

Program Development Update: Resiliency as a Service (RaaS)

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Agenda

- Background
- Program Overview
- Questions/Comments



Groceries, Storms & Legislative Response

- **Grocery stores and Enchanted Rock**

- Grocery stores like HEB partner with Generation Companies installing distributed generation facilities on customer's side of meters for back up generation (250 kW to 10 MW)
- Provides protection from hurricanes, storms and other outages
- Generation Companies operate the generators and sell into the ERCOT market

- **Winter Storm Uri**

- Grocery stores with backup generators maintained power throughout the storm

- **Legislation – SB 398**

- Allows groceries / food supply chain to contract with Generation Company to install backup generation and access wholesale market in NOIE service territories.
- NOIEs have right of first refusal to buy the gen or act as QSE
- Bill requires NOIEs to allow interconnection and provide access to transmission system on a nondiscriminatory basis and process DG Interconnection applications timely



BUSINESS > RETAIL

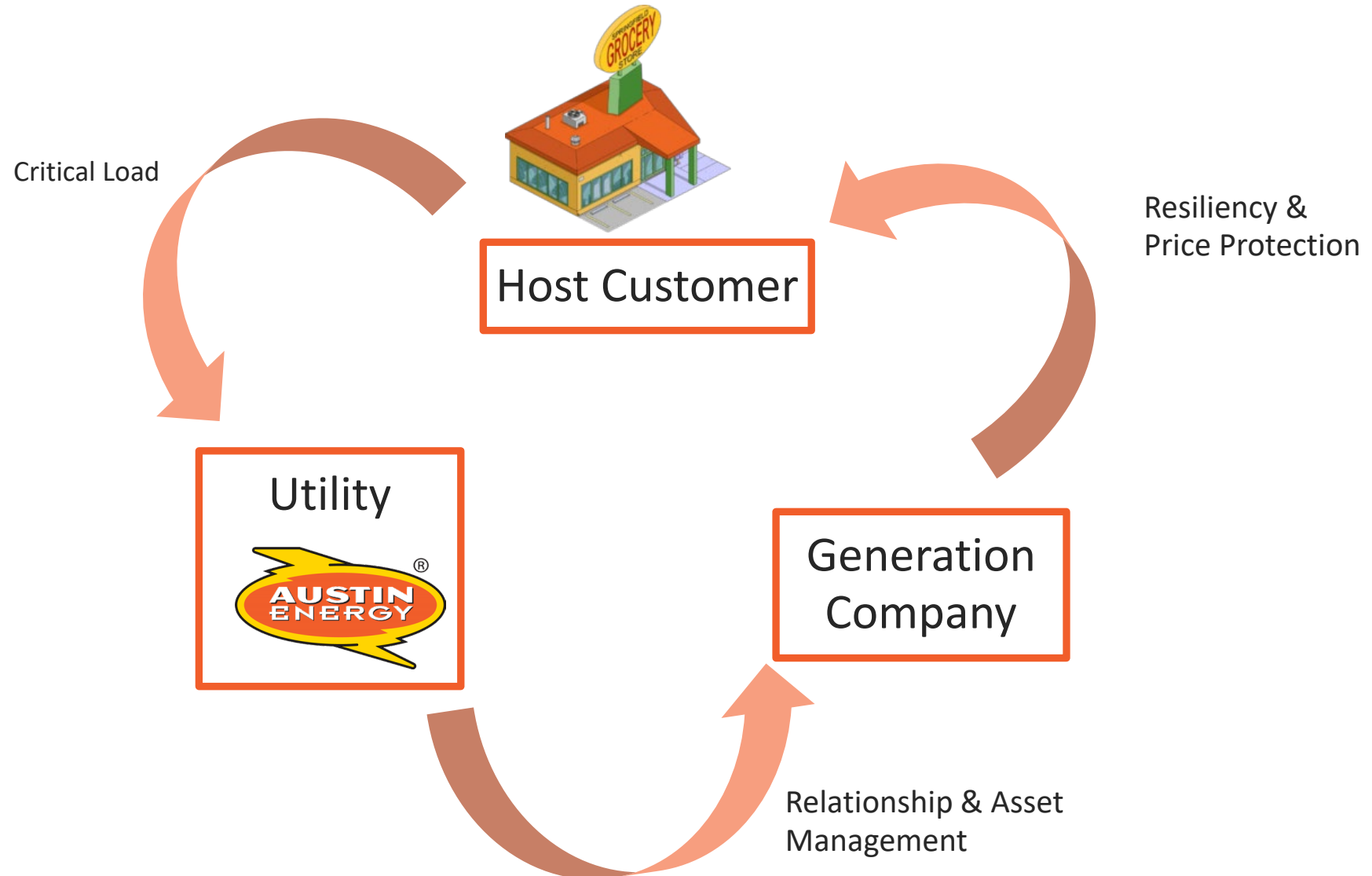
H-E-B, known for coming to the rescue with water and hot meals, added electricity to that list

Tired of power failures, including an embarrassing one at a store's grand opening, the grocer hooked up with a Houston energy technology company to install its own systems.



On-Site Generation Resiliency Model

(Behind the Meter SODG or Unregistered DG, <10 MW)



Program Benefits



Host Customer

- Improved reliability & resiliency
- Business continuity; no lost product/spoilage
- Affordable cost for back up generation
- No Customer O&M



AE Customer Portfolio: Tangible

- Load Price Protection
- Hedge Value
- 4CP reduction



AE Customer Portfolio: Intangible

- Load Zone Price Separation Mitigation
- Community Resiliency & Safety
- Customer satisfaction & relationship
- Transparency in emissions and starts



Utility

- Meet Customer reliability needs and desires
- Flexible, local, real physical option
- Hedge/reduce costs



Key Take Away's

- This program is about providing **resiliency** and **safety** for our customers and community
- Our customers are demanding this program AND we are required to facilitate this by SB398
 - These distributed generation facilities will be installed with or without the RaaS program
- Under the program these assets will run for ~10% or less annually
- Natural gas is a bridge fuel; the next step is folding in Solar + Storage
- RaaS passes the reliability and cost savings benefits to AE customers that would not otherwise be captured



A large orange hexagon with a gradient from light orange at the top to a darker orange at the bottom.

Thank you!



**Customer Driven.
Community Focused.SM**

