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## **Risk-Managed Energy Procurement, Physical Renewable Options, and Structured Solutions**

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# Who We Are

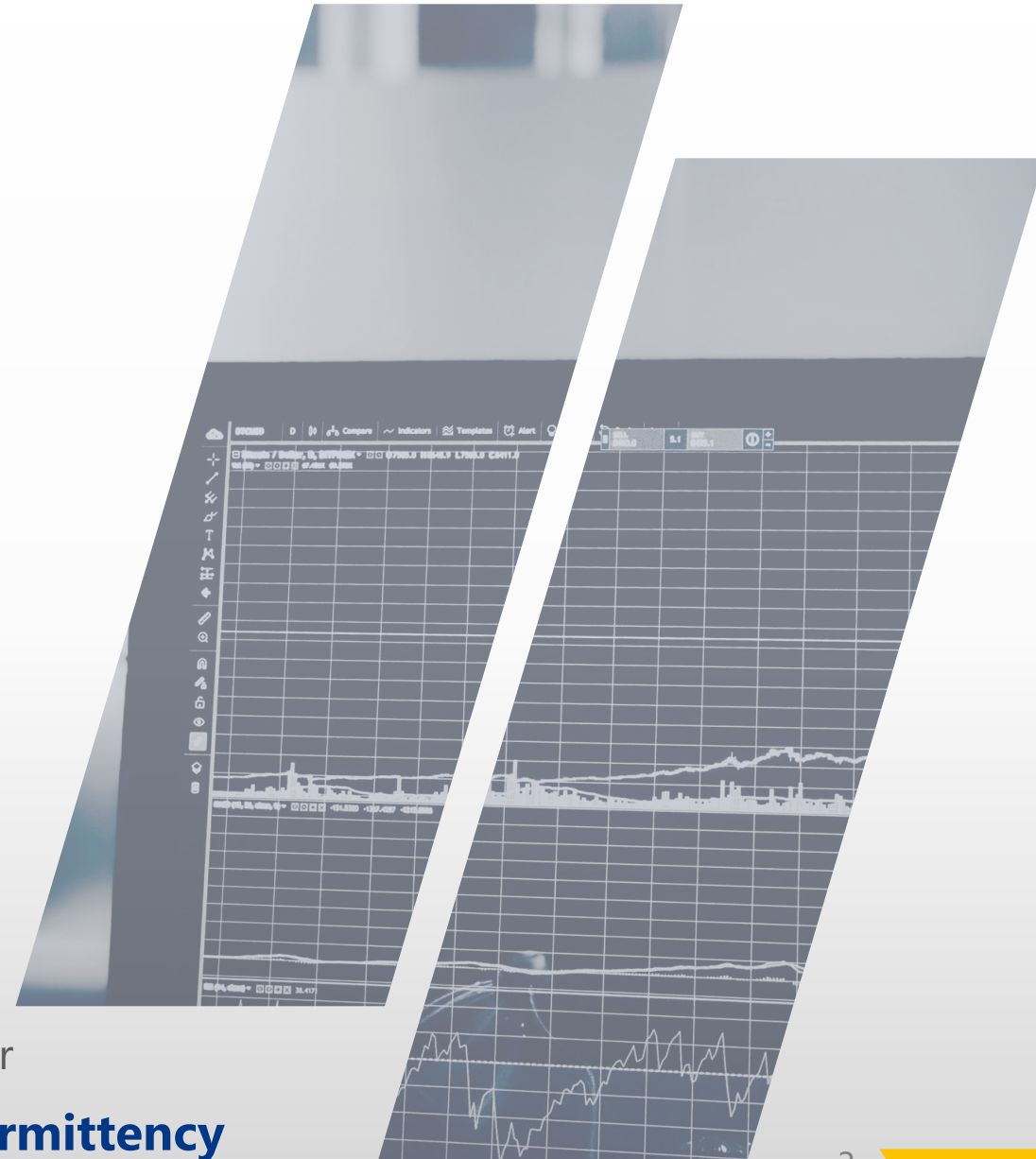
- Amerex Energy Services is the C&I power and gas procurement division of the preeminent OTC wholesale energy brokerage firm in the US.
  - Power
  - Natural Gas
  - Renewables
  - Emissions, Carbon, RECs
  - Structured Physical & Financial Solutions
- Cantor Fitzgerald – 40 strong team of experts providing investment banking / finance brokering services to some of the largest RE projects in the USA
- Client Benefits
  - Unparalleled wholesale energy market transparency
  - Superior market intelligence
  - Expert and experienced team
  - Public company and backing resources
  - Unique (first look) project opportunities



# Hoped ERCOT Wouldn't Become CAISO, but...

- Development of ERCOT Duck Curve
- Vastly expanded LNG exports with accompanying power demand adds to ERCOT risk in 2026 time-frame
- Ongoing New Rules, Regulations, & Uncertainty
- Breakdown of historic heat rate / gas inverse relationship
- Weather becomes more of a key in terms of impact on renewables
- Lots of Acronyms, but Little Focus on Core Issue
- Peak demand growth of 5 GW Y-O-Y
- Little Thermal Generation Planned
- MORA – 16% Chance of Firm Load Shed with Elliott Weather

