

GreenChoice Repurposing Proposal

Resource Management Commission

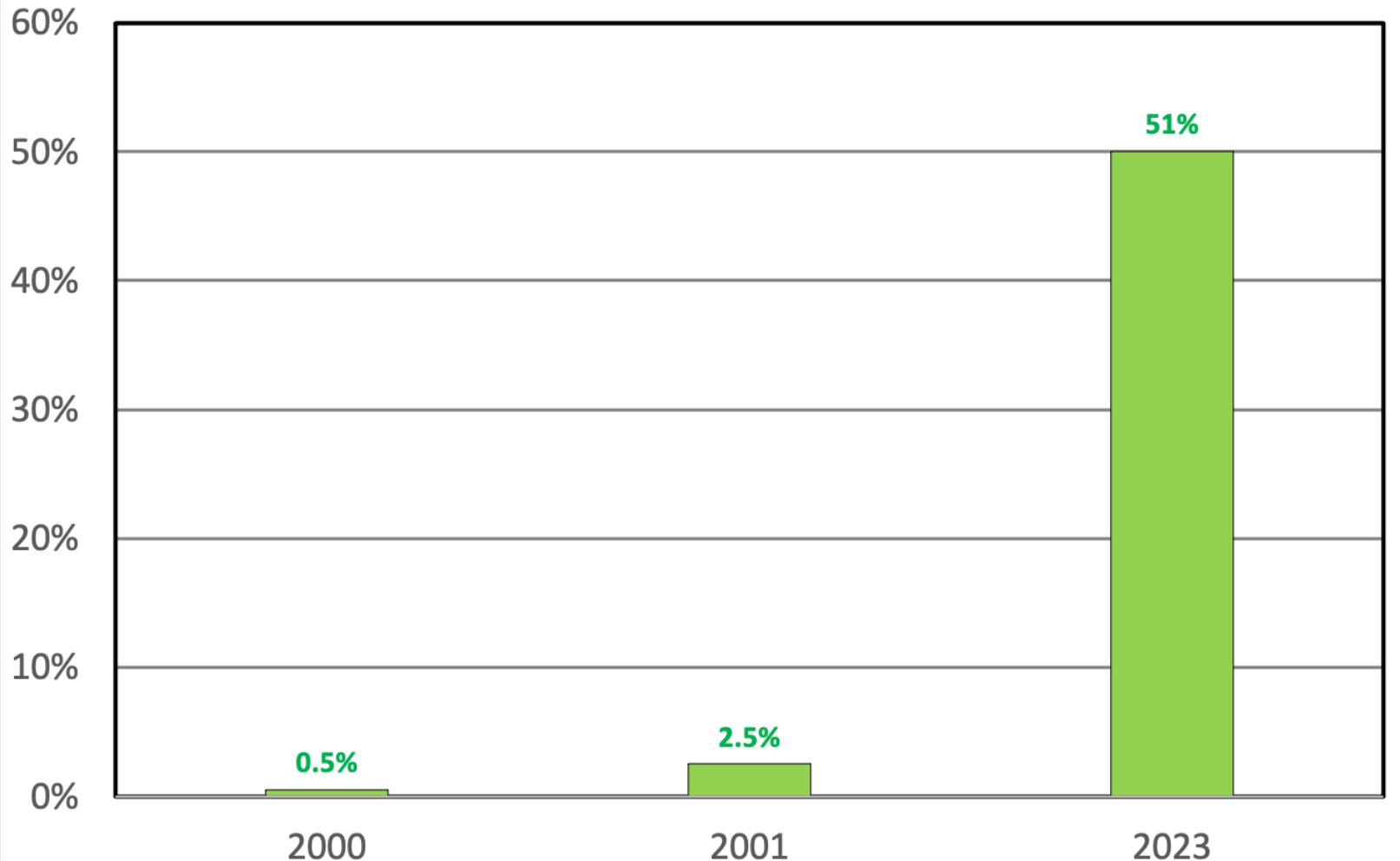
**Paul Robbins
March 19, 2024**



GreenChoice®

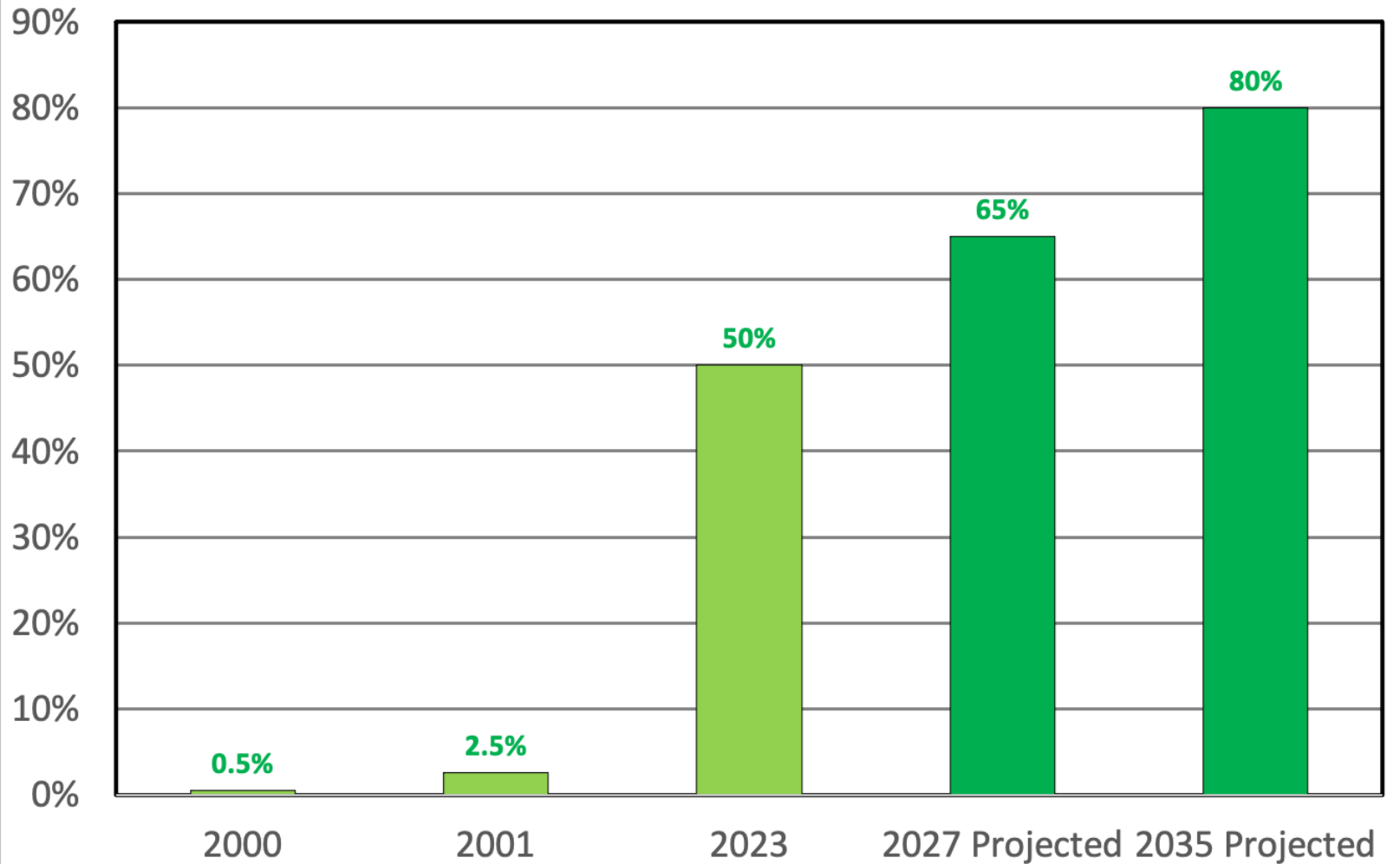
- Started in 2001 to Allow Customers to Virtually Buy 100% Green Power
- Currently 0.75¢/kwh More/ About 6% Increase in Total Bill
- 984 Million Kwh Sold in 2022 / 7% of Total Austin Energy Consumption
- About \$7.4 Million in 2022 Additional Revenue
- About 28,000 – 5% – of 2022 Customer Base

