

City of Farmers Branch

Governmental Aggregation Project, Inc.

**Electricity Briefing
May 21, 2019**

Registered Aggregator No. 26280

Governmental Aggregation Project, Inc. (GAP)

**“Organized for the purposes of
purchasing electricity”**

GAP Articles of Incorporation

Restructured Electric Market

Public Utility Commission of Texas (PUCT)
regulates transmission and distribution to
ensure safety and reliability of electric service.

Electric Reliability Council of Texas (ERCOT)
manages the transactions associated with the
restructured electric market and protects the
overall reliability of the grid.

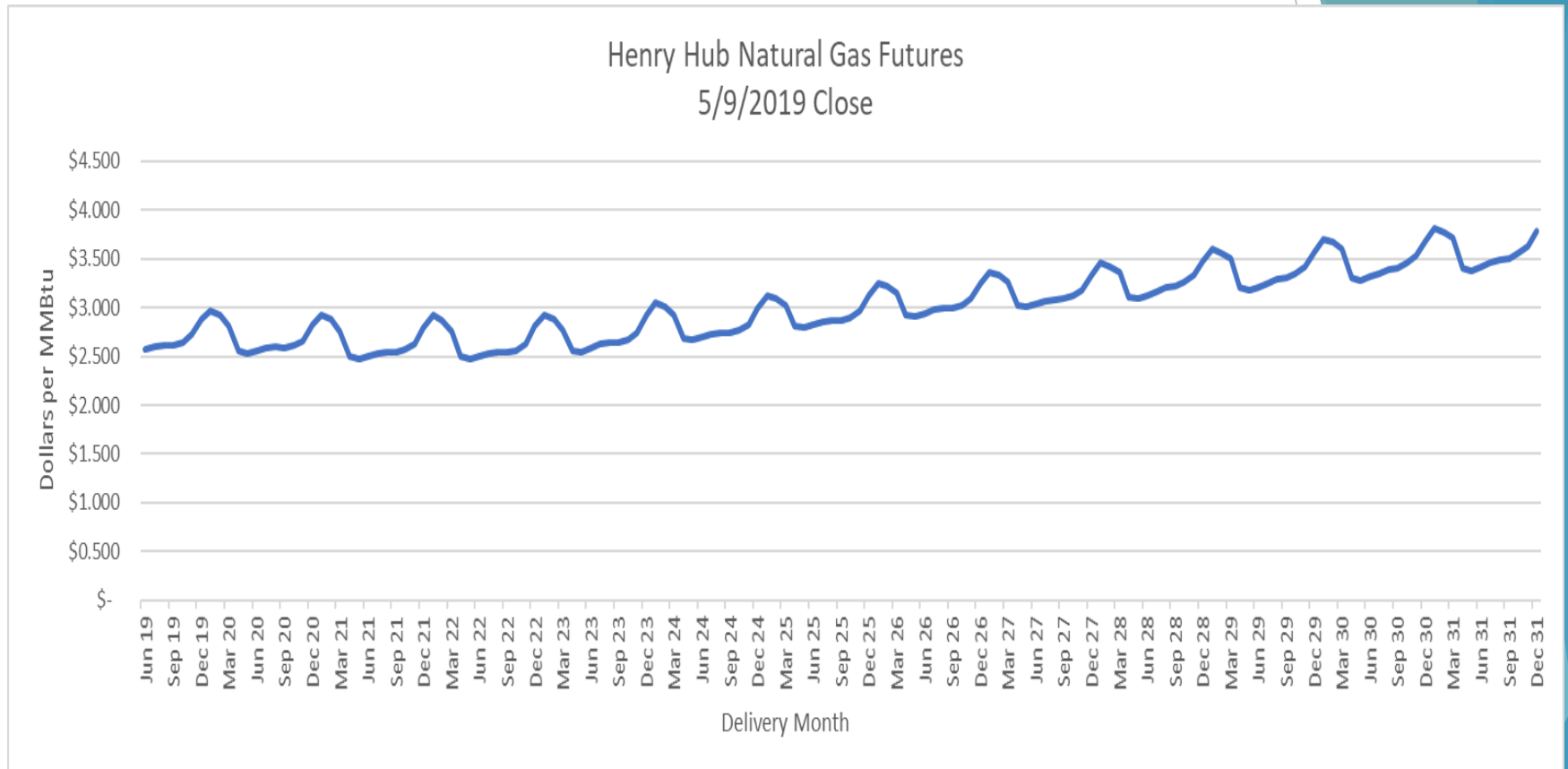
GAP's Role

- ▶ **City's broker**
 - ▶ Analyze usage patterns
 - ▶ Obtain indicative bids for varying terms
 - ▶ City selects price and term using pre-approved contract
- ▶ **Customer liaison in dealing with REPs and TDSPs**
- ▶ **Information for budgets and reports**
- ▶ **Legal resource - Attorney Monte Akers**
- ▶ **Customer representative for rulemakings at the PUCT**