**REPs forced to increase premiums to cover intermittency related risks not able to be hedged in wholesale markets**

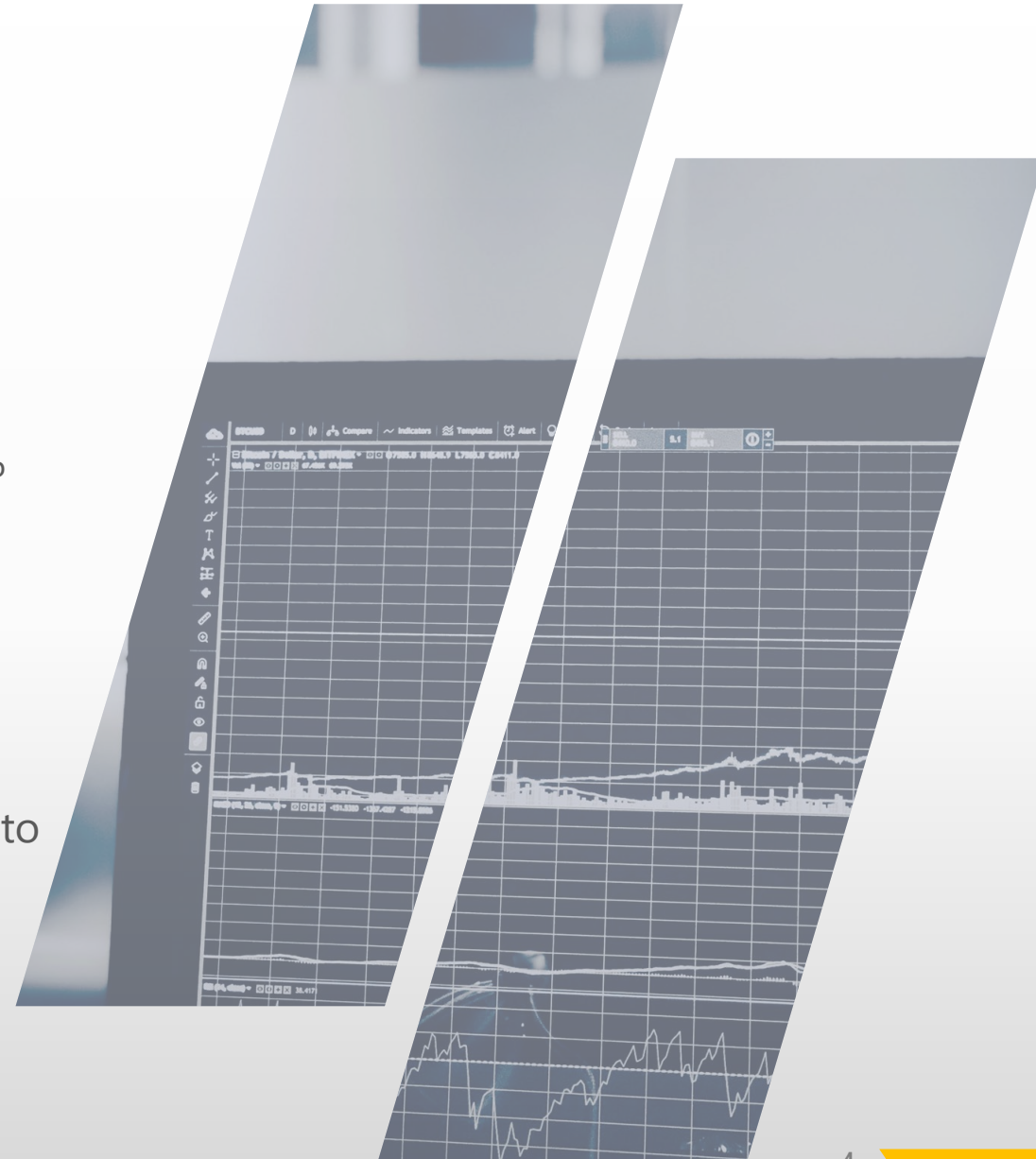




# Winter Preparedness?

- ERCOT RFP for 3,000 MW Issued Oct 2nd
- Elliott Weather Applied to Summer 2023 loads leads to 20% chance of EEA and 16% chance of firm load shed
- Seemingly No Warning Given to PUC
- November 1 Commissioner McAdams Memo
  - Is RFP process even legal?
  - Imminent reliability need?
  - “ERCOT presented information in a manner that seems to lead to the desired result”
  - Potential for driving market into a capacity construct without input from PUC, ERCOT Board, or Legislature
  - ERCOT refused to provide budget at Nov 2<sup>nd</sup> meeting

**How Bad is the Situation Really? Additional Uncertainty Means Additional Cost to Consumers**





# THANK YOU!

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