Austin Energy Renewable Energy Percentage of Total Consumption Historical



**In Austin, Renewable Energy has Increased from
Almost Nothing in 2000 to Half Of Electric Supply in 2023**

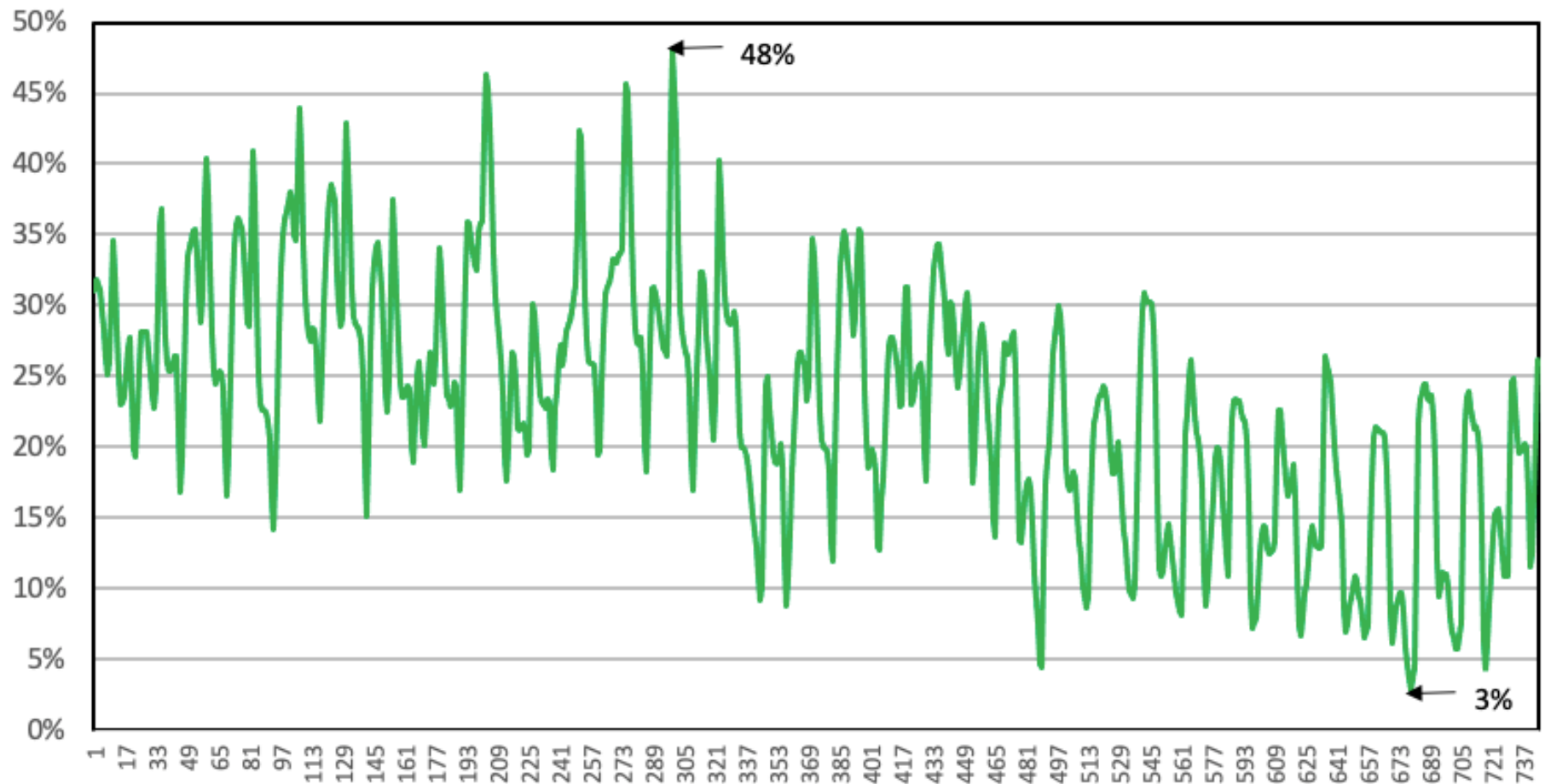
Austin Energy Renewable Energy Percentage of Total Consumption Historical and Projected



