

General Manager's Report

ERCOT Large Loads, Solar For All Grant,
Solar Standard Offer

Stuart Reilly

Interim General Manager



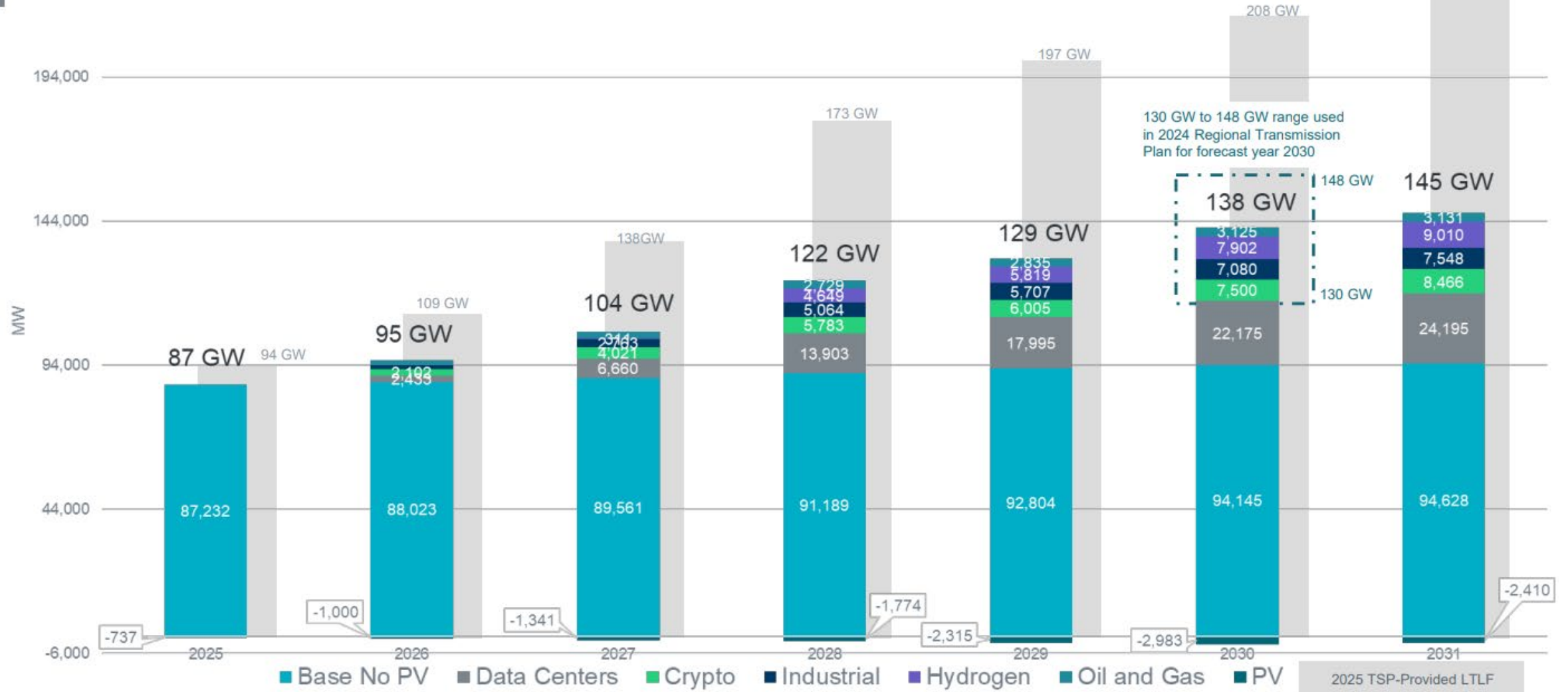
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2025 ERCOT Adjusted Load Forecast Breakdown by Type

File ID: 25-2079



Key Takeaway: After adjustments, Data Center Load remains the largest growth by type.

