



GENERATION PLAN UPDATE

PRESENTED BY:

Elaina Ball

Chief Strategy Officer

April 9, 2025

Informational Update

ERCOT MARKET LANDSCAPE

CAPACITY AND DEMAND CHALLENGES



- Texas is facing significant growth
- Uncertainty in load and supply forecasts
- Challenges in resource and reserve adequacy



ERCOT CDR Report 2/13/2025 – Potential energy supply shortfall of 6.2% by summer 2026; 32.4% by summer 2029.

Our Vision 2027 Generation Plan facilitated the actions needed to mitigate our future energy supply challenges.

OUR COMMUNITY'S GENERATION PLAN

THE PATH SINCE 2022



CPS Energy's community Rate Advisory Committee presenting to Board of Trustees

- Deep analysis of diverse generation scenarios
- Community engaged to provide feedback and understand needs
- Comprehensive evaluation by the Rate Advisory Committee (RAC) supported a blended portfolio

Generation Plan Components

- ❑ Retire or convert coal plants
- ❑ Retire aging gas units
- ❑ Addition of Solar, Wind, Storage, and Gas

The Vision 2027 Generation Plan was approved by the Board of Trustees in January 2023 with the City of San Antonio's Climate Action & Adaptation Plan (CAAP) goals in mind.



