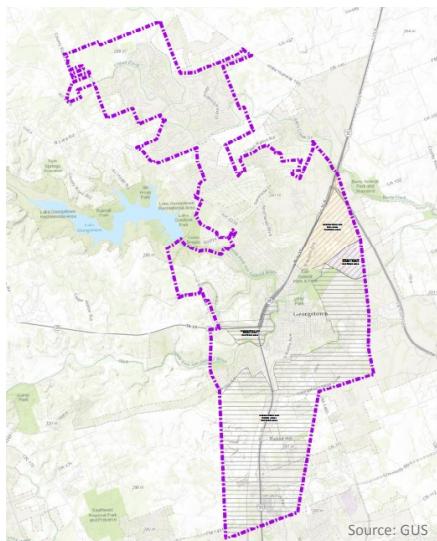


Case Study:

Municipally Owned Utilities in Texas



Georgetown Utility Systems



Georgetown Utility Services
Electric Service Area Boundary

Summary

Georgetown Utility Systems (GUS) is a municipally owned utility that serves an overall population of 24,000 customers in and around the city of Georgetown, TX. In 2012 the utility ended a long term purchased-power contract which allowed the city to pursue new power suppliers. Georgetown Utility Systems goal was to secure the most cost effective energy option that offered a balance of risk and reward to their customers. GUS made the choice for the new power sources based on the business decision of bringing cost certainty for their rate paying customers with a long-term commitment.

In 2014, only 4.2% of the energy supplied to GUS customers was renewable. As they underwent evaluations of new power suppliers, the utility discovered that the choice to go 100% renewable not only allowed the City of Georgetown to reduce pollution and save water, but the utility would be able to achieve this goal at competitive prices. GUS projects that by 2017 it will switch over to 100% renewable energy, supported by contracts for wind and solar energy generation. The long-term, flat rate, zero carbon risk of the solar contracts make renewable energy the right choice for the city. Once the Georgetown Utility Systems reaches 100% renewable, Georgetown, TX will be the both the largest city in the country and the first city in Texas to achieve that goal.

Quick Facts

Georgetown Utility Services has contracted with SunEdison to build and maintain a **150 MW** solar array near Fort Stockton, in West Texas. The array will be operational by 2017.

Georgetown Utility Systems will be producing **294 MW** of energy in total once they go **100%** renewable. Currently, the utility has a peak load of **145 MW**.

Georgetown Utility Services is expecting to increase from **10%** renewable energy to **100%** by the end of 2017.



Source: NCTCOG

A Growing City

In 2015, the City of Georgetown signed a power purchase agreement with SunEdison to purchase 150 megawatts (MW) of solar power starting in 2016, meeting 50% of the energy needs for GUS. With this agreement, SunEdison will provide electricity to GUS through 2041. The solar array will be located in West Texas where a panel can produce twice as much power as it could in Central Texas because of the strong solar radiance. GUS has purchased the rights to use the high capacity transmission lines, competitive renewable energy zones (CREZ) lines, installed by the Electric Reliability Council of Texas (ERCOT) to

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Georgetown Utility Systems

A Growing City Continued

bring solar power to the City of Georgetown. The utility also contracts to provide 144 MW of wind energy as a part of the renewable energy generation, which will make up the other 50% of renewable energy that will support the City.

GUS made it a priority to keep the impact of future city growth on the forefront of negotiations. The utility was aware of the impact an increasing population would have on their energy load. They developed the wind and solar energy contracts to support the growing city into the future and expect the solar and wind farms to generate almost twice the power the city will need during the early years of the contracts. For the next 20 years, as the city grows, the wind and solar farms will continue to produce more energy than the city will consume. This excess energy will be sold back into the ERCOT market creating a potential revenue source for the city.



Source: Fotolia

Additional Benefits

Choosing to go 100% renewable has created additional benefits beyond the cost and environmental benefits. Many companies who have robust green policies are looking to expand operations to Georgetown. The long-term fixed rates also provide benefit to commercial customers who can better anticipate their costs for long term strategic planning with 100% renewable energy. Having knowledge of the price of electricity for the next 20 years simplifies the budgeting processes for commercial businesses which in turn helps economic development of the city as

more business choose to move to Georgetown. GUS provides net metering as an option for customers who've chosen to install solar PV systems on their roofs. When GUS started looking at net metering, they made sure that the rates were high enough that taking customers off the grid did not hurt the utility as a whole. GUS set monthly customer charges at a price point that is able to cover all the fixed costs such as wiring, poles, and other equipment. As customers begin utilizing net metering, it frees up capacity and allows for the solar contract to last longer, creating cheaper power further into the future.



Source: NCTCOG

The North Central Texas Council of Governments recommends to have an energy audit done by the State Energy Conservation Office to establish where solar might fit into overall energy efficiency improvements and energy saving potential. For more information on the SECO Technical Assistance Program, please visit: <http://seco.cpa.state.tx.us/energy-reporting/gov-assist.php/>

The North Central Texas Council of Governments is working under contract with the State Energy Conservation Office (SECO) to expand best management practices for solar photovoltaic systems throughout the State of Texas. For more information about solar in Texas, please visit: www.GoSolarTexas.org.