

# CPS ENERGY



## LET'S GET BETTER CONTROL OF CPS ENERGY

By Darby Riley

San Antonio's citizens need to know that city-owned *CPS Energy* is quietly and without public input committing our city to natural gas power plants until at least 2050. It has recently spent \$785 million of our money to buy two gas power plants and is seeking to build more gas power plants (*S.A. Express-News* 5/26/24). This is especially troubling because it is now understood that natural gas (methane) is actually as damaging as coal because of the leaks in the processing and delivery of methane. Methane is 80 times more potent than CO2 as a greenhouse gas over a 20 year period.

The city council needs to take responsibility for these major policy decisions by *CPS Energy*, particularly since renewables and battery storage are now less expensive to develop than natural gas plants. *CPS Energy* presently has more capacity than it needs, so there is no urgency to develop new sources. Texas is presently the hottest market in the country (no pun intended) for utility-scale storage batteries. Enormous digitally controlled batteries now prevent power outages across Texas when demand surges. Nationally, battery storage capacity is expected to double this year. Why are ratepayers incurring billions for natural gas plants when renewables and storage will meet future needs? And there has been almost no effort locally to promote the retrofitting of buildings to conserve energy.

The city's utility bond ordinances make clear that the city council can control the *CPS* Board makeup, rather than continuing to allow the board to appoint its own members. The ordinances also state that the *CPS* Board is required to follow policies set by the city council. With climate change causing, or soon to cause, a major disruption in citizens' health and safety (look at *Houston after Hurricane Beryl*), it is time for the city council to exercise its powers over the utility we all own. It is not acceptable that the city allows the lives of low-income citizens to be jeopardized by unaffordable energy, especially when the city is the utility company.

One of the reasons for the city's reluctance to act is that *CPS Energy* is generating huge unbudgeted sums of money during the summer months (last year \$247 million) by selling excess capacity from fossil fuel power plants to the state grid at high rates. The city takes 14% of *CPS Energy*'s gross revenue. Last summer the city council did not know what to do with the excess being paid to it by *CPS Energy*. *CPS Energy* has become the tail that wags the dog, providing 25% to 30% of the City's total revenue.

In the fall of 2020 citizens from the *Sierra Club*, *Public Citizen*, *Southwest Workers Union*, and other groups gathered 14,000 signatures of 20,000 needed, to place a city charter amendment petition on the ballot. If approved by the voters, the amendment would have given the city council more control over the utility and would have required policies to reduce fossil fuel emissions. The petition effort was blocked by a court order from Travis County, obtained by *CPS Energy* without notice to the citizens. I represent two San Antonio citizens in a suit against *CPS Energy* to obtain a court finding that the Travis County judgment is void; the case is presently on appeal in Austin. Meanwhile, in the 2023 legislative session the Texas legislature passed a law making any "climate charter" amendment to a city charter subject to legislative approval before it can be voted on.

But the city and the state cannot stop us from organizing to elect city council representatives in 2025 who will require the city's utility to act responsibly to rapidly move away from fossil fuels and to protect our low-income residents from the changing climate. The city has the duty, recognized in its *2019 Climate Action and Adaptation Plan*, to do its part in effectively addressing the global climate crisis.

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