



# Integration of Renewables: A Utility Roadmap

Carolyn Shellman  
*Chief Legal Officer & General Counsel*

January 25, 2021



## HIGHLIGHTS



- **CPS Energy Overview**
- **MOU Business Model**
- **ERCOT Role**
- **FlexPOWER Bundle<sup>SM</sup> RFP**
- **Legal and Policy Challenges**

# CPS ENERGY OVERVIEW



## Oldest utility company in Texas

- Gas system was operating in 1860

## San Antonio Public Service Co. (SAPSCo) began operating in 1917

- Owned by American Light and Traction Co.
- Operated electric power plants, gas network and streetcar lines

## Purchased by City of San Antonio (CoSA) in 1942

- Sale mandated by PUHCA of 1935
- Transportation division was sold
- Renamed City Public Service Board of San Antonio
- Rebranded as CPS Energy in 2003

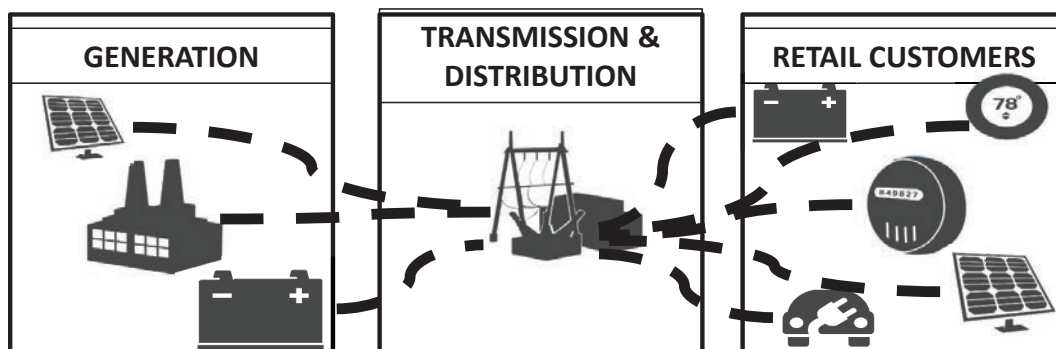


**Largest municipally-owned utility in US providing only electric and gas service.**

# OPERATIONAL SUMMARY



**CPS ENERGY IS A FULLY INTEGRATED UTILITY THAT HAS NOT OPTED-IN TO COMPETITION**

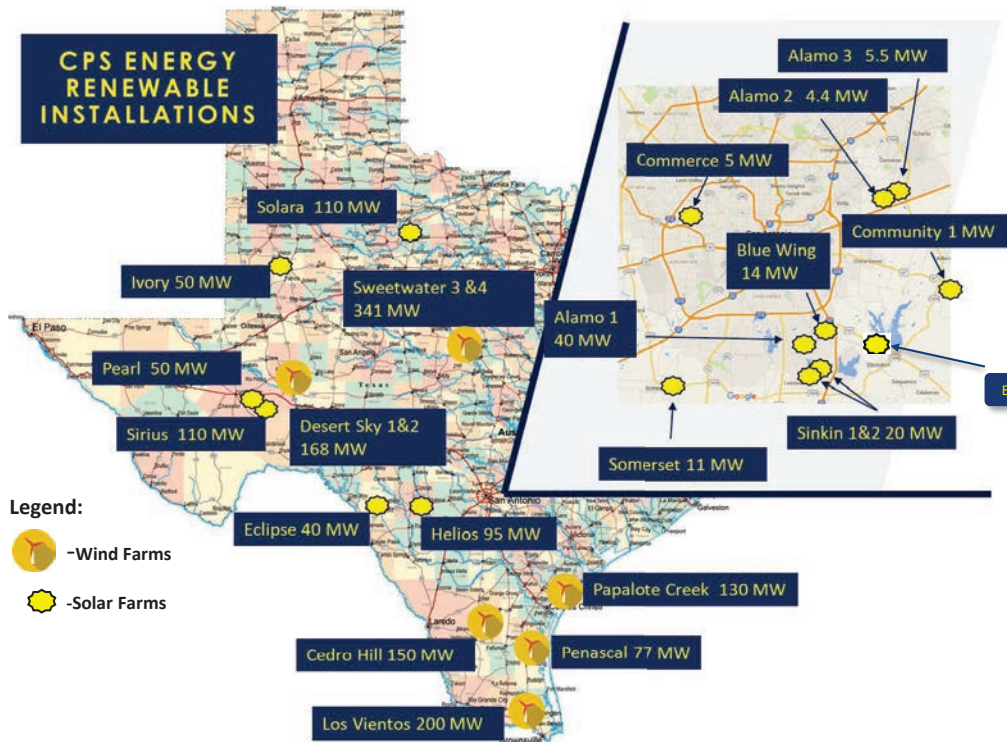


Owned Generation – 5,744 MW  
Purchased Renewable – 1,631 MW

Transmission (138 kV & 345 kV) – 1,536 miles  
Distribution – 14,215 miles

Electric – 861,000  
Gas – 358,000

# DIVERSE RENEWABLE PORTFOLIO



**More than 1,600 MW of Renewables**

**Residential Solar**

- 185 MW Homeowner owned
- 5 MW Solar Host installed
- 6 MW Community Solar

## MOU BUSINESS MODEL



- 72 Municipally Owned Utilities (MOUs) operate in Texas.
- MOUs operate as vertically-integrated utilities; they can, and do, own generation, transmission & distribution facilities, and serve retail customers.
- MOU management may be vested in the city's governing body (and operate as a department of the city) or in an independent Board of Trustees. Tex. Gov't. Code §1502.070
- MOUs are authorized to have certificated service areas in which they are the sole providers of retail electric service.
- MOU renewable and energy efficiency goals are guided by customer priorities and City Council or Board decisions.

Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the [UT Law CLE eLibrary \(utcle.org/elibrary\)](https://utcle.org/elibrary)

Title search: Integration of Renewables: A Utility Roadmap

Also available as part of the eCourse

[2021 Renewable Energy Law eConference](#)

First appeared as part of the conference materials for the  
16<sup>th</sup> Annual Renewable Energy Law Institute session  
"ERCOT Panel"