

# Moderator



**Doug Lewin**

Founder, Stoic Energy

Executive Director, Texas Energy Summit

# Bills in 88<sup>th</sup> Session of the TX Legislature

## **Legislative intent:**

- ▶ Enhance reliability of the Texas electricity system
- ▶ Responses to unexpected disruptions including equipment failures, extreme weather

## **Main instruments:**

- ▶ Demand response programs
- ▶ Provide incentives for dispatchable power generation
- ▶ Promote energy storage
- ▶ Mandate ERCOT to develop reliability standards

# Bills in 88<sup>th</sup> Session of the TX Legislature

**Senate Bill 6:** Relating to the establishment of the Texas Energy Insurance Program and other funding mechanisms to support the construction and operation of electric generating facilities

- ▶ Develop an insurance fund for electricity generators
- ▶ Create an investment fund for transmission and distribution projects

**Senate Bill 7:** Relating to the reliability of the ERCOT power grid

- ▶ Compel ERCOT to devise reliability standards
- ▶ Maintain reserve power capacity plans

**Senate Bill 2627:** Relating to funding mechanisms to support the construction, maintenance, modernization, and operation of electric generating facilities

- ▶ Enhance reliability post Winter Storm Uri
- ▶ Finance construction, maintenance, and modernization of electric generating facilities by increasing dispatchable electricity during extreme events

# Bills in 88th Session of the TX Legislature

**Senate Bill 258 (under consideration in the House):** Relating to energy efficiency goals for electric utilities

- ▶ Set energy-saving targets for electric utilities, ensuring a more energy-efficient approach to power distribution in Texas by 2030
- ▶ Creates a commission to establish an energy savings goal of 1% by 2030 for each electric utility (shift from 0.4% of peak demand target to 1% of the annual electric use)
- ▶ Set cost caps and provide exceptions if utility can't meet the goal cost-effectively.

**Senate Bill 1287 (under consideration in the House):** Relating to the cost of interconnecting certain electric generation facilities with the ERCOT transmission system

- ▶ Decrease interconnection costs but might raise concerns on reliability and increase costs for some renewable operators

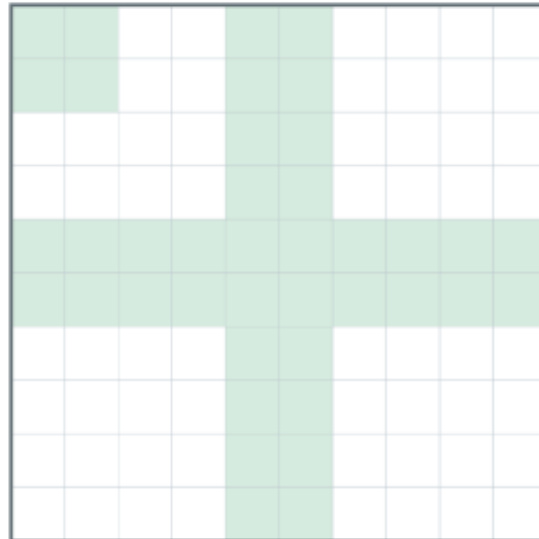


# Putting the Pieces Together for a Reliable, Affordable, and Sustainable Grid

Doug Lewin | Stoic Energy | October 2023

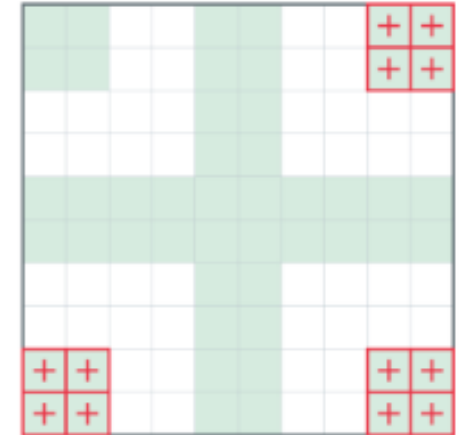
## The challenge:

Make the grid pattern symmetrical using the fewest clicks possible. Clicking any white square will turn it green, and clicking any green square will turn it white.



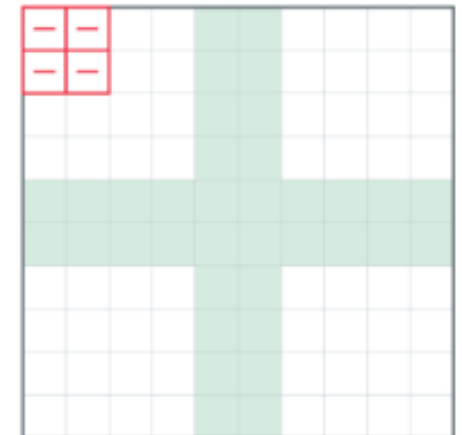
## Example additive solution:

Adding green boxes to the three empty corners using 12 clicks.



## Subtractive solution:

Removing extra green squares in only four clicks.



