



# ***NEW PRODUCTS: RESILIENCY SERVICE & WHOLESALE DISTRIBUTION SERVICE***

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*Request for Approval*

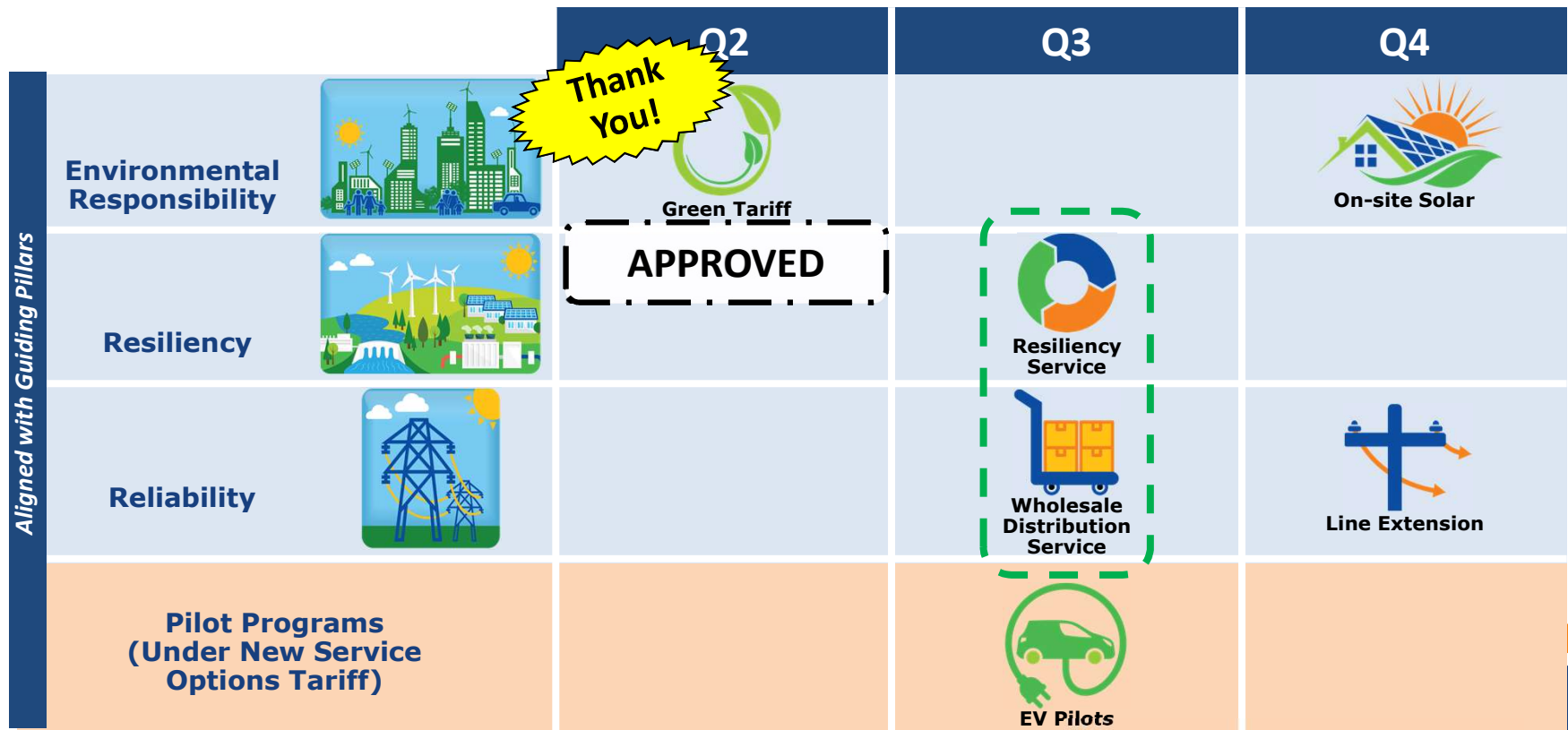


# AGENDA



- **NEW PRODUCT ROADMAP**
- **RESILIENCY SERVICE OVERVIEW**
- **WHOLESALE DISTRIBUTION SERVICE OVERVIEW**
- **RECAP**
- **REQUEST FOR APPROVAL**

# PRODUCT ROADMAP FOR FY2021



← — — — — Rooted in Financial Stability — — — — →

# RESILIENCY SERVICE



**Resiliency  
Service**

## **What it is:**

A way for commercial customers to get onsite natural gas backup generation without incurring significant capital cost.

