



City of San Antonio

Agenda Memorandum

File Number:
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Agenda Item Number: 2

Agenda Date: May 23, 2023

In Control: Municipal Utilities Committee

DEPARTMENT: Finance Department

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Briefing by CPS Energy on the status of the new power generation plan portfolio including the retirement of the Spruce 1 power plant and conversion of the Spruce 2 power plant from coal to natural gas generation.

SUMMARY:

In January 2023, the CPS Energy Board of Trustees approved a new power generation plan portfolio designed to provide reliable, affordable and environmentally sustainable energy resources through 2030. The generation plan includes the retirement of the Spruce 1 power plant and the conversion of the Spruce 2 power plant from coal to natural gas generation.

BACKGROUND INFORMATION:

In early 2022, CPS Energy's Rate Advisory Committee (RAC) began considering Generation Planning options. Specifically, they evaluated CPS Energy's existing and future generation portfolios to meet the community's need for power over both the short-term and long-term

planning horizon. Working with CPS Energy staff and two consulting firms, they considered key factors such as: plant retirement dates, future generation technologies, future bill impacts to customers, and many others.

On December 15, 2022, the RAC voted to recommend a power generation portfolio with a blended mix of natural gas, solar, wind, and storage while phasing coal out of the generation mix.

The CPS Energy Board of Trustees reviewed and considered the RAC's recommendation during their December 19, 2022 meeting and subsequently voted to approve the recommended power generation plan portfolio on January 23, 2023.

ISSUE:

Briefing by CPS Energy on the status of the new power generation plan portfolio including the retirement of the Spruce 1 power plant and conversion of the Spruce 2 power plant from coal to natural gas generation.

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.