



# ***NEW SERVICE OPTIONS TARIFF***

*INTRODUCTION BY:*

**Carolyn Shellman**

Chief Legal & Administrative Officer (CL&AO)

*PRESENTED BY:*

**Chad Hoopingarner**

Sr. Director, Strategic Pricing & Cost Recovery

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*Approval Requested*

# AGENDA



- **REGULATORY OVERVIEW**
- **PILOT PROGRAM (NEW SERVICE OPTIONS TARIFF)**
- **COMMERCIAL EV PILOT RATE**

# REGULATORY OVERVIEW



- To provide products & services to our customers, we must set pricing (i.e., rates) based on the utility's cost to provide those products & services
- Our rates, along with the underlying terms & conditions (i.e., tariffs), are approved by the Board of Trustees and City Council
- Our industry is undergoing significant change, creating opportunities for CPS Energy to serve customers in new & exciting ways
- To optimize these opportunities, we need the ability to test products & services in order to ensure that we are meeting customer expectations, recovering our costs, and optimizing the community's investment in the electric & gas infrastructure



**Once a successful pilot is concluded, we will be required to seek approval from the Board and City Council on new rates & tariffs**

# PILOT PROGRAM

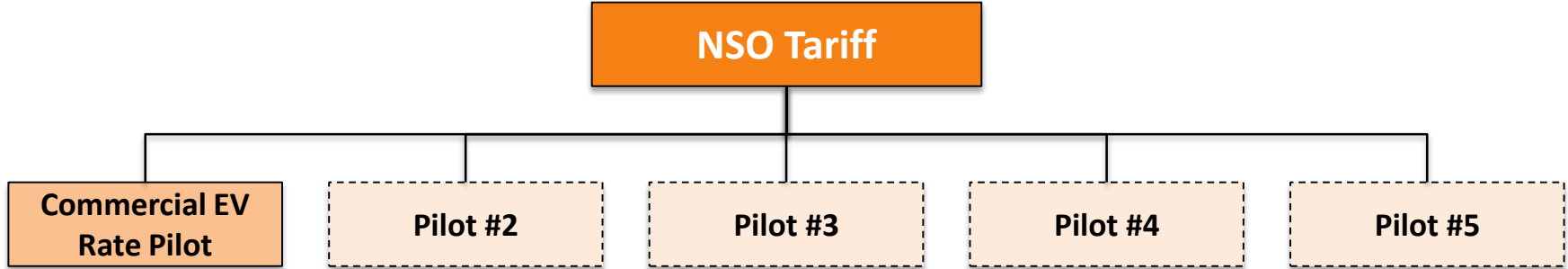


## NEW SERVICE OPTIONS TARIFF (NSO)

- We are seeking approval from the Board of Trustees and City Council on the New Service Options tariff
- The NSO tariff is an umbrella tariff that enables CPS Energy to conduct product pilots by defining:
  - Requirements for launching new product pilots
  - Accountability & oversight procedures with COSA's Office of Public Utilities
- Your approval will enable CPS Energy to:
  - Evaluate technologies & assess changing customer needs
  - Measure the cost of service requirements

**The NSO tariff creates a testing framework for new products & services to be rapidly developed and offered to customers**

# PILOT PROGRAM



Future rate pilots may include:

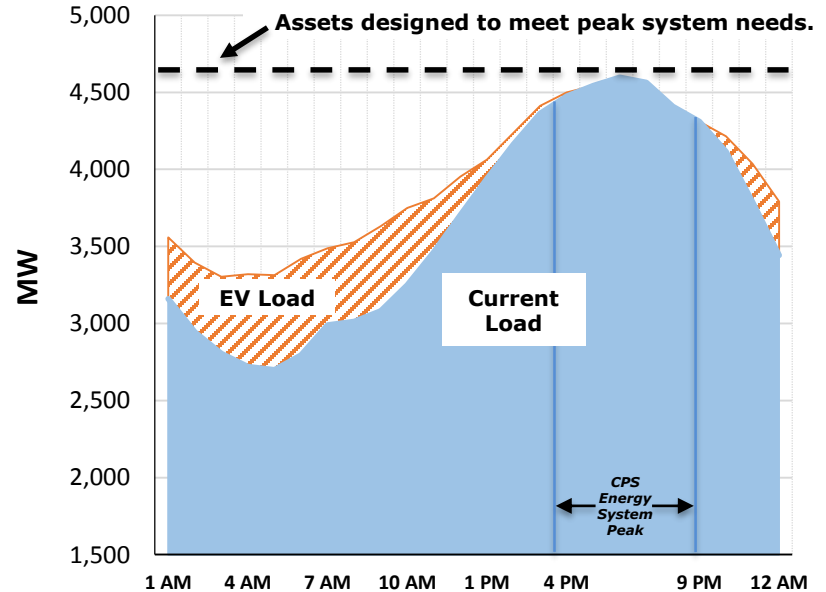
- Smart Cities initiatives (e.g., kiosks)
- Resiliency products
- Commercial EV fleet opportunities
- Intelligent lighting projects
- Growth tools for gas business

# COMMERCIAL EV RATE PILOT (1 OF 2)



- We want to enable the positive impacts of electric vehicles on San Antonio's air quality and electric system
- Our strategy is to encourage and incentivize "off-peak" usage of our system
- "Off-peak" load optimizes existing assets and reduces capital investment

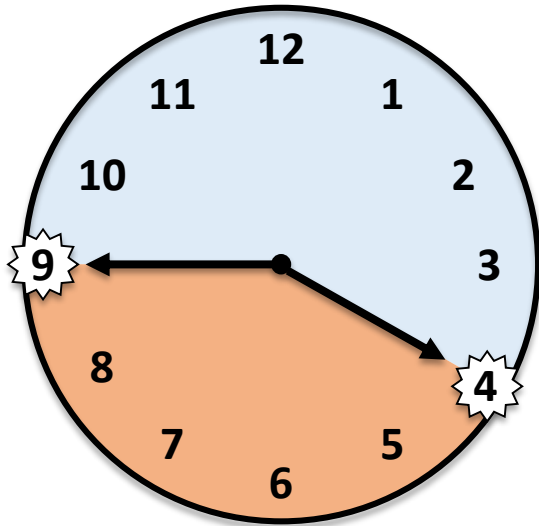
**Summer Weekday System Load (Conceptual)**



# COMMERCIAL EV RATE PILOT (2 OF 2)



## Commercial EV Rate Details



**Monthly Charge:** \$175/month

**Demand Charge:** \$7/kW

**Energy Charge:**

4pm-9pm on weekdays: 20¢/kWh

All other times of day: 6¢/kWh

**CPS Energy will assess the effectiveness of this rate over ~1-2 years**

# REQUEST FOR APPROVAL

## NEW SERVICE OPTIONS TARIFF (NSO)



Approve the New Service Options tariff to ensure that we are meeting customer expectations, recovering our costs, and optimizing the community's investment in the electric & gas infrastructure





***Thank You***