



City of San Antonio

Agenda Memorandum

File Number:
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Agenda Item Number: 3

Agenda Date: October 25, 2022

In Control: Municipal Utilities Committee

DEPARTMENT: Finance Department

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Briefing on the new CPS Energy Sustainable Tomorrow Energy Plan (STEP) Program.

SUMMARY:

On June 16, 2022, City Council approved CPS Energy's proposal for a new energy efficiency and conservation program (the "New STEP Program") with a focus on energy demand reduction, customer bill savings, equity, emissions reduction and innovative technologies. The New STEP Program, which took effect on August 1, aligns with the City of San Antonio Climate Action and Adaptation Plan (CAAP) by contributing to emissions reduction through reduced customer energy use.

BACKGROUND INFORMATION:

On June 16, 2022, City Council approved the New STEP Program with targets of 410 MW of incremental demand reduction, 1.00 percent of energy savings per year relative to annual retail electric sales, and 16,000 single family homes to be weatherized over the next 5 years. The total

cost of the New STEP Program is up to \$350 million, with an estimated annual cost of \$70 million, \$9 million of which will be recovered through base rates and the additional amount to be recovered through an adjustment in the fuel surcharge. The new STEP program took effect on August 1, 2022.

ISSUE:

CPS Energy will provide an update on actions taken and planned for the new STEP program.

FISCAL IMPACT:

This item is for briefing purposes only.

ALTERNATIVES:

This item is for briefing purposes only.

RECOMMENDATION:

This item is for briefing purposes only.