And It is Projected to Hit About 80% by 2035.

**Why Should We Ask Customers to Pay
More for What the Utility Is Doing Anyway?**

**ERCOT Solar/Wind Hourly Percentage of Total Demand
August 2023**



**But All the Renewable Energy in the World Will Not Allow It
To Be "Dispatchable" – To be Used When It Is Needed**

Austin American-Statesman

MONDAY, MARCH 18, 2024 | [STATESMAN.COM](https://www.statesman.com)

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Experts: Wind, solar aren't enough

Growth in Texas could hinder reliability

John C. Moritz

Austin American-Statesman
USA TODAY NETWORK

Wind and solar generation are driving the expansion of the Texas electric grid and could account for half of the state's available power by the end of the decade, but a recent report by Rice University researchers warns that the coming imbalance could cripple the state during extreme weather emergencies unless more

plants that can respond immediately to a surge in demand are brought on line.

"Texas is No. 1 in the nation in terms of existing wind capacity, as well as No. 1 in terms of planned capacity additions for wind and solar power," according to the report by the university's Baker Institute for Public Policy. "However, such aggressive growth of intermittent resources can compromise reliability when it is accompanied by little-to-no addition of dispatchable forms of generation, especially

if system load continues to grow."

The report notes that while new natural gas generation facilities are being built in Texas, they "have merely compensated for the retirements of older coal facilities." However, Texas now has more than 200 times the wind generation capacity and more than 100 times the solar capacity.

Texas journalist Robert Bryce, who has authored six books related to energy production and demand and is the producer of a recently released documentary

[See POWER, Page 5A](#)