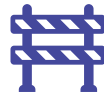
Large Load Challenges in ERCOT and Nationwide

Utilities are being asked to connect record-sized loads, faster than ever before, in places where the grid wasn't built to handle them



Grid Capacity Limits

Existing lines and substations may not have the capacity to handle large load additions



Equipment Shortages

Equipment necessary to upgrade the grid has long lead-times and is challenged by recent issues like supply chain and tariffs



Speed of Requests

Many customers want service within 1-2 years, while transmission planning, regulatory approvals and construction can take 3-5+ years



Stranded Costs

Some industries are volatile or 'shopping around', so utilities risk building infrastructure for loads that may not fully materialize



Generation Adequacy

Adding large new load can require new generation resources when Austin already needs additional local resources



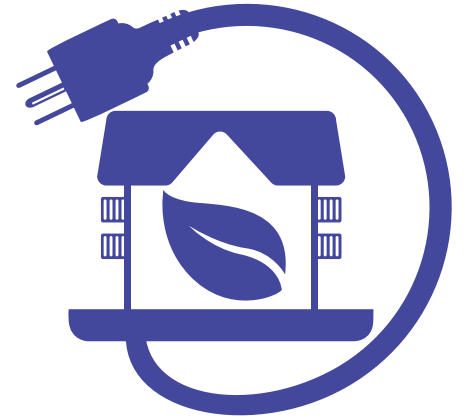
New Rules

SB6 introduced new standards for large-loads 75 MW and above, balancing business development with grid reliability

Termination of Solar for All Grant

Austin Energy's Solar for All grant concept was an innovative step toward a more resilient, sustainable and inclusive Austin

- Solar panels and battery storage on 2,500 homes and community facilities
- 20% savings on electricity bills for 3,000 households, while promoting affordability, environmental benefits, and resilience during grid outages, with ownership at end of term



EPA termination of nationwide \$7 billion program

- EPA had awarded \$250 million to a Texas coalition of local governments and nonprofits, led by Harris County
- Austin Energy's share was \$32 million
- On 8/7/25, EPA terminated all SFA awards and issued a stop work notice, citing lack of statutory authority
- Texas Coalition partners have ceased activity

Next Steps

- Harris County and other coalition members are assessing legal options
- Austin Energy seeks to continue momentum in solar through residential offerings and new battery offerings

Solar Standard Offer Program

Increases solar access by enabling customers to host Community Solar arrays

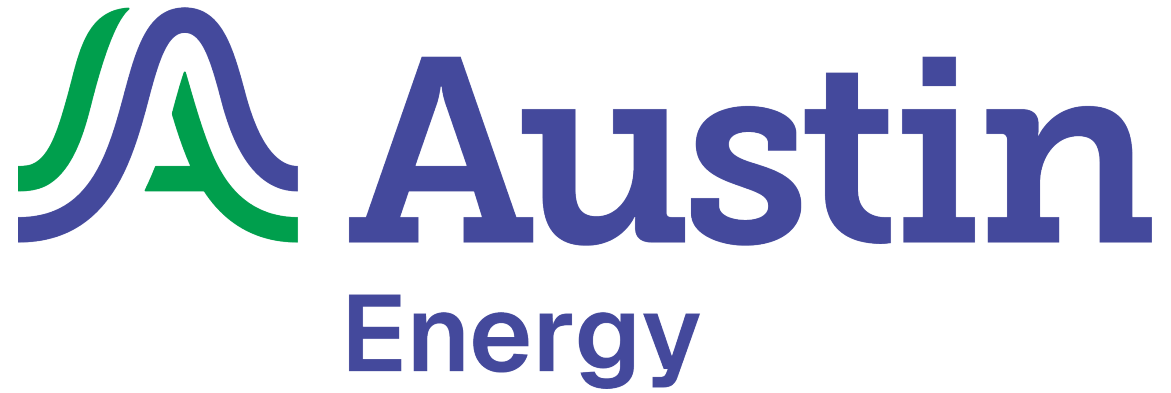
Commercial Program

- Program launched January 2025
- 11 projects are in queue to be installed, totaling 6.26 MW
- Additional 14 projects under consideration, totaling 9 MW

Residential Program

- Stakeholder meetings are underway
- Focusing on creating a viable offering with consumer protections
- Looking into aggregation of residential projects to overcome a lack of economies of scale





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