

## Construction Material Limits Communication

**Statement/E-Blast Message:** CPS Energy depends on a variety of goods and services to provide safe, reliable, affordable and resilient energy to our customers. We would like to make you aware of challenges we are currently facing.

The coronavirus pandemic, labor shortages, and severe weather events in 2020 have caused major production interruptions for many manufacturers across the United States. Current demand for products and supplies are dramatically exceeding the available supply, which is putting a strain on supplies that CPS Energy and other utilities use daily. Supply shortages are expected to continue through the fall 2021 and may extend into 2022.

CPS Energy is working diligently to minimize the impact of material supply shortages. Currently, lumber products, products that contain resin such as PVC electrical conduit and certain metals like those contained in meter sockets are becoming scarce. These material shortages are likely to impact CPS Energy's support of outage restoration and new construction efforts.

We are asking you to plan for potential delays caused by material shortages in your active and upcoming construction and renovation projects. Additionally, we are also seeing rapidly rising material costs that are associated with these shortages. Please take into account the potential for these rising construction costs when planning your projects.

CPS Energy will continue to keep a steady flow of communication with our Customers and stakeholders as one of our highest priorities.