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CONTACT:

Vanessa Ramos, vanessa.ramos@sierraclub.org, (512) 586 -1853

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NEW ECONOMIC ENERGY [REPORT](#): CPS Energy's FlexSTEP Program Should Do More to Support San Antonio Ratepayers

SAN ANTONIO, TX - Yesterday, Sierra Club hosted a virtual town hall to highlight and discuss a report that found that CPS Energy should propose a much stronger FlexSTEP program that helps San Antonio residents fight high bills and reduce dangerous pollution. The economic and energy analysis by Optimal Energy showed CPS Energy's FlexSTEP program could lower San Antonio's greenhouse gas emissions by 11% by 2030, and reduce more than 900 MWs of electric peak demand.

The report finds that CPS Energy should set an energy savings goal of at least 1.5% per year, the equivalent of about 470,000 MWhrs, or enough energy to provide an entire year of power to about 40,000 San Antonians.

Optimal Energy's report assesses CPS Energy's 2009 Save for Tomorrow Energy Plan (STEP) energy conservation program and the economics of energy efficiency and cost savings for ratepayers in San Antonio, Texas. The report evaluates CPS Energy's performance compared to other large municipal utilities, like nearby Austin Energy. The report also highlights deficiencies in the current goal structure and the need for an overhaul in CPS goals for the next phase of FlexSTEP.

"Our analysis found CPS Energy should conduct an independent energy efficiency market potential study before jumping the gun on FlexSTEP goals," said **Adam Jacobs, Optimal Energy Consultant Expert and Report Author**. "By setting more aggressive FlexSTEP goals, such as a 900MW+ peak demand reduction goal, and a 1.5% annual savings goal, FlexSTEP will lead to real solutions to help residential and commercial businesses save money and reduce carbon dioxide emissions."

San Antonio's recently approved Climate Action and Adaptation Plan has an important goal of carbon neutrality by 2050. A stronger FlexSTEP will contribute toward reaching that goal and prioritize the needs for energy efficiency and clean energy jobs for San Antonio ratepayers.

Most of the local clean energy jobs are in the energy efficiency sector, the very jobs that help make San Antonio homes and businesses safer, more efficient and healthier places to live and work.

In 2019, there were over 233,000 Texas jobs, [ranked #2](#) in the country, in the growing clean

energy industry, with many of those jobs coming from small businesses and local contractors. San Antonio clean energy job losses represent an over 13% decline in local clean energy jobs, or nearly 3000 jobs. A strong FlexSTEP will support this industry locally, while improving the well-being of San Antonio families.

In many places in the U.S., coal-fired power is dwindling, in large part because the cost of renewable energy and energy efficiency has continued to decline, and nearly all new investments taking place are in renewable energy. A stronger FlexSTEP program can take advantage of these developments and will support San Antonio's move away from [risky coal](#).

"Racial and ethnic health disparities are costly for all of society. Greenhouse gas emissions from the burning of coal is an upstream issue that contributes to these disparities," said **Dr. Adelita Cantu Associate Professor UT Health San Antonio School of Nursing and the Alliance of Nurses for Healthy Environments**. "Building more efficient homes and businesses reduces our reliance on dirty polluting sources of energy, like CPS Energy's dangerous coal plant. It is a win-win to phase out these polluting sources while making homes safer and more efficient."

CPS needs to plan for a safe, resilient future for San Antonio, investing more now in the kinds of programs that create a stable foundation for phase out of the dangerous Spruce coal plants in the next few years. Investing in energy efficiency programs and local energy resources like solar and storage is a key component of the transition away from dangerous, polluting fossil fuels.

"CPS Energy has no qualms about shutting off the electricity for low-income families that cannot afford their bills, but it gives huge discounts to the businesses that use the most electricity, **said Meredith McGuire, Professor (Emerita) of Sociology and Anthropology at Trinity University and co-chair of the Alamo Sierra Club Conservation Committee**. The people of San Antonio deserve a utility that has rates that are completely fair to residents and are set in a more transparent and democratic process. It is time for the City Council and Mayor to demand that change for the common good."

Emerging research in the midst of the COVID19 pandemic confirms the deadly impact of particulate air pollution, linking [chronic exposure to air pollution to higher death rates for those contracting COVID19. Predating the pandemic](#), asthma is the most prevalent chronic disease in San Antonio among children across all age groups and ethnicities.

"I am a low income middle class worker who struggles with the high rates and housing. I cannot afford proper weatherization opportunities while struggling to pay for high rates including air conditioning. I have a bill that is growing while trying to pay my health bills. I will likely be faced with a shutdown," **said Molly, San Antonio renter and housing advocate**. "CPS Energy's shutdown programs are supposed to help renters and lower middle income class workers but it's hard to get real help without being forced by city council or the state during the COVID-19 pandemic. My worst fear is that when COVID-19 runs its course, I will not have enough time to come up with money to pay for my CPS energy bill because I am needing to take care of dental, medical and rental obligations."

You can find the recorded town hall [here](#). (password: k3+%U#8d)

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BACKGROUND: The Sierra Club Lone Star Chapter retained Optimal Energy to conduct a review of the economics of CPS Energy's FlexSTEP program and to evaluate deficiencies and opportunities for a more comprehensive program. Optimal Energy reviewed ten years of CPS Energy's evaluation reports to analyze trends in savings and cost across all efficiency programs over time. Optimal also conducted interviews with Sierra Club staff and volunteers, and discussed past and future efficiency program plans with CPS Energy staff directly. Optimal Energy's report found that CPS Energy's FlexSTEP goal framework should be revised to better target the benefits the original STEP program intended to deliver.