

**Q&A from Board Public Input Session
November 27, 2018**

What is CPS Energy doing to protect the environment and improve air quality?

- We take our role as a steward of natural resources and the environment seriously and are committed to ensuring a clean and sustainable future for San Antonio.
- The [Flexible Path](#) sets the groundwork for us to move toward more renewable sources of generation while decreasing our reliance on fossil fuels such as coal and natural gas.
- Since 1997 we have cut nitrogen oxide (NOX) emissions by more than 75 percent. With the closing of the coal-fired JT Deely unit in December 2018, NOX emissions will see an additional 30 percent decrease from 2014.

What is CPS Energy doing to reduce reliance on fossil fuels?

- Through the successful Save for Tomorrow Energy Plan (STEP), we are on track to reduce the community's demand for electricity by 771 MW by 2020. That means through conservation, energy efficiency programs and financial incentives, we have avoided building another power plant while significantly reducing emissions in San Antonio. This also has allowed us to focus on bringing grid-scale renewable energy sources, such as wind and solar, into the mix.
- STEP also allowed us to retire the JT Deely Plant in December 2018, reducing NOX emissions by an additional 30 percent since 2014.
- In 2012 we purchased the 800 MW Rio Nogales gas-fired plant in Seguin. While still a fossil fuel, natural gas is a cleaner and more efficient source of electrical generation compared to coal. It produces less carbon and other harmful emissions than coal, is in abundant supply and therefore less expensive to use. We operate a total of 15 gas units to complement our energy generation.
- San Antonio has the most solar generation capacity in the state. We have 13 solar farms generating 547 MW of renewable power and we continue to look for more opportunities to develop additional installations.
- To make the most of solar energy, we've also invested in a grid-scale solar battery storage facility with the Southwest Research Institute, which will allow us to store energy from peak production hours to be used later in the day during peak demand hours.
- We've also encouraged use of solar energy by businesses and residents through roofless solar, investments in community solar, and financial incentives to install solar photovoltaic systems.
- CPS Energy is among the largest municipal buyers of wind energy in the nation. We currently have 1059 MW of wind-generated electricity in our portfolio – enough to power 240,000 homes.

Why doesn't CPS Energy just mandate all new houses to be solar-ready and electric vehicle-ready?

- CPS Energy cannot set building codes. But the San Antonio City Council and CPS Energy leadership regularly communicate about best practices, policies and regulations. It is up to the City Council to set the policies and regulations and then CPS Energy can assist with implementing the policies.

How is CPS Energy participating in development of the city's Climate Action and Adaptation Plan?

- Along with our partners at the City of San Antonio, the University of Texas at San Antonio and Navigant, we are one of the key partners leading this initiative.
- We have joined a coalition of 91 leaders in business, industry, school district, higher education, military, transit, and environmental organizations to form San Antonio's plan to reduce greenhouse gas emissions and minimize the effects of climate change.
- SA Climate Ready will not be a success, though, without the support and contributions of every one in the region. We invite you to add your voice to the conversation. Visit saclimateready.org to read more about the plan and find out how you can get involved.

What does CPS Energy do to protect the electric grid?

- We regularly bring together government, industry and academia to learn about best practices and ensure we have are resilient to protect the grid from attack and to make sure it will recover quickly in the event there is an attack or natural disaster.

What programs does CPS Energy offer to help businesses and institutions lower energy use and save money?

- CPS Energy has more than 50 programs to help residential and business customers reduce energy usage, lower bills, and, in some cases, provide financial assistance to pay their bills. These programs not only help our customers, but also are the foundation of our Save for Tomorrow Energy Plan (STEP) to reduce our region's overall energy demand.
- Businesses of all sizes and levels of energy consumption can take advantage of our energy advisors who will identify energy-saving opportunities and then provide resources and incentives toward energy-efficient upgrades.
- The Commercial Demand Response (DR) Program rewards participating businesses for reducing energy use on peak demand days between June and September, and year-round for businesses on the automated DR program.
- For more information on these programs, visit <https://www.cpsenergy.com/en/my-business/savenow.html>

Why does CPS Energy give the City of San Antonio a portion of its annual revenue?

What does that money go toward?

- When the city of San Antonio purchased the utility in 1942, part of the agreement included up to 14 percent of utility revenues to be remitted to the city. Over time this has proven to be an excellent return on San Antonio's – and really, the citizens' investment.
- Our revenue returned to the citizens of San Antonio pays for basic city services like police and fire protection, while helping the city of San Antonio maintain a low property tax rate.
- If CPS Energy were privately owned, the revenue would be returned to individual investors and not the residents of San Antonio.

What role does CPS Energy play in San Antonio's economic development?

- When companies are looking to move to or expand in this region, they consider multiple factors that affect their bottom line, including the availability of clean and inexpensive electricity and gas.
- CPS Energy's competitively low rates, reliable grid and infrastructure, and diverse generation portfolio make San Antonio an attractive place for businesses to relocate to and/or expand.
- With our New Energy Economy and economic development partners like the San Antonio Economic Development Foundation, we've been able to attract companies in targeted industries such as IT, biotech, cybersecurity, and advanced manufacturing.

How does CPS Energy contribute to research and innovation in the energy industry?

- Whether it's through our New Energy Economy or our partnerships with local research institutions, we have a strong commitment to seek cleaner, more innovative ways to generate this community's energy.
- In October 2018, we broke ground on our first solar energy and battery storage project with the Southwest Research Institute (SwRI). The project consists of a 5-megawatt (MW) solar power facility and a 10 MW battery storage system. The project, which will be online in summer 2019, will allow for solar shifting. That means energy will be captured from the sun and stored in onsite batteries to be used when energy demand is at its peak, generally between 3 p.m. to 7 p.m.
- Along with our New Energy Economy partners – OCI Solar Power, Silver Spring Networks and Landis & Gyr – CPS Energy is a founding sponsor of the EPIcenter, the region's new energy innovation hub being built in the decommissioned Mission Road power plant. EPIcenter will serve as an incubator and fabrication lab for new energy startups, a think tank, a conference center, and a space for the community to learn about the history of energy and new energy innovations.

What is the New Energy Economy?

- The [New Energy Economy](#) (NEE) is a clean energy and manufacturing hub formed through partnerships with likeminded businesses that share our vision for a clean and sustainable community.
- Our NEE partners, such as OCI Solar Power, Mission Solar Energy, Green Star, KACO new energy, Franklin Energy, and Sun Action Trackers, have committed to create more than 900 jobs with more than \$200 million in investments to our local economy and more than \$23 million to support educational programs.
- This strategic approach to economic development also ensures CPS Energy will incorporate more low or non-carbon emitting energy sources into its portfolio.

What education programs does CPS Energy support? (Or How does CPS Energy support education in the community outside of research?)

- CPS Energy employees regularly offer their time and expertise to local students from the collegiate level to elementary schools. Our employees participate in career fairs to interest students in the energy industry, and they serve as mentors to help students with personal growth and development, leadership, and empowerment. That mentorship can begin at a very young age, with our employees who serve as Reading Buddies to local second grade students through a partnership with San Antonio Youth Literacy.
- CPS Energy also has opportunities for experiential learning through our internship programs for high school and college students. Participants in our internship programs are paid, gain valuable on-the-job training and receive mentoring from our full-time employees. College level interns also receive scholarships. Learn more about our internship opportunities at cpsenergy.com/internship