliency

92% expressed at least some concern about weather-related outages.
Renters and homeowners are about equally concerned.

26% of respondents with incomes below $50,000 reported extreme concern about weather related outages

64% reported concern about maintaining a safe temperature in their home during a weather-related outage



Region 7 Clean Energy Perspectives

43% are willing to pay more for cleaner energy.

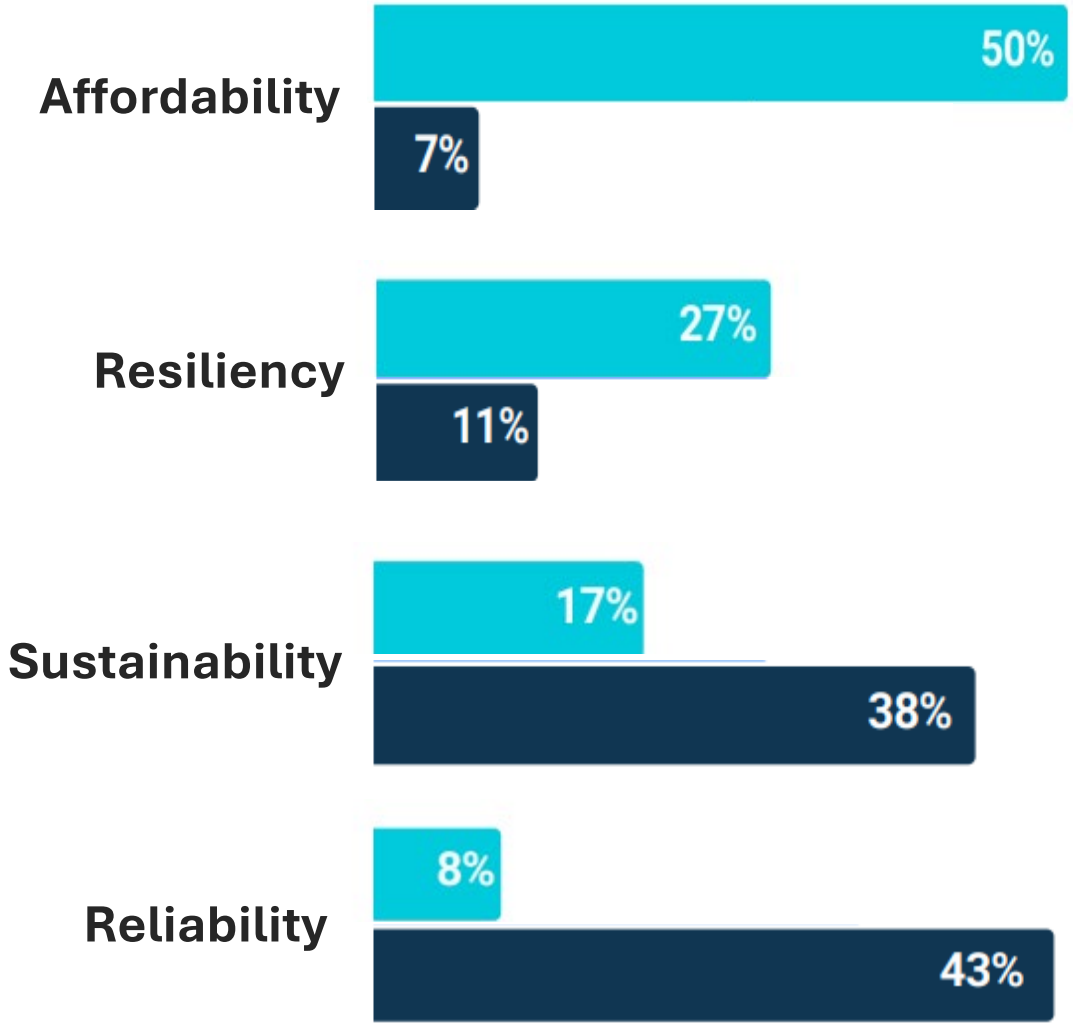
57% are not.

35% with income < $50,000 are willing to pay $6-$10 more per month.

56% earning < $13,000 would not pay more.

TEPRI's Statewide Survey: Priorities for LMI Households

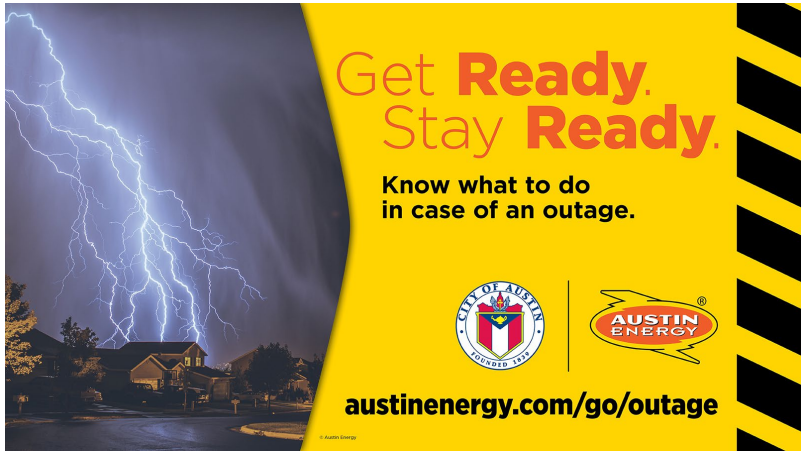
Electricity Priorities	Definitions
Affordability	Electricity should be affordable to everyone.
Sustainability	Electricity should be clean and environmentally friendly.
Reliability	Receiving enough electricity to meet daily needs and avoid an outage
Resiliency	Electricity is reliable during storms and quickly comes back online after a major outage.



TEPRI Offers Policy Recommendations

Enhance Access to Energy Assistance Programs

Targeted Outreach Campaigns, Streamlined Application Processes, Partnerships with Landlords, Advocate for Additional Funds



Address Reliability/Resilience

Infrastructure Investments, Community Resilience Hubs, Public Awareness Campaigns

Promote Clean Energy Adoption

Education and Outreach Programs, Financial incentives, Community Based Initiatives

Customer Driven. Community Focused.SM

Most Vulnerable Survey & Discussion

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Objectives Survey

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Closing & Next Steps

- Workshop #4 – Thursday, Oct. 3rd at lunchtime
- Potential Workshop #4 agenda items include talking about the Objectives Worksheet and previewing a resource modeling tool
- Leave your worksheets on the tables to be collected – the team will report out on the responses at Workshop #4
- Final questions/concerns?

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Thank you!

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