Vision 2027 GENERATION PLAN

LEGEND

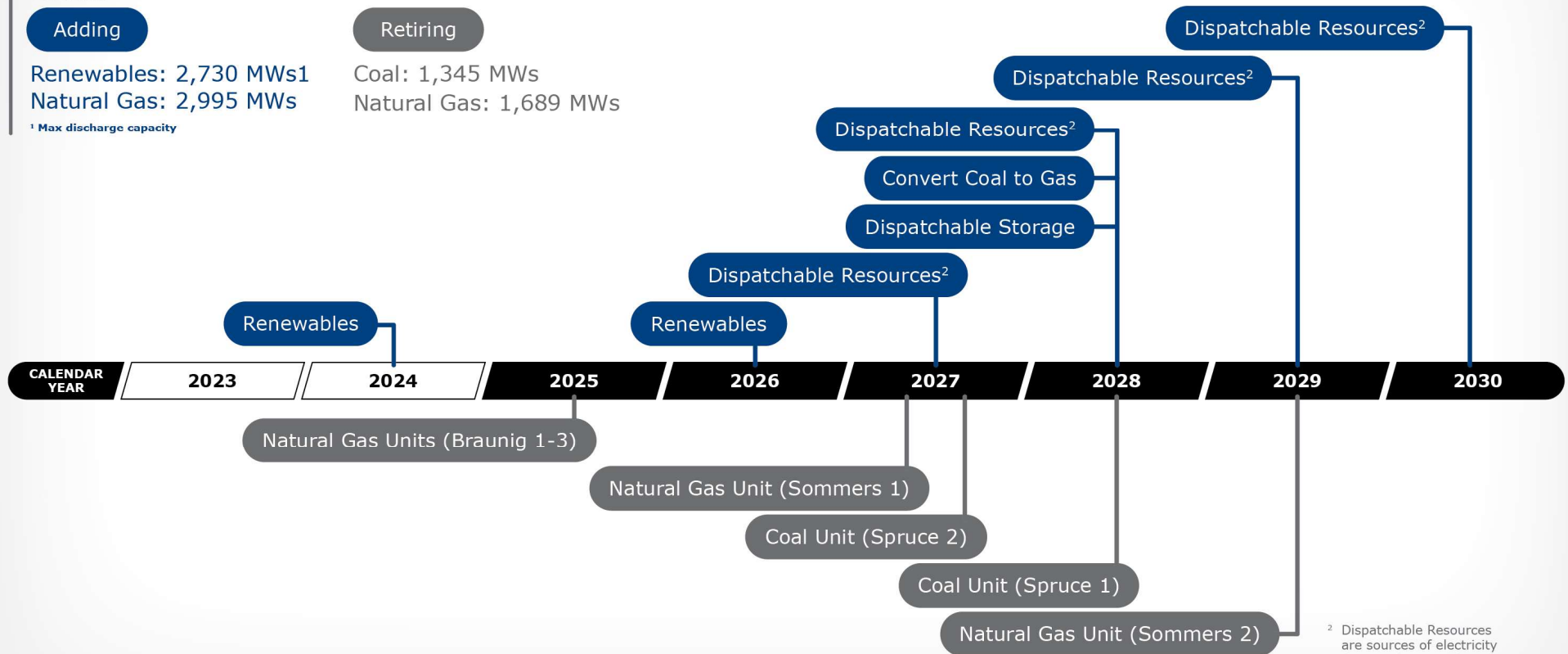
Adding

Renewables: 2,730 MWs¹
Natural Gas: 2,995 MWs

Retiring

Coal: 1,345 MWs
Natural Gas: 1,689 MWs

¹ Max discharge capacity



² Dispatchable Resources are sources of electricity that can be turned on or off as needed.

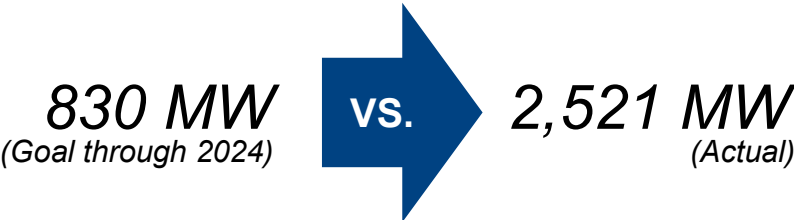
CAPACITY ADDITIONS ARE AHEAD OF SCHEDULE



% of 2030 Target That is
Online or Under Contract

Solar	730 MW	62%
Wind	84 MW	17%
Storage	520 MW	50%
Natural Gas	2,257 MW	76%

New Capacity Online



As our Community’s need for electricity accelerates, we are producing more power ahead of schedule.

COMMUNITY VALUE

ACHIEVING LOWER COST FOR OUR CUSTOMERS



Natural Gas Capacity

~\$1.8B
(Expected Cost)

vs.

\$785M (~56% savings)
(Actual Cost)

Solar & Wind Cost Savings

\$2.50/MWh (~8% savings)

We have increased capacity for significantly less investment than planned.

CONTINUED PROGRESS

OTHER NEAR-TERM ACCOMPLISHMENTS



- ✓ **South Texas Nuclear Project (STP)** Purchase Power Agreement for 200 MW in place; acquiring additional 2% ownership share (52MW)
- ✓ **Community Solar** 50 MW currently in negotiations
- ✓ **Wind** 29 MW currently in negotiations
- ✓ **Natural Gas Peaking Units** Procuring key equipment and services
- ✓ **Spruce 2 Conversion to Natural Gas** On schedule; core contract services in development
- ✓ **Unit Retirements** Braunig supporting ERCOT reliability at no cost to our customers

