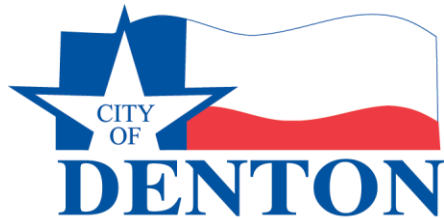


# RENEWABLE DENTON DISCUSSION

City Council

12/1/2015

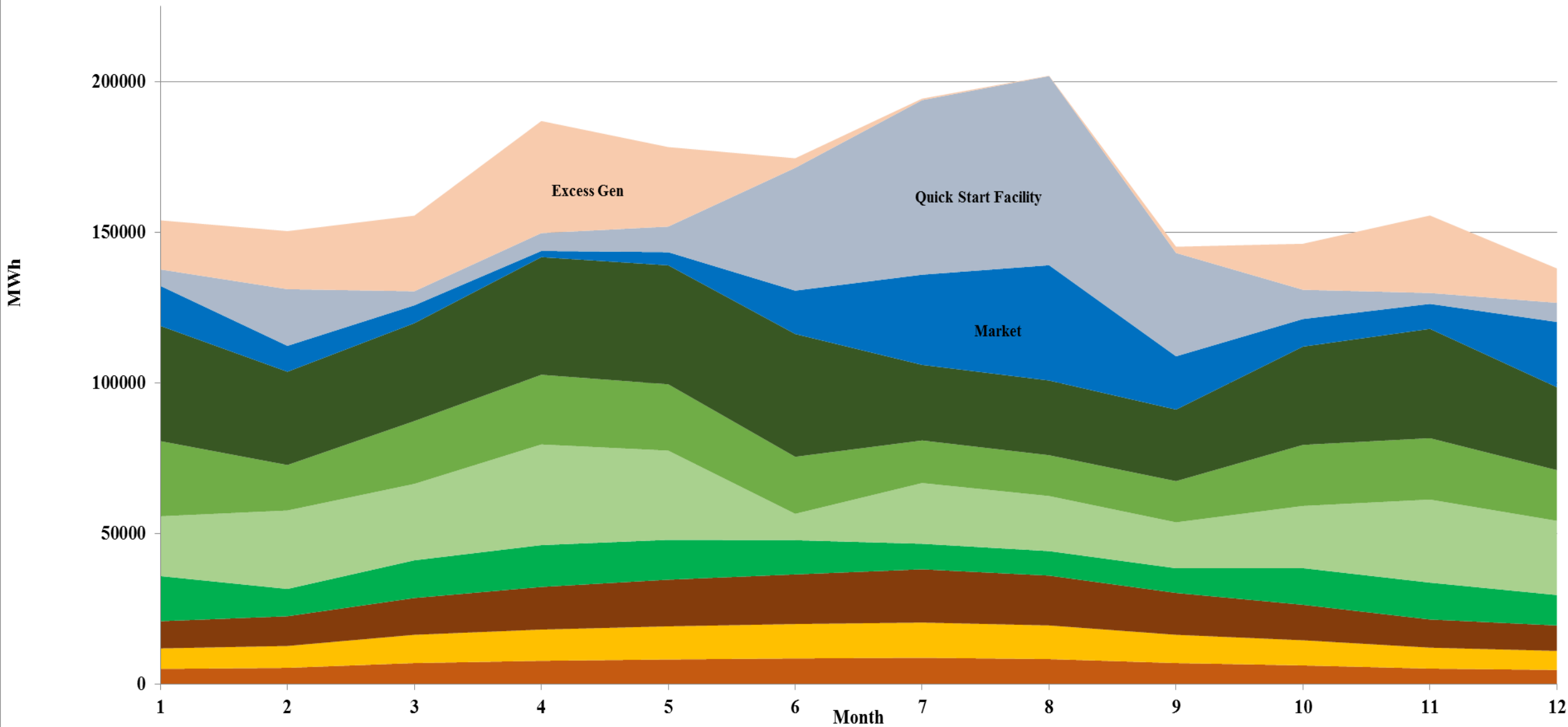


**RENEWABLE  
DENTON**

# Executive Summary

- Council Direction: renewables, rates, reliability
- DME response: Renewable Denton Plan
- The Renewable Denton Plan:
  - 70% Renewable Energy, replaces coal generation
  - Rate decreases beginning in 2020
  - 75% portfolio emission reduction
  - Two Energy Centers
    - Quick-start units
    - Space for renewable R&D testing

# 2019 Load Projection by Resource - Monthly



# Proposal Considerations

- Emissions reductions
  - 3.75 metric tons/day of Nitrogen dioxide, Volatile Organic Compound, Sulfur Dioxide and Particulate Matter
  - 1,941 metric tons/day of Carbon dioxide
- Savings >\$36,000 per day
- RFP and RFQ bids
- Site control
- Air permits obtained
- Exchange rates
- Production Tax Credits
- Interest rates

# Discussion Items

- Environmental questions
- Financing – Voting options
- Energy Consulting Firm
- Public Hearing – Approval Resolution
  - Land Purchase
  - Engine RFP
  - Design/Build RFQ
  - PPAs for renewable energy

# Revenue Bonds

- Pledge of City utility system revenues
- Can capitalize interest during construction and one year after completion
- Higher interest rates than with property tax pledge
- No notice or election required prior to sale
- No ability for City to call a binding election under state law

# Certificates of Obligation

- Pledge of property taxes and City utility system revenues
- Can capitalize interest during construction and one year after completion
- Lower interest rates than revenue bonds due to property tax pledge (difference to street maintenance fund)
- Requires publication of a notice of intent to issue CO's with the first publication at least 31 days prior to the sale
- CO's subject to referendum by a petition signed by 5% or more of registered voters
- No ability for City to call a binding election under state law unless receive petition

# General Obligation Bonds

- Pledge of property taxes (can administratively pay debt service from utility revenues)
- Restrictions on capitalized interest
- Lower interest rates than revenue bonds due to property tax pledge (difference to street maintenance fund)
- Requires election on uniform election date (November or May) with simple majority of voters to approve bond sale

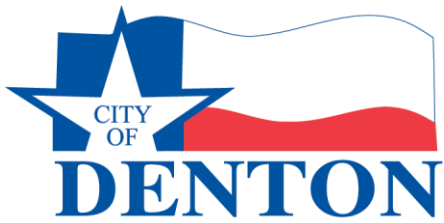


# DME staff experience

Name	Years of Electric Industry Experience
Phil Williams	38
Mike Grim	34
William A. Bunselmeyer	23
Lance Cunningham	28
Jim Maynard	10
Steven Johnson	29
Shane Wallin	10
Jose Gaytan	10
David Wilson	42
Mary Dickinson	18
Kathy Brooks	1
Chuck Sears	34
Galen Gillum	31
Brian Daskam	8
<b>total</b>	<b>316</b>

# Discussion Items

- Environmental questions
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# RENEWABLE DENTON