



MINUTES

Citizens Advisory Committee

Via WebEx

November 10, 2021 | 11:00 a.m.

ATTENDANCE

<u>Member of CAC</u>	<u>Present</u>	<u>Absent</u>
Lawson Picasso	✓	
Diana Aguirre Martinez	✓	
Frank Gonzalez		✓
Andy Castillo	✓	
Raquel Zapata		✓
John Kelly	✓	
Tom Corser	✓	
Allie Watters	✓	
Adelita Cantu	✓	
David Walter	✓	
Mary Dennis	✓	
Bill Day	✓	
Luisa Casso- Chair	✓	
MaryEllen Veliz	✓	

Also Present were:

Frank Almaraz	Paul Barham	Yvette Cardiel-Perez	James Carter
Velma Corona	Melissa Carrillo Cox	Eugene Diaz	Daniel Elias
Richard Farias	KJ Feder	Gabriel Garcia	Kathleen Garcia
Luis Garcia	Rudy Garza	DeAnna Hardwick	Julia Carrillo Haynes
Andrew Higgins	Loretta Kerner	Ann Kinnard	Rhonda Krisch
Cory Kuchinsky	Kelly Kuhle	Luis Labatt	Arless Lenz
Lisa Lopez	Rick Luna	Denae Myers	Robert Nathan
Karma Nilsson	Christine Patmon	Yvonne Pelayo	Unity Puente
Jose Reyes	David Rivela	Ricci Schooler	Blaize Skocny
Prabha Somawardana	Marie Stoner	Nancy Tabares	Garrick Williams

CALL MEETING TO ORDER, INVOCATION AND SAFETY MESSAGE

The WebEx meeting was called to order at 11:00 a.m. by Chair Luisa Casso.

Invocation was made by Adelita Cantu.

Julia Carrillo Haynes provided a safety message, Safety Starts with Me. It is everyone’s responsibility to make a proactive effort in being and remaining aware of your safety and the safety of others by identifying safety issues and potential hazards to yourself and others.

Ms. Haynes introduced new CAC member Richard Farias to the committee and mentioned that the CAC appointee would be presented for approval at the Board of Trustees meeting on November 15th. Richard Farias serves as the Director of Annual Giving at the Alamo Colleges

District, where he leads charitable giving efforts that benefit the students of all five colleges within the organization. Previously, he has served in faculty and administrative roles at San Antonio College, where he began his career in higher education in 2006. He is a lifelong resident of San Antonio and is committed to diversity, inclusion, and equity efforts through professional and volunteer service.

APPROVAL OF MINUTES

The minutes of the CAC meeting held on October 13, 2021 were approved as read.
Motion by Diana Aguirre Martinez seconded by Tom Corser.

LEADERSHIP TRANSITION & PATH FORWARD

Rudy Garza, Interim President & CEO, gave an update on the Leadership Transition. He mentioned that it has been an unprecedented year and thanked the Board of Trustees for entrusting him in this role and Paula Gold-Williams for her mentorship throughout his career. Rudy said his role is to stabilize the organization, internally with employees and externally with the community. He will also focus on rebuilding trust, and committees like the CAC are an essential part of that process. He intends to also be heavily engaged in the community and with elected officials. His number one priority at the moment is to get the utility through the rate request process. He understands this is a difficult time to lead the organization but also knows he can begin to rebuild trust and get the utility back where it needs to be.

WINTER PREPAREDNESS UPDATE

Paul Barham, Chief Grid Optimization & Resiliency Officer and Frank Almaraz, Chief Energy Supply & Sustainability Officer gave an update on Winter Preparedness. Paul spoke about load shed, explaining that we focused on adding more circuits into our load shed program this summer to make controlled outages less impactful to customers. He highlighted that improvements to the grid, which include increased load shed capacity, have allowed for the ability to handle an ERCOT load shed event of at least 20,000MW. He also mentioned that CPS Energy has collaborated extensively with SAWS and the City of San Antonio's Emergency Operations Center in running multiple tabletop exercises.