ACHIEVING COMMUNITY GOALS

CO2 INTENSITY

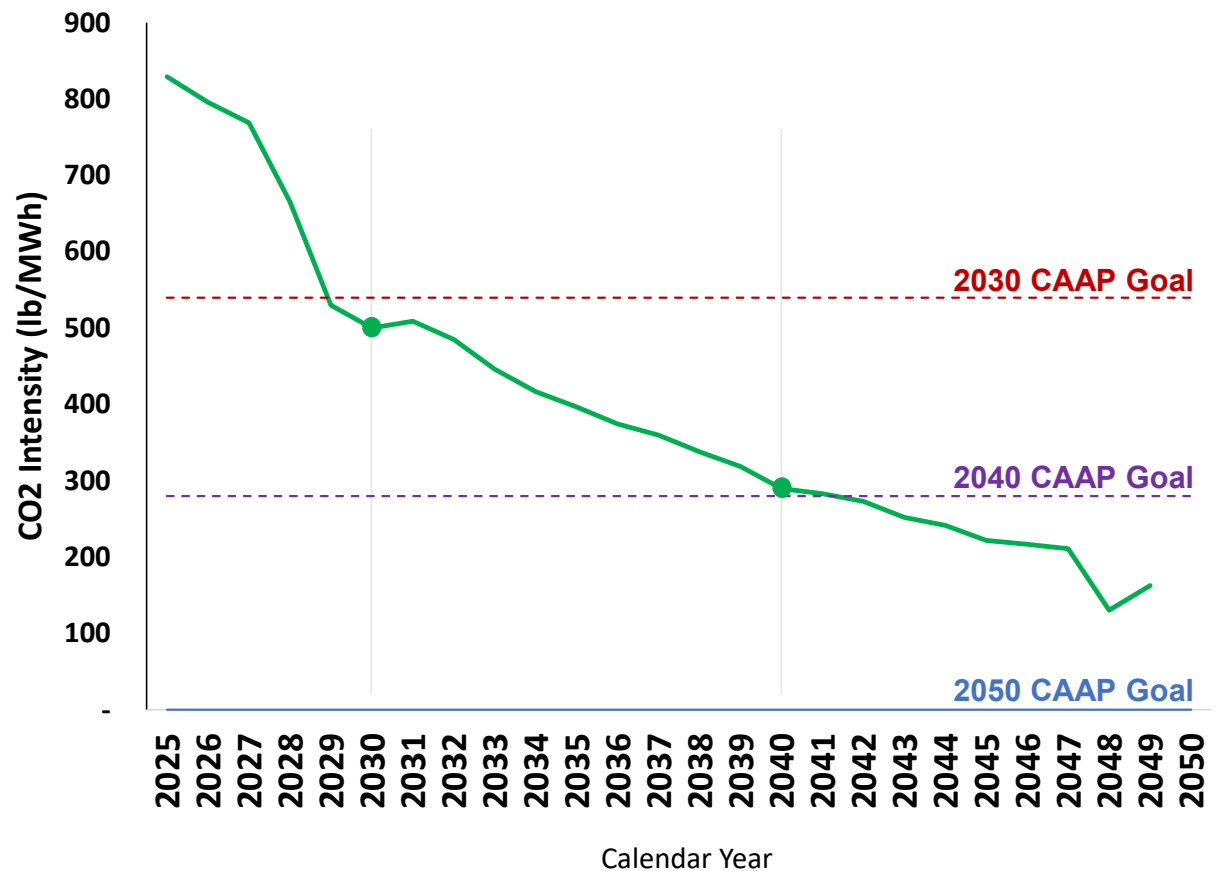


Our accomplishments have better positioned us to meet our Community's CAAP goals for 2040.

We will continue pursuing opportunities to lower our CO2 intensity.

This ongoing effort is essential for achieving net zero carbon by 2050.

CO2 Emissions Intensity



OVERCOMING UNCERTAINTY

Headwinds

- Load growth
- Supply chain constraints
- Transmission constraints
- Regulatory uncertainty
- Pace of technological advancement

Tailwinds

- Acquisition of additional generation assets
- Community support for generation plan
- Industry partnerships
- Access to capital markets
- Financial support when needed
- Transaction agility

We have the momentum and flexibility to manage uncertainty and achieve our generation plan objectives.



THANK YOU



APPENDIX

GLOSSARY / DEFINITIONS



ACRONYM OR WORD	DEFINITION	ACRONYM OR WORD	DEFINITION
CAAP	Climate Action and Adaptation Plan		
CDR	Capacity, Demand, and Reserves		
CO2	Carbon Dioxide		
ERCOT	Electric Reliability Council of Texas		
MW	Megawatt		
MWh	Megawatt-hour		
RAC	Rate Advisory Committee		
STP	South Texas Project		