



Texas Municipal Utility District Newsletter



Our interactions with customers have generated a lot of interest in the changes occurring in the Texas energy market. We want to share some of the latest thinking and best practices surrounding the Texas market.

With so much uncertainty, Texas faces new obstacles. Our Texas Legislature approved Senate Bill 2 relating to the governance of the Public Utility Commission of Texas, the Office of the Public Utility Counsel and the independent organization certified to manage a power region. Senate Bill 3 relates to preparing for, preventing, and responding to weather emergencies and power outages. The goal is

to "weatherize" power plants and transmission lines and to increase the amount of administrative and civil penalties. To help pay for the upgrades, this bill failed to create funds, nor include any language to create a fund. As a result, anticipation of imputed costs through CenterPoint's tariffs will most likely appear in their surcharges or other charges which we can expect to see in as early as September 2021 to March 2022.

Currently in the Texas market, near-term (2021-2023) electricity rates have increased approximately \$.007/kWh due to both natural gas and generation costs. The generation cost for shorter and longer term is due to the uncertainty of delivery of new solar farms planned for Texas over the next 2.5 years, constraints on solar farm developers due to Covid and the legislative fallout from Winter Storm Uri to wholesale generators. Remember, generator cost, also known as Heat Rate, measures the efficiency of the type of electrical generators/power plants that converts a fuel into electricity. Overall, there has been an approximate \$.004 to \$.007/kWh increase depending on your next contract start date.

As a best practice, control what you can. If your electricity contract is in effective up to 2024, even 2025, it's not too early or too late to discuss locking in budget certainty. We can still get you locked into a fixed rate with the least budget impact.

Acclaim wants to recognize our aggregation participants and others who secured those long-term lower rates. Of the seven aggregations, the combined average savings was 10%.

AWBD 2021 Summer Conference Huge Success



It was great seeing so many of our customers and fellow consultants at the 2021 Conference! Hats off to the AWBD Board of Directors, Staff, and participants on another successful conference. Thanks to all who stopped by our booth and Congratulations to the winners of our 3 gift baskets and guessing games.













Popcorn Basket 1
Cassandra Brown

Popcorn Basket 1 Popcorn Basket 2 Popcorn Basket 3

Michael Abshire James Phillips

Marcia Norris of Spring West MUD

Peppermint Bucket
Walt Dovle

Taffy JarJody Ruonavar

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Reserve your Seat for the MUD Lunch & Learn

Topic: How to Address the Reliability Challenge in Texas

The Texas energy market is highly technical and very complex due to emerging technologies, new regulations, and the need to reduce costs and reliability. Due to Senate Bill 3 requirements, potential hurricanes and blackouts, it's imperative that we all revisit our operational plans to insulate our customers and communities.

As such, we would like to extend an invitation to all Attorneys, Operators, Engineers and Board Members to a lunch and learn webinar on September 16th at 11:00-11:45. Key takeaways from Texas energy experts:

- Current grid challenges
- SB3 requirements for compliance
- Reliability options to improve your performance

If you have any questions you would like to submit in advance, please feel free to contact Mary DuBois mdubois@acclaimenergy.com



Click Here to Schedule your Reservation

You're Invited to the 8th Annual Jimmy Pappas Memorial Shoot



Jimmy Pappas was a loving husband, father, successful businessman and Houston civic leader who passed away due to cancer. For more than 7 years, hundreds of MUD representatives, businesses, and civic leaders have come to the Greater Houston Sports Club to participate in this major sporting clay event to help raise funds for local charities helping to fight cancer.

Join us for a day of shooting, great food, auctions, and prizes. To date, The JPMS nonprofit has donated over \$620,000 to benefit the Sunshine Kids and other cancer related charities. Visit the website for more details jimmypappasmemorialshoot.com

We hope to see you there.

New City of Houston Reliability Solution Saves Millions and Protects Their Water Plant

The City of Houston Northeast Water Purification Plant Expansion Project (NEWPP) was a design-build project that would increase the existing plant's capacity five-fold.

The plant processed 80 million gallons per day and had a goal to process an additional 320 million gallons of water per day by 2024. To achieve their goals, they deployed a microgrid solution instead of emergency-only generators, both to reduce costs and dramatically improve reliability.

Learn more about the solution deployed, what happened, and how they saved millions.



Download the Whitepaper Now

Our Texas Energy Experts



Mary DuBois Vice President, MUD Division mdubois@acclaimenergy.com m: (832) 304-3504



Mark Michna Vice President of Sales mmichna@acclaimenergy.com m: (832) 304-3504



Ruben De Los Santos Vice President of Sales rdelossantos@acclaimenergy.com m: (361) 537-2472



Stewart Black
Vice President of Midstream Division
stewart.black@acclaimenergy.com
m: (713) 208-2717