## **What it isn't:**

This is not a general rate increase. Only customers that opt in to this additional offering will pay the proposed rate. No other customers will be impacted.



# DELIVERING DEPENDABILITY



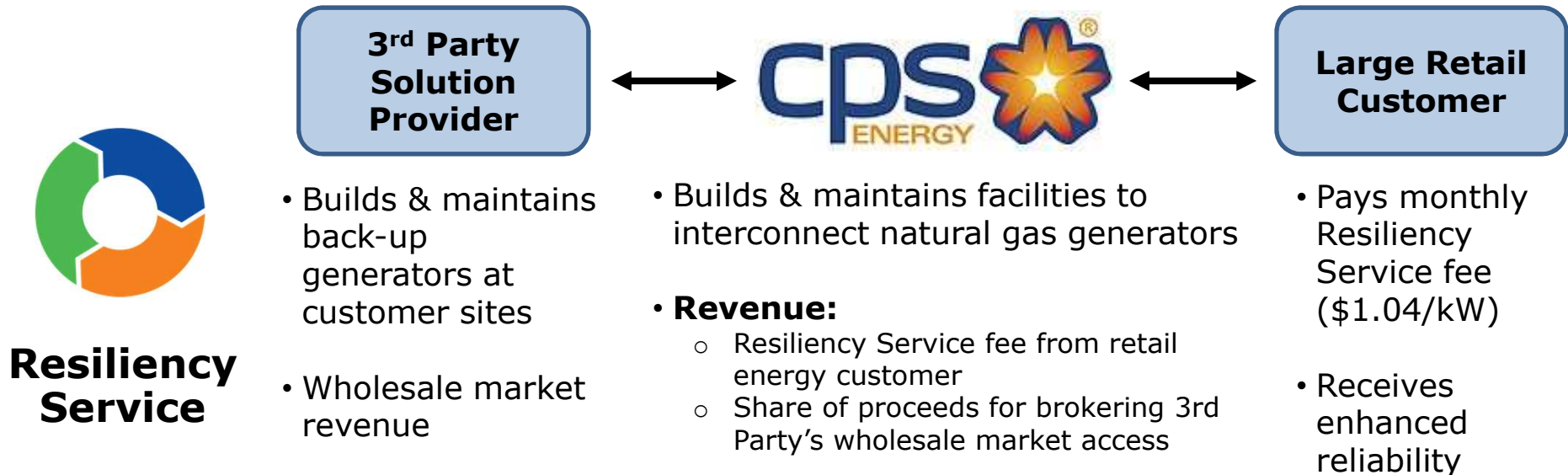
## Resiliency Service

- Commercial customers want a solution for dependable power during critical weather events
- For a monthly fee, we will provide access to onsite natural gas generation
- Pilot was launched in mid-2019 & we are ready to finalize the rate for broader customer use



**Our new Resiliency Service offering is an excellent fit for large businesses that require continuous operations.**

# HOW THE PRODUCT WORKS



**In exchange for a monthly Resiliency Service fee, the customer is guaranteed to experience minimal disruption of service.**

# WHOLESALE DISTRIBUTION SERVICE



**Wholesale  
Distribution  
Service**

## **What it is:**

An update to an existing rate to enable battery operators to pay for using our distribution system. We are required by law to allow battery operators to access the ERCOT market.

## **What it isn't:**

This is not a general rate increase & existing customers will not be impacted. Battery operators will not sell energy to our existing customers.