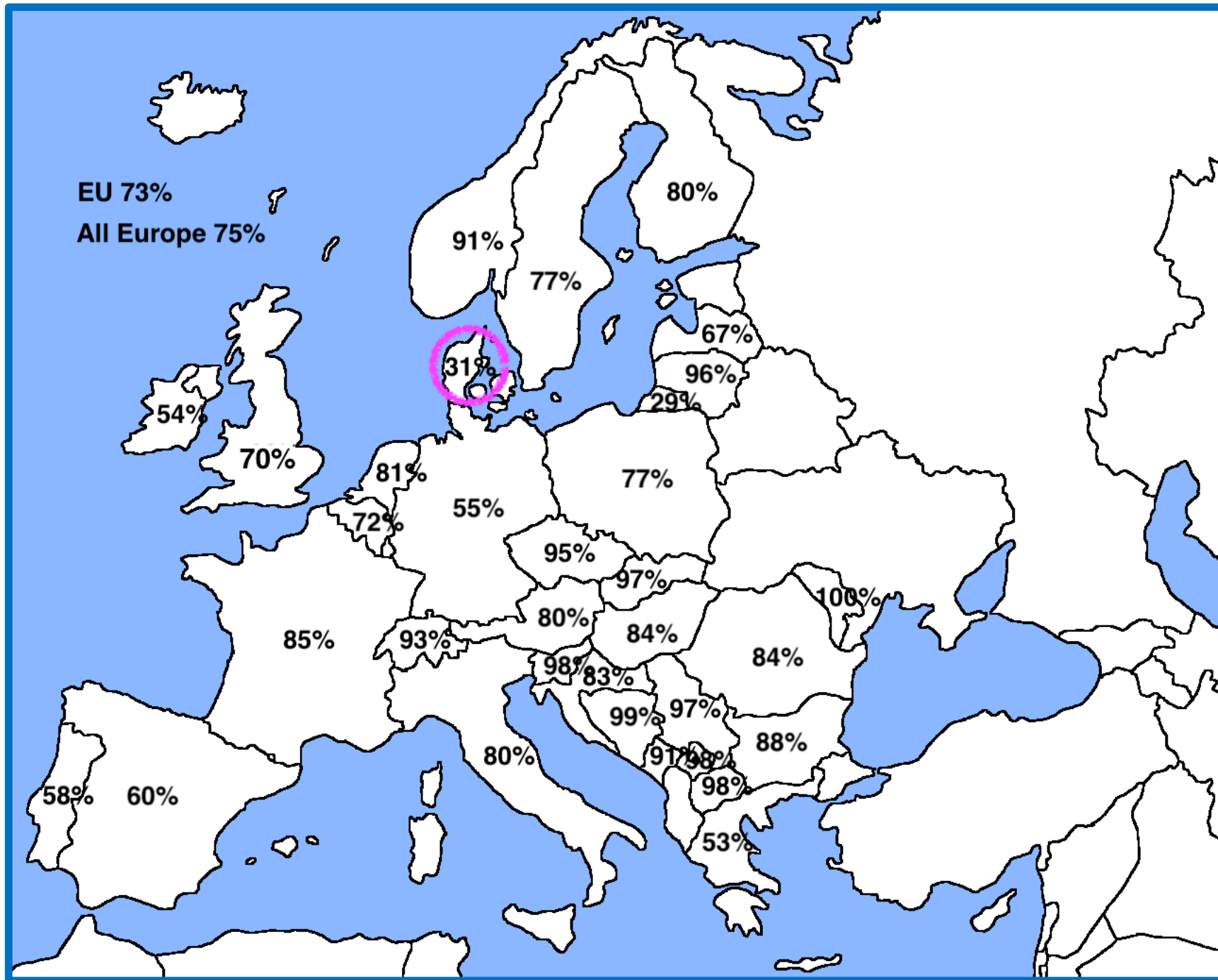
The coal-burning Fayette Power Plant is co-owned by Austin and the Lower Colorado River Authority. FILE

