## Additional Revenue from CPS Energy Should be Invested in Permanent Solutions: Reduce Future Energy Bills, Reduce Urban Heat Island Effect, Alleviate Poverty, and Increase Resiliency

We have yet to get through the entire 2022 summer and yet Texas has already <u>broken its electricity grid</u> demand record eleven times, and San Antonio recorded it's hottest June ever on record.

This is not the time for a business-as-usual city budget. San Antonio has received additional revenue from CPS Energy this year due to extreme weather. We should responsibly invest this revenue in ways that prepare our community for extreme weather and protect residents from high energy bills in the future. We must also take this opportunity to address energy poverty by helping our most vulnerable residents achieve utility bill relief for years to come.

Violent crime is up, and studies show that <u>violent crime increases during heat waves</u>. If urban heat island (UHI) is not addressed, San Antonio is predicted to have <u>five months of daily temperatures of 100° or more by 2050</u>.

A large portion (41%) of recent San Antonio residential energy bill increases over last year's bills are due to higher natural gas prices. Natural gas prices are over two times higher than they were one year ago, and prices will likely increase this coming winter. Anticipation of high winter demand for natural gas coupled with effects of the Russia-Ukraine conflict are already leading to natural gas hoarding. Finally, the Public Utility Commission of Texas and our state legislature have encouraged more natural gas-powered electricity generation, which will put additional upward pressure on natural gas prices. If we have anything more than a mild winter this year, we can expect CPS Energy customers to be hit once again with high bills.

I propose that we allocate the summer heat wave-related additional CPS Energy revenue as follows:

- 1. \$5M for CPS Energy's Residential Energy Assistance Program
  - a. Utility bill assistance for low-income customers who are a senior citizen, disabled, have small children in their home, or require critical-care equipment
- 2. \$9M to convert local buildings to community resiliency centers
  - a. Provide solar and battery electric storage to keep power on during grid failures
  - b. Serve as cooling/heating centers during severe weather events
- 3. \$13M in residential weatherization and energy efficiency upgrades
  - a. Targeted toward low-income, high energy use households
  - b. Will help reduce energy bills for all customers by reducing peak demand
  - c. Expedite RFPs for contract work to begin weatherizing homes before next winter
  - d. Cover home repairs as needed to enable weatherization/energy efficiency upgrades
- 4. \$13M in urban heat island reduction efforts including a tree planting campaign
  - a. Reverse our trend of loss of tree canopy
  - b. Shade homes to reduce cooling costs for decades into the future
  - c. Improve outdoor quality of life for local residents
  - d. Mitigate high temperature days that will adversely affect our tourism industry
  - e. Help reduce increases in violent crime during heat waves

- 5. \$10M to fund the first year of Councilwoman Sandoval's proposal: Dedicated Resiliency, Energy Efficiency and Sustainability Fund
  - a. Leverage funding in seeking federal funding opportunities through the Inflation Reduction Act and Bipartisan Infrastructure Law
  - b. Urban Heat Island Mitigation
  - c. Business incentives for energy efficiency and benchmarking programs
  - d. Small grants to community organizations

These investments will help our residents by protecting them from future energy bill shock and the detrimental effects of severe weather in what is rapidly becoming our new normal.

Sincerely,

Mario Bravo
District 1 Councilman