

# Take or Pay Conundrum – and start of a solution

- Most co-ops have contracts for 95 – 100% of their energy from one G&T utility
- If demand is lower due to efficiency or onsite renewables, the co-op still has to pay

PEC & Lower Colorado River Authority (LCRA) have begun to solve the problem with a Progressive Power contract

- Allows 35% of the co-op's energy to come from efficiency and renewable sources without penalties, and LCRA will back up 15% of that energy
- 30 co-ops and munis have since adopted similar provisions





# PUC Recommendations

## Set goals for Co-ops and Munis

- Offer programs that will benefit businesses, farmers and ranchers, schools
- At least 20% reduction in overall energy use by 2020 (including demand side management)
- 30% renewable energy by 2020
- Set energy storage goal for co-ops and munis





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