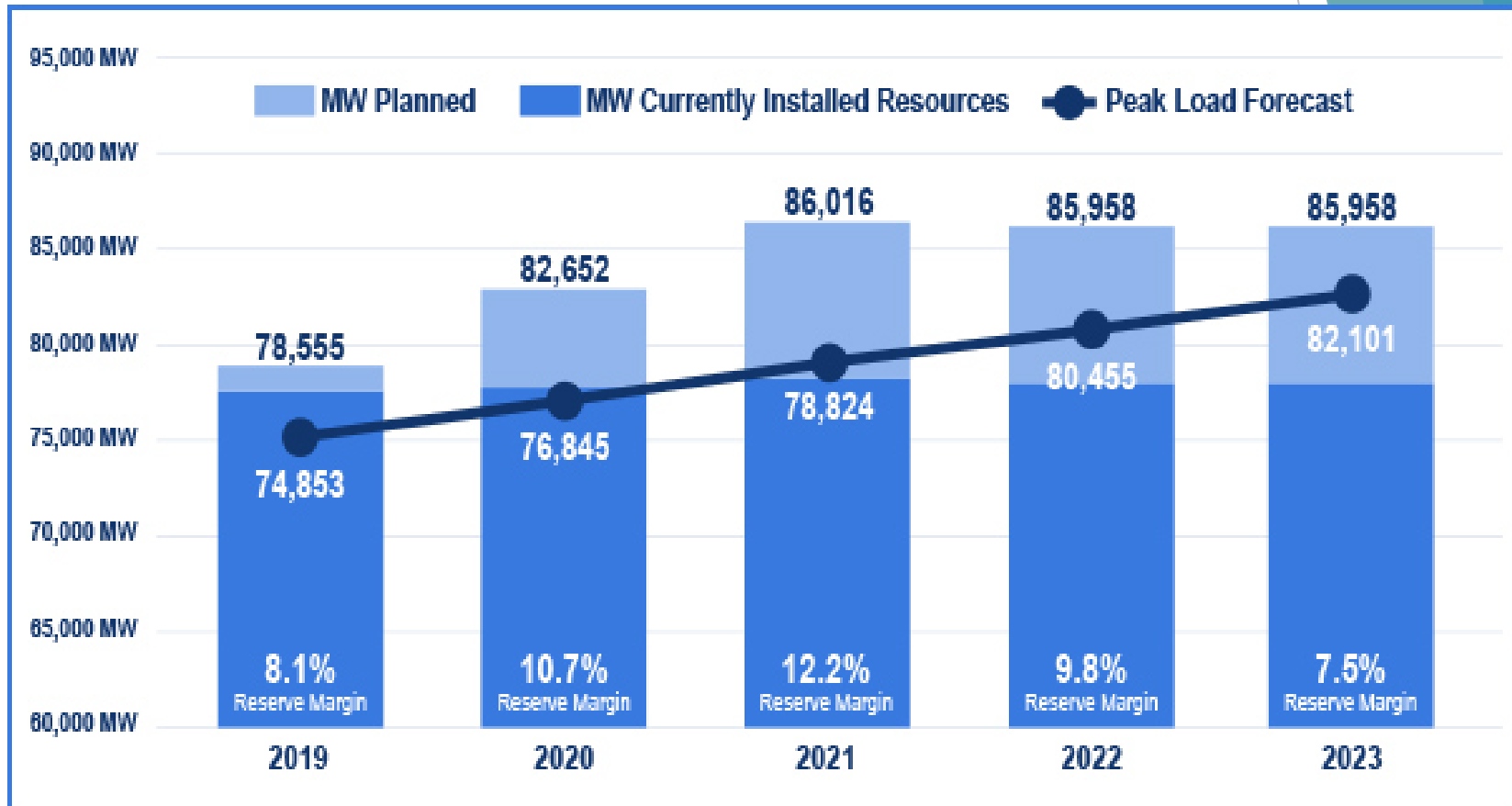
Forecasting Electricity Prices

- ▶ Prices depend on cost of natural gas
- ▶ Generation capacity in ERCOT
- ▶ Transmission capacity
- ▶ Weather
- ▶ Level of Transmission and Distribution charges (Regulated by PUC)

Natural Gas Trend



ERCOT Capacity

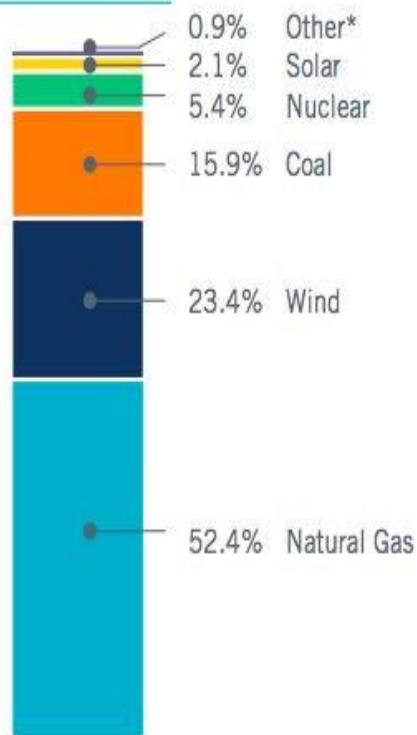


Generation Mix in ERCOT

Annual Energy Information

2019 Generation Capacity

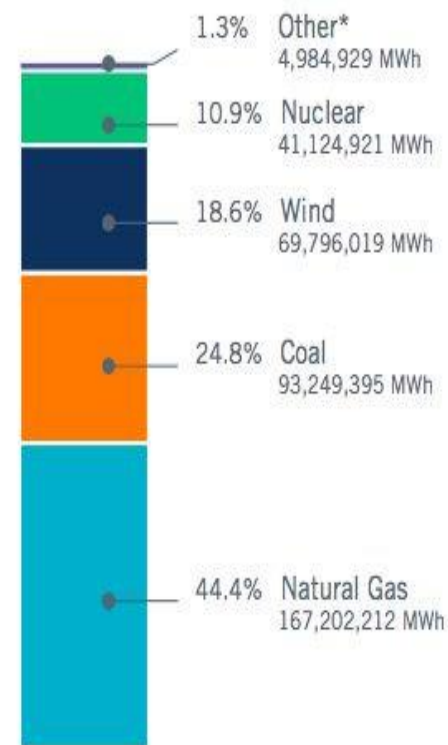
*Includes hydro,
storage and biomass



2018 Energy Use

376 billion kilowatt-hours of energy used in 2018, a 5 percent increase compared to 2017.

*Includes solar, hydro, petroleum coke, biomass, landfill gas, distillate fuel oil, net DC-tie and Block Load Transfer imports/exports and an adjustment for wholesale storage load.



Renewable Energy Options

- ▶ Current Provider - RPS requires that 6% of the GLO's power comes from renewable energy
- ▶ Renewable Energy Credits (RECs)
- ▶ Site-specific purchases
 - ▶ City of Houston
- ▶ Purchase Power Agreements
- ▶ On-site production
 - ▶ Solar arrays
- ▶ Texas Renewable Energy Co-op (formally Texas Power Pool)

The background features abstract, overlapping geometric shapes in various shades of blue, ranging from light teal to deep navy. These shapes are primarily located on the left and right sides of the frame, creating a modern, layered effect. The central area is a plain white space where the text is located.

Questions?