



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 2

Agenda Date: February 14, 2024

In Control: City Council B Session

DEPARTMENT: Finance Department

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

CPS Energy Residential Affordability Discount Program

SUMMARY:

CPS Energy and City Staff will provide a briefing on a proposed change to the eligibility requirement for the CPS Energy Residential Affordability Discount Riders and the required governance process for making such a change, as well as identifying opportunities to increase participation for eligible customers in the Program.

BACKGROUND INFORMATION:

On December 7, 2023, City Council approved a base rate increase for CPS Energy. As part of the approved request, CPS Energy proposed, and has since implemented, an increase to the Affordability Discount Program (ADP) bill discount to offset approximately 50% of the base rate increase and has expanded the ADP eligibility categories to include customers with a severe energy burden.

ADP provides monthly bill discounts for CPS Energy's residential customers with income at or below 125% of the federal poverty guidelines and one or more of the following:

- 60 years of age or older.

- Have a disability.
- Use life-sustaining medical equipment.
- Have pre-school aged children or school children age 18 or under.
- Have demonstrated severe energy burden, defined as annual energy expense more than 10% of annual household income.

During the rate request, Council discussion included feedback to explore the possibility of increasing the ADP income threshold from 125% to 150% of the federal poverty guidelines and identifying opportunities to increase the participation rate for customers eligible for ADP.

ISSUE:

During the B-Session, CPS Energy and City Staff will provide a briefing on the ADP eligibility, potential avenues to increase participation and eligibility, and the required governance process.

ALTERNATIVES:

Item is for briefing purposes only

FISCAL IMPACT:

Item is for briefing purposes only

RECOMMENDATION:

Item is for briefing purposes only