



***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



		Q2	Q3	Q4
Aligned with Guiding Pillars	Environmental Responsibility	<p>Green Tariff</p>		<p>On-site Solar</p>
	Resiliency		<p>Resiliency Service</p>	
	Reliability		<p>Wholesale Distribution Service</p>	<p>Line Extension</p>
Pilot Programs (Under New Service Options Tariff)			<p>EV Pilots</p>	

Thank You!

APPROVED

← — — — — — 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



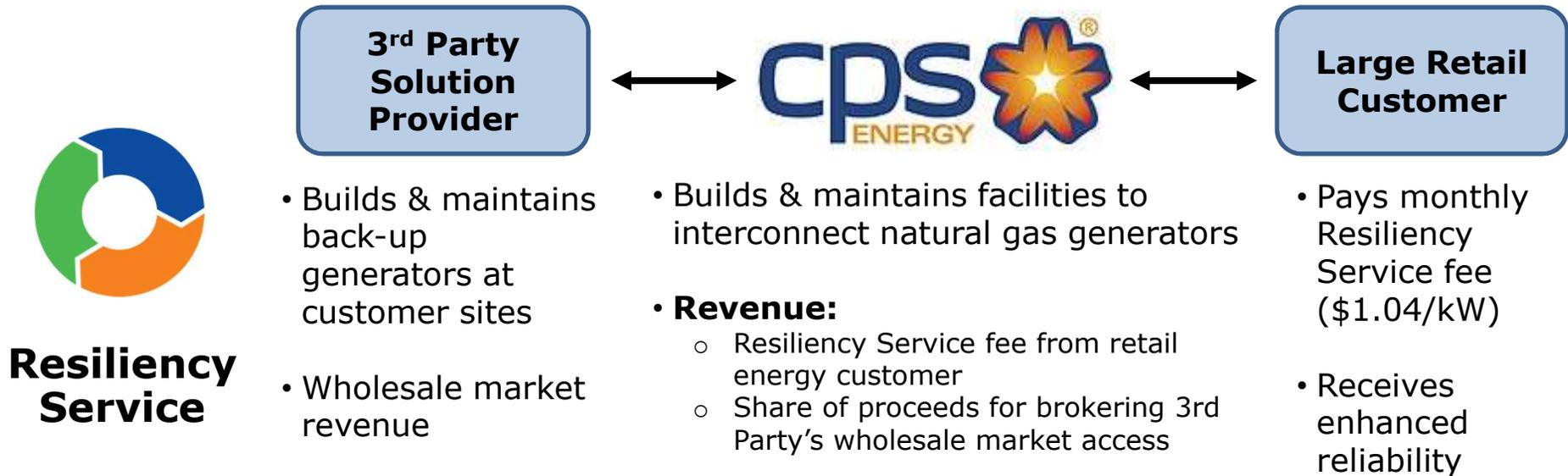
Resiliency Service

- 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...

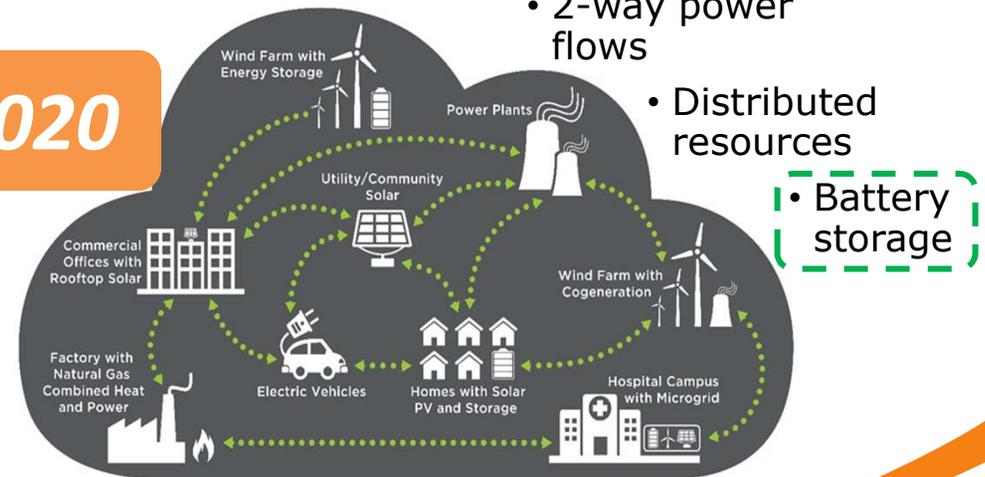
Yesterday's Grid



2015

2020

Today's Grid



• 2-way power flows

• Distributed resources

• Battery storage

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

STRATEGIC BENEFITS



Wholesale Distribution Service

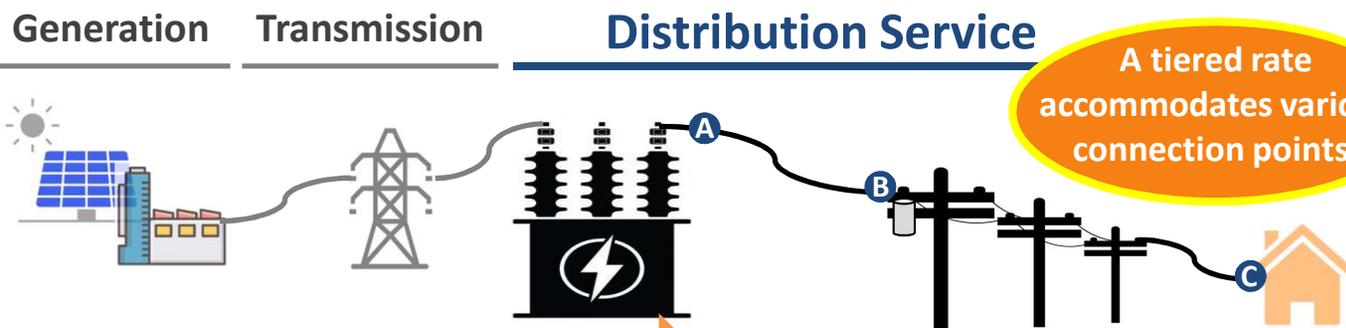
- **ENABLES** new technologies that support intermittent renewable resources on the grid
- **ENHANCES** resiliency & reliability of ERCOT & our system
- **PROVIDES** new revenue streams & recovers cost of infrastructure

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

HOW THE PRODUCT WORKS



**Wholesale
Distribution
Service**



Primary Voltage Service: **\$0.50/KW** **A**

Extended Primary Voltage Service: **\$1.21/KW** **B**

Secondary Voltage Service: **\$1.78/KW** **C**

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