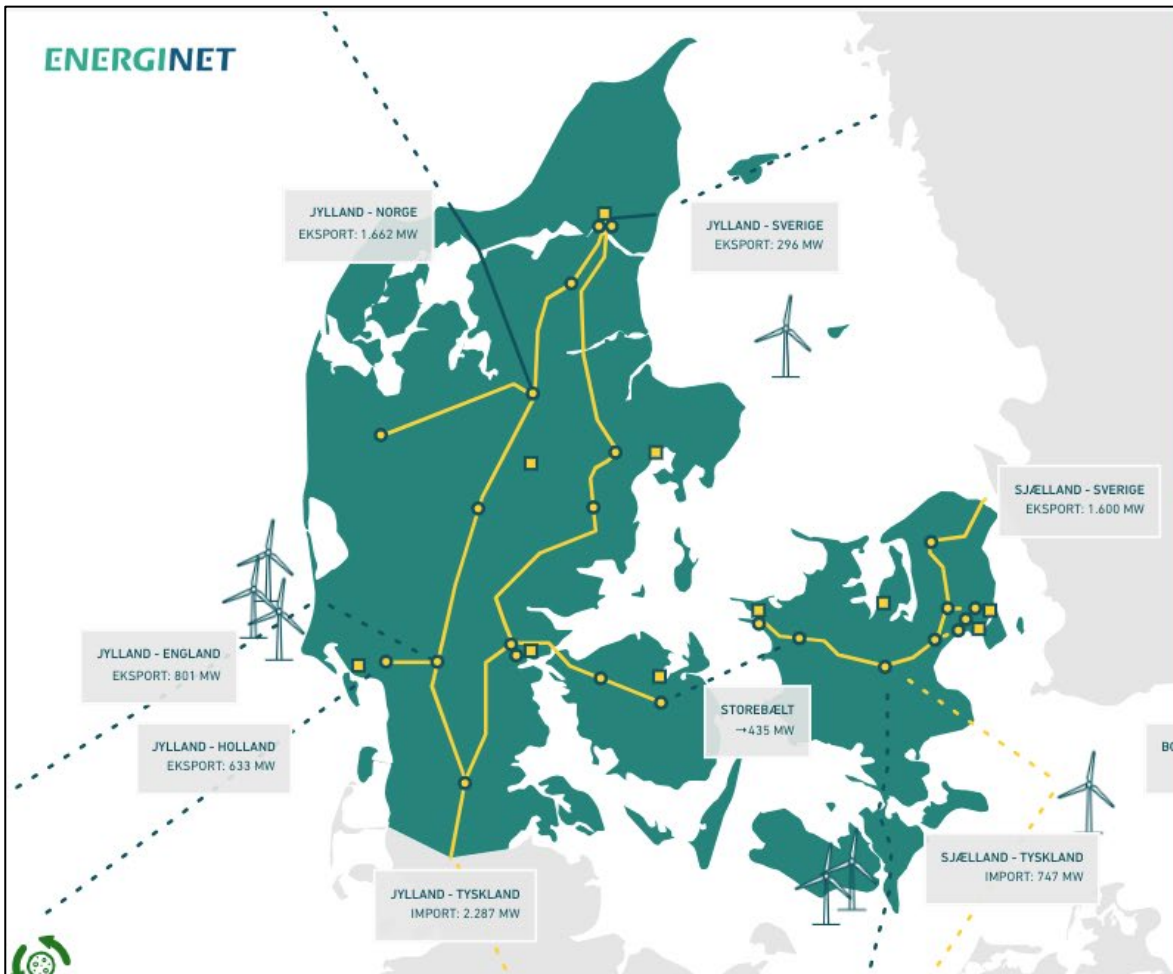


Denmark is world leader in use of intermittent renewable energy.

Only 31% of its electricity is dispatchable.

How do they do it?





THE ELECTRICAL SYSTEM RIGHT NOW

LARGER WORKS OVER 100 MW	714 MW
SMALL PLANT UNDER 100 MW	393 MW
WINDMILLS	5,958 MW
SOLAR CELLS	1 MW
CONSUMPTION IN DK	5,087 MW
NET EXCHANGE IMPORTS	-1,979 MW
CO2 EMISSIONS	22 g/kWh

ICON EXPLANATION

WORK OVER 100 MW	
OFFSHORE WIND FARM	
TRANSFORMER STATION	
AIR LINE, ALTERNATING CURRENT	
CABLE, AC	
AIR LINE, DIRECT CURRENT	
CABLE, DC	

Leveraging Funds



- 20% from Austin Energy
- 20% from Storage Company

Balance from:

- Grants (Federal, State, Non-profit)
- Other Utility/Government Partners
- Private Investors

Arbitrage



Example:

1.5¢ Overnight Power ↔ 50¢ Peak Demand 5 PM

**Perhaps New GreenChoice Program Can Deliver
A “Dividend” to Subscribers**

Austin Energy Defends Current Program

- 1. Allows customers to purchase 100% wind**
- 2. Customer Satisfaction Survey showed participants were happy with the program**
- 3. Program is not making money at this time because of flawed structure**

Answers

1. There is *no country in the world* running on anything close to 100% intermittent wind or solar energy.
2. No survey has been conducted asking GreenChoice participants if they want dispatchable renewable energy.
3. GreenChoice revenue shortfall is being corrected and phased in.

