

**THIS IS A PROPOSED DRAFT AND WILL BE REPLACED BY THE FINAL, SIGNED
ORDINANCE OR RESOLUTION ADOPTED BY CITY COUNCIL**

AN ORDINANCE

**AUTHORIZING THE ADOPTION OF CPS ENERGY'S NEW LARGE
COMMERCIAL POWER SERVICE – GREEN TARIFF TO EXPAND CPS
ENERGY'S RENEWABLE ENERGY PRODUCT OFFERINGS**

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WHEREAS, the City Public Service Board of San Antonio, Texas (aka “CPS Energy”) operates electric and gas systems on behalf of the City of the San Antonio (the “City”); and

WHEREAS, CPS Energy has determined that customer expectations are evolving with technological innovations in the electric industry leading commercial customers to request energy solution options, including increased use of power from renewable resources, energy sustainability strategies, and access to emerging technologies; and

WHEREAS, pursuant to Chapter 1502 of the Texas Government Code, the City Council, acting in its regulatory capacity, has original jurisdiction over CPS Energy's rates; and

WHEREAS, large commercial customers have access to energy solutions throughout the deregulated electric retail markets in Texas; solutions that provide these customers with the tools to meet corporate environmental stewardship goals, the ability to invest in on-site and off-site renewable energy solutions, share renewable energy among multiple customer locations, and incorporate energy resiliency solutions; and

WHEREAS, the Commercial Green Tariff is CPS Energy's offering intended to address customer requests, enabling CPS Energy's large commercial customers to use renewable resources to support business goals and demonstrate environmental stewardship; and

WHEREAS, CPS Energy rates are designed to recover the utility's overall costs for transmission, distribution, and generation infrastructure, in addition to variable costs associated with customer specific generation usage; and

WHEREAS, under the Commercial Green Tariff, power from a known renewable energy resource will be substituted for power from CPS Energy's existing generation fleet; and

WHEREAS, the Commercial Green Tariff will ensure that commercial customers eligible for service under the tariff will make their appropriate cost of service contribution to utility capital and operating costs; and

WHEREAS, CPS Energy expects that the overall revenues to be collected from commercial customers, with and without the Commercial Green Tariff, will be comparable; and

WHEREAS, the Commercial Green Tariff continues CPS Energy's leadership position in sustainability, creates a product aligned with the utility's *Flexible Path* strategy and supports the Clean Action Adaptation Plan as adopted by the City; and

WHEREAS, the City's Office of Public Utilities staff has performed a detailed review of the proposed Commercial Green Tariff and, based on that review, staff has determined that the tariff is reasonable and appropriate; **NOW THEREFORE**:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. After consideration of CPS Energy's new proposed tariff, the City Council hereby approves the "Large Commercial Power Service – Green Tariff" attached as Exhibit A, which is incorporated to this Ordinance for all purposes.

SECTION 2. The City Council hereby finds that the Large Commercial Power Service – Green Tariff will allow CPS Energy to recover the appropriate cost of service rate revenue contribution from the commercial customer classes eligible to take service under the tariff.

SECTION 3. The City Council hereby finds that the rates under the Large Commercial Power Service – Green Tariff are in the public interest, fair and reasonable, equal and uniform, nondiscriminatory, and necessary to meet CPS Energy's capital, operating, and maintenance expenses.

SECTION 4. This Ordinance shall be effective immediately upon its passage by eight (8) votes or the 10th day after its passage by less than eight (8) affirmative votes.

PASSED AND APPROVED this ____ day of August 2020.

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

Tina J. Flores, Acting City Clerk

Andrew Segovia, City Attorney