Frank discussed the enhanced weatherization on the power generation side of the utility to the extent of \$21 million. He mentioned that CPS Energy changed the plant outage schedule to improve maximum availability during winter, as well as summer peaks, with no planned plant outages occurring in January or February. He also shared that CPS Energy has taken several steps to ensure sufficient natural gas supplies, such as increasing the amount of natural gas withdrawn in a single day and purchasing more baseload gas. Combining excess capacity plus additional purchasing power will protect against extreme winter usage & random generation losses. Frank also stated that by early December, the winter readiness mitigation activities would be completed.

CPS Energy will continue to deliver on Committee on Emergency Preparedness (CEP) recommendations and provide updates at the monthly Municipal Utilities Committee (MUC) meetings, as well as to the CPS Energy Board of Trustees.

ENGAGEMENT & FEEDBACK UPDATE

Kelly Kuhle, Director Marketing, and Unity Puente, Manager Executive Brand & Stakeholder Engagement, gave an update on community engagement. Unity mentioned that as of September 15th, CPS Energy had over 20 speaking opportunities focused on the pre-rate increase discussion, with approximately 13,000 customers reached. Media engagements have included T.V., newspaper, and radio, which included a media briefing on September 27th and October 25th with the Express-News Editorial Board. Since February, there have been a series of community Tele-Town Halls with focused discussions on the pre-rate increase consideration. Kelly presented feedback received from the focus groups held September 27-29. Over the three days, six discussion groups were held both in English and Spanish for residential and business customers. The top reasons that most justify a rate increase were to improve reliability and resiliency in extreme weather, replace/maintain aging equipment for reliability and invest in renewables. The next steps are to continue gathering feedback from customers and sharing the outcome with CPS Energy leadership and stakeholders.

PRE-RATE INCREASE CONSIDERATION UPDATE

Cory Kuchinsky, Chief Financial Officer & Treasurer, provided an update on the pre-rate increase consideration period. Cory started by saying that the rate percentage has changed since the CAC last met in October, and the number is still being refined as CPS Energy continues to work with the City of San Antonio. He stated that CPS Energy will focus on known needs and costs necessary to stabilize the utility. Two significant changes CPS Energy has made over the past month is to not recover funds associated with past due accounts nor costs associated with Winter Storm Uri that are still under litigation. He also mentioned that the rate design component would be off the table to allow more time for the CAC, Rate Advisory Committee (RAC), and community to discuss. He emphasized that CPS Energy intends to be more present and transparent to minimize the level of surprise as CPS Energy comes forward with future rate requests. CPS Energy continues to assess the actual percentage increase needed to sustain operations and will return to the Board of Trustees later this fall with an amount that more accurately reflects a percentage needed to stabilize the utility.

STAFF UPDATE

Because of time constraints, Julia Carrillo Haynes, Manager of Local Government Relations, provided the following staff update through email after the meeting:

- CPS Energy office will be closed Thursday, November 11 in observance of Veteran's Day
- The next regular Board of Trustees meeting will be held on Monday, November 15 at 1:00 p.m., at which time the CAC appointee for District 1 will be presented for approval.
- Upcoming Utility Assistance Fairs:
 - South Bexar County – Tuesday, November 16, 5:30 – 8:00 p.m.
 - District 9 Pop-Up event – Thursday, November 18, 11:30 – 2:30 p.m.
- The City of San Antonio's Municipal Utilities Committee will be Tuesday, November 30, at 10:00 a.m.
- Next CAC meeting will be held on Wednesday, December 8, 11:00 a.m.

CITIZENS ADVISORY COMMITTEE ROUNDTABLE

Chair Luisa Casso asked each member to make announcements or comments at this time.

ADJOURNMENT

There being no further business to come before the committee the meeting was adjourned at 1:07 p.m.