# OBSERVING EVOLUTION



***The "greening of the grid" is driving noticeable innovation...***

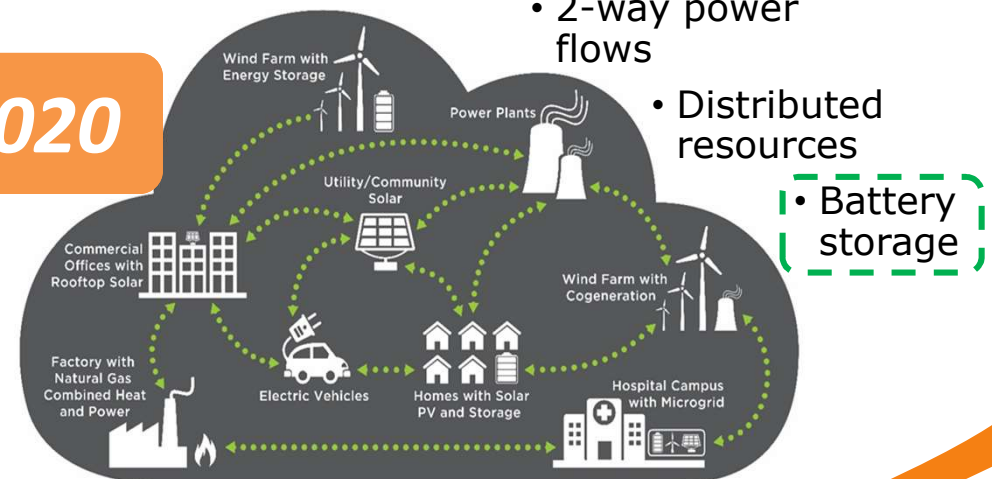
## Yesterday's Grid



2015

2020

## Today's Grid



***...and customers are finding new ways to use & interact with the grid.***



# STRATEGIC BENEFITS

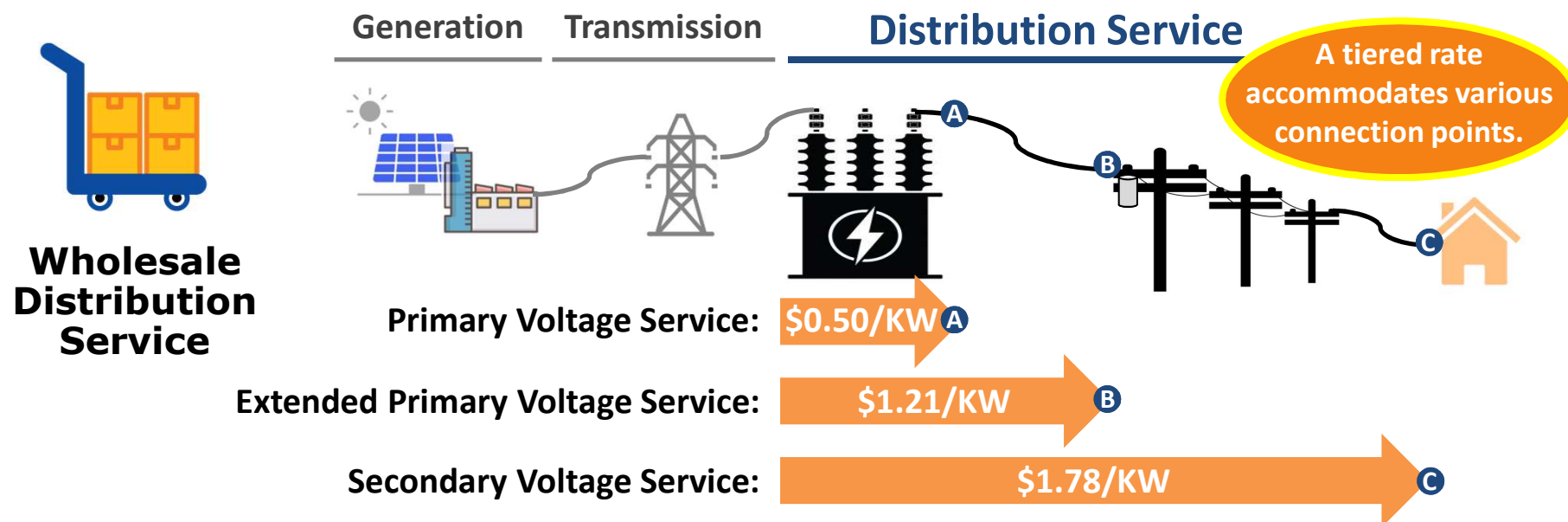


## Wholesale Distribution Service

- **ENABLES** new technologies that support intermittent renewable resources on the grid
- **ENHANCES** resiliency & reliability of ERCOT & our system
- **PROVIDES** new revenue streams & recovers cost of infrastructure

**Our modernized tariff delivers value, aligns with community goals & protects our community's electric infrastructure investment.**

# HOW THE PRODUCT WORKS



**The WDS tariff recovers costs based on how much of our distribution system the customer uses.**

# RECAP



- The electric industry is changing as customer expectations & technologies evolve; we continue to develop new & updated products to meet our customers' needs
- Our new Resiliency Service product enables large businesses to experience minimal disruption of service in exchange for a monthly fee
- The updated Wholesale Distribution Service product enables battery storage technology, which has strategic benefits to the community
- These proposed products do not represent a general rate increase; no existing customers will be impacted

# REQUEST FOR APPROVAL



We respectfully request City Council approval of the proposed Resiliency Service & Wholesale Distribution Service products.



***Thank You***