# When Subtraction Adds Value

by Gabrielle Adams, Benjamin A. Converse, Andrew Hales, and Leidy Klotz

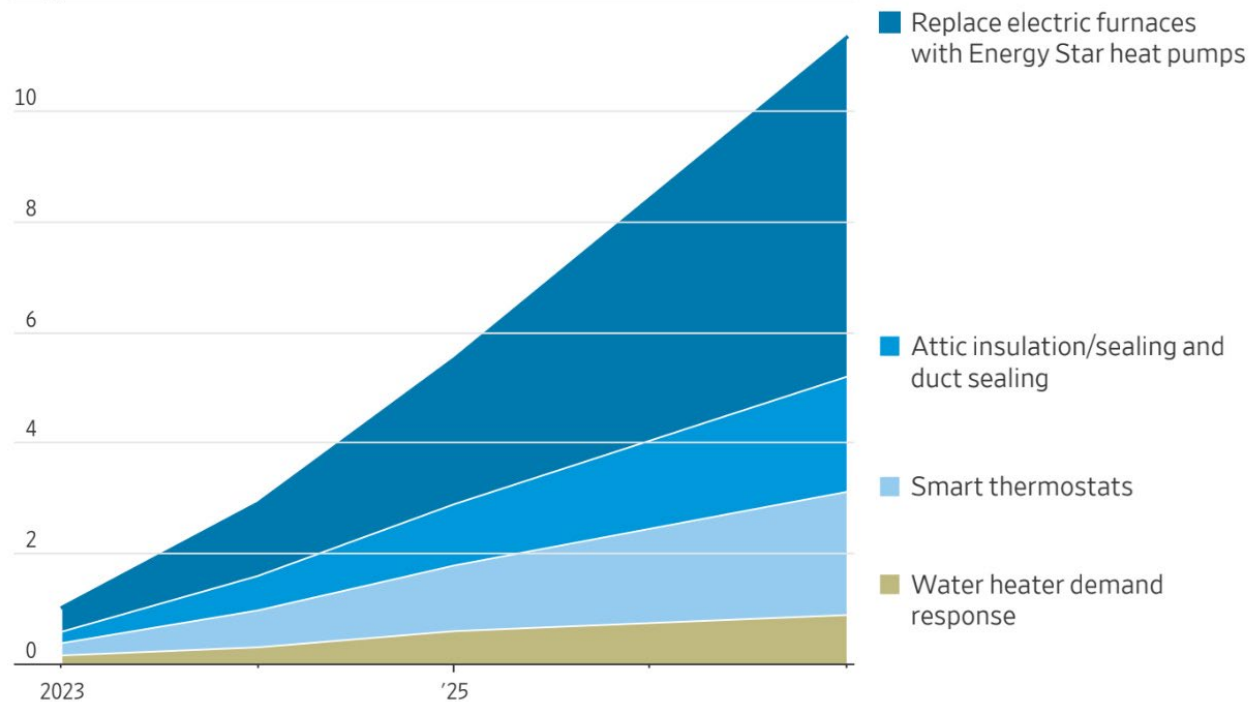
February 04, 2022

# THE WALL STREET JOURNAL.

## Less Is More

Estimated Texas winter peak savings by program and year

12 gigawatts



Source: American Council for an Energy-Efficient Economy

MARKETSHEARD ON THE STREET

## Texas Has an Obvious, Affordable Fix for Its Electricity Problem

Amid work to avoid blackouts, conservation is getting short shrift



The first phase of Texas' power market reform, which involved winterizing power plants and gas-related infrastructure, hasn't been enough to mitigate all winter emergencies.

PHOTO: JUSTIN SULLIVAN/GETTY IMAGES

By [Jinjoo Lee](#) [Follow](#)

Dec. 15, 2022 7:00 am ET

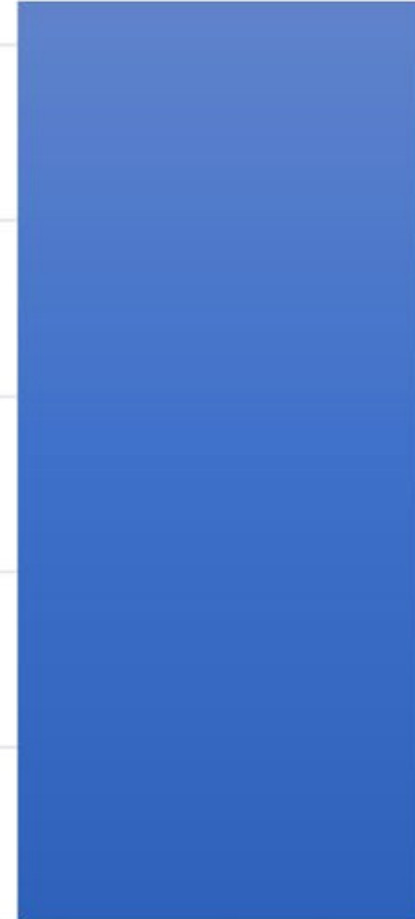
Almost two years after a brutal winter storm cut electricity supply to millions of Texans and took hundreds of lives, the state is contemplating fundamental fixes to its electricity market design. So far, though, it appears to be ignoring a simpler and cheaper one: reducing demand.

# Cost to Acquire 10GW of Supply vs. Demand

\$12,000,000,000  
\$10,000,000,000  
\$8,000,000,000  
\$6,000,000,000  
\$4,000,000,000  
\$2,000,000,000  
\$0

Energy Efficiency

Natural Gas Plants





# Ways To Connect With Me:

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Thank you!