



# Power Supply Strategy Update

December 7, 2022  
Finance Committee Open Session

# Overview

- Activities Since Prior Update
- Noteworthy Issues
- Timeline

# Activities Since Prior Update

- Staff is executing the steps proposed in the prior Finance Committee and Board briefings.
- We are holding a series of workshops to facilitate staff's development of a draft power supply strategy.
  - Goal is to identify potential approaches to reduce total power supply costs (\$/KWhr) and risk.
- Workshop 1 was held on November 16.
- A variety of questions related to planning assumptions surfaced that we are working through.

# Noteworthy Issues

- On November 10 the PUCT released a market design report that recommends adoption of a Performance Credit Mechanism intended to improve ERCOT grid reliability.
  - Opposition to the PUCT's proposal appears to be growing
- As follow-up to the recommendation that BPUB align its method of determining load/resource balance with ERCOT methods, we have reviewed ERCOT's load forecast report.
  - We have determined that adoption of ERCOT's method will slightly reduce BPUB's projected peak load.
  - We are updating BPUB's projected load/resource balance and capacity needs accordingly.
- Because of these issues and the overall level of uncertainty in market design changes, we recommend that BPUB close out the currently-open power supply RFP with no award.

# Timeline

