Case Study:

Municipally Owned Utilities in Texas





CPS Energy

Quick Facts

CPS Energy's service area ranks #1 in Texas and #7 nationally for solar energy generation.

CPS Energy has **9** solar farms, which together are generating over **230 MW** of solar power. That is enough energy to power over **37,000** homes.

The largest of their solar installations will be a **1,200-acre** solar farm expected to generate **110.2 MW**.

CPS Energy offers 3 different ways to engage their customers with solar energy – community solar, private ownership, and solar hosting.

clean energy investment to local job creation by relying on local companies for solar equipment and installation.

CPS Energy has already surpassed its goal of generating **1500 MW** of renewables by **2020**.



Summary

CPS Energy is the nation's largest municipal owned utility serving more than 765,000 electric customers and 335,00 natural gas customers in and around San Antonio, TX. CPS Energy has defined itself as a leader in solar energy innovation and distribution. With a growing population, CPS Energy is looking for ways to make solar energy available to all customers in the service area. They are implementing programs that will help bypass barriers to solar adoption such as roof shading/angle, roof ownership, and financial means. As a part of CPS Energy's New Energy Economy (NEE), a partnership with companies who share their belief in energy efficiency and clean energy, CPS Energy is investing in innovative

technologies to help customers use energy more wisely and lower their bills, create new jobs and educational investments, leverage valuable economic development opportunities for the community, and protect the environment. With these goals, CPS Energy has committed that 20% of generation resources be comprised of renewable energy by 2020. CPS Energy has more than 1,000 new jobs committed to the city of San Antonio by their NEE partners, creating a positive financial impact for the city. Supporting the economic development of the community is very important to CPS Energy as they continue to grow and provide clean, renewable energy to their customers.



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CPS Energy Solar Programs

CPS Energy offers two different ways for customers to engage in solar energy. Customers can learn about their options through CPS Energy's Simply Solar program and through their partnership with Build San Antonio Green on the Bring Solar Home Initiative. Simply Solar is CPS Energy's "seal of approval" for accessing solar and it provides answers to frequently asked questions about the affordable ways solar is available to customers through the Solar-HostSA and Roofless Solar Programs. The Bring Solar Home initiative helps members of the community discover the different types of solar generation options and determine which option is the best fit for them. Bring Solar Home aims to provide community education, through presentations at community events, and industry development, which unites qualified solar installers with interested residential projects. To find more information about each program and the goals of the Bring Solar Home Initiative, please visit www.bringsolarhome.com.

SolarHostSA

CPS Energy has partnered with PowerFin to install 10 MW of rooftop solar on host customer homes, with no cost to the customer. Solar hosting allows CPS Energy to aggregate energy produced by small solar arrays placed on customer's homes to help reach renewable energy goals. Qualified residential, commercial, or non-profit customers apply to have a solar array installed on their rooftop and receive bill credit of \$0.03 per kilowatt-hour (kWh) produced for up to 20 years, with no ownership or maintenance costs to the customer. This program offers a way for low income customers to engage in the benefits of solar energy for no cost and support CPS Energy's goals for solar production. Because there is no ownership of the array, if a solar host moves, the



new homeowner will be enrolled as the solar host and receive the bill credits for the remainder of the program. Rental properties are also encouraged to apply as a solar host. The landlord/property owner must submit the application, support the program, and understand that the host credit will go to the CPS account holder for the property hosting the system. SolarHostSA began pre-enrollment in November 2015 and as of June 2016 the pilot program is full. The program is currently evaluating submissions and plans to continue accepting applications in the future. For more information about the solar host program, please visit www.solarhostsa.com.



Roofless Solar

CPS Energy has partnered with <u>Clean Energy Collective</u> to construct a community solar farm just outside of the City of San Antonio. The community solar program allows customers who are unable to host or own solar on their roofs to receive solar benefits. CPS Energy saw the community solar concept as a way to encourage solar energy without only a small group of customers benefiting from the energy generation. CPS developed a request for proposals to help build the program, with an emphasis in customer engagement and outreach.

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Roofless Solar Continued

CPS Energy is launching the "Roofless Solar" program as a pilot to determine if the concept of community solar will be a valuable option for their customers. The solar farm is a 1 MW array located on 10 acres of land. Customers can purchase individual panels but cannot subscribe to more than 120% of their total usage. CPS Energy purchases the output from the solar farm in the form of a power purchase agreement and credits the customers who have purchased panels. CPS Energy offers the solar rebate program in conjunction with the roofless solar program. This allows customers to receive the rebates on their share of the community solar farm, making it more cost efficient and attractive. For more information about CPS Energy's community solar program, please visit www.cpsenergyrooflesssolar.com.

Private Solar Ownership

CPS Energy has extended its Solar Initiative Rebate program as of February 1, 2016. The rebates are limited to \$25,000 for residential projects and \$80,000 for commercial projects. CPS Energy's Solar Installation Guidelines provide a detailed list of guidelines that must be followed to be eligible for CPS Energy rebates. Residential customers can also utilize a federal tax credit through the Energy Star Federal Income Tax Credits for Energy Efficiency. The tax credit allows for a 30% credit of the cost, with no upper limit on the value. Tax credits for solar energy systems are available at 30% through December 2019. Existing homes and new construction qualify to receive the federal tax credit.



The North Central Texas Council of Governments recommends to have an energy audit done by the State Energy Conservation Office to establish where solar might fit into overall energy efficiency improvements and energy saving potential. For more information on the SECO Technical Assistance Program,

please visit: http://seco.cpa.state.tx.us/energy-reporting/gov-assist.php/

The North Central Texas Council of Governments is working under contract with the State Energy Conservation Office (SECO) to expand best management practices for solar photovoltaic systems throughout the State of Texas. For more information about solar in Texas, please visit: www.GoSolarTexas.org.