



RATE ADVISORY COMMITTEE (RAC) INITIAL MEETING

PRESENTED BY:

W. Reed Williams – Chair
Eloisa Portillo-Morales – Vice Chair

May 27, 2021

Informational Update



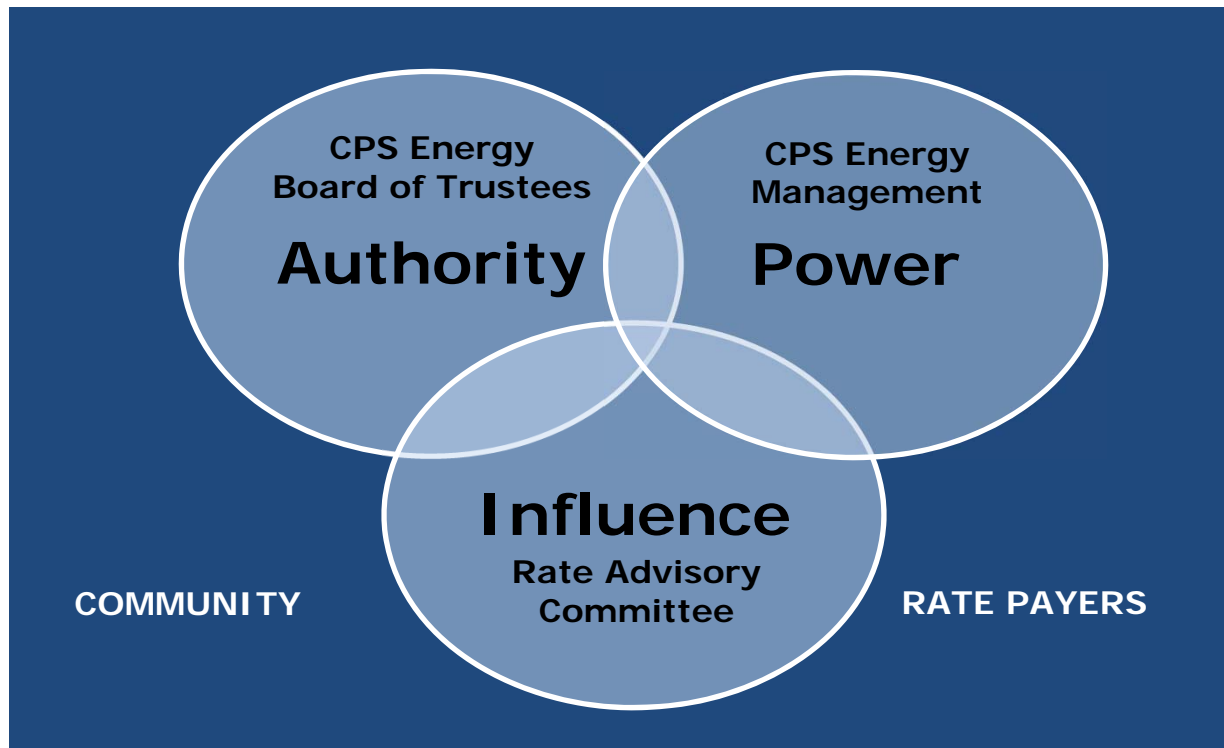
OBJECTIVES & TAKEAWAYS



- PROVIDE OVERVIEW OF ROLES & PURPOSE
- REVIEW CONDUCT OF MEETINGS
- REVIEW PUBLIC INVOLVEMENT
- DISCUSS PHASES
- REVIEW MEETING SCHEDULES

RATE ADVISORY COMMITTEE

ROLES & PURPOSE



The RAC is only influential with CPS Energy Board of Trustees & CPS Energy Management.

All three areas are accountable to the Rate Payers.

Adapted from: Mastering change by Dr. Ichak Adizes

RATE ADVISORY COMMITTEE

ROLES & PURPOSE



The purpose of the RAC as defined in the bylaws is:

"Members of the RAC will devote the necessary time and energy to learn about the utility business and the rate design function in order to understand and provide thoughtful input and perspectives to CPS Energy Management and Board of Trustees on rate structure, rate design, proposed rate increases and generation planning issues."

The purpose of the RAC is to learn & provide thoughtful input & perspectives.

RATE ADVISORY COMMITTEE

CONDUCT OF MEETINGS



- Meetings start on time if quorum
- Agenda & associated materials will be distributed to members 72 hours prior
- Meetings will be live streamed & archived on the website
- Members will act in a courteous manner & speak in a respectful manner
- Members can speak based on que without interruptions



A complete list of meeting procedures & Conduct is included in the Appendix.

RATE ADVISORY COMMITTEE RESOURCES



There are two main resources available:

- CPS Energy staff
 - Administrative, technical, and analytical support
 - Organize and facilitate meetings
 - Distribute meeting materials 72 hours in advance
 - Update website
- Consultant – The Brattle Group
 - Educate RAC members on utility rate concepts, designs, information requirements, and impact on all customers
 - Assist in the development of rate evaluation methodologies



RATE ADVISORY COMMITTEE

PUBLIC ENGAGEMENT



- Public Input Regular Meetings:
 - 15 minutes at the end of meeting
 - Speaker signs up in advance
 - Speaker allowed up to 2 minutes
 - Speaker is virtual
- Public Input Special Meetings :
 - Speaker identifies specific topic
 - Speaker allowed up to 5 minutes
 - Speaker in person or virtual



RATE ADVISORY COMMITTEE WEBSITE



The screenshot shows the CPS Energy website header with navigation links: My Home, My Business, Construction & Renovation, Work With Us, Customer Support, and About Us. There are also buttons for Ways to Pay and Contact Us. Below the header is a blue banner with text about protecting customers from excessive fuel and power costs, and a link to Facebook and Twitter. A main headline reads "CPS Energy is fighting for our San Antonio customers" with a video thumbnail and a "LEARN MORE" button. To the right is a "Manage My Account" section with fields for Username and Password, and a "Log In" button. Below this is a "Company Information" section with a list of links: CPS Energy Rate Advisory Committee (RAC), Video Message to Our Community, Customer Value @A Glance, Our Flexible Path (Take our surveys), Environment, CPS Energy Honors and Awards, CEO Corner, Board of Trustees, Company Financial Information, Give to REAP, and COVID-19 Updates. Below the "Company Information" section is a "Doing Business With Us" section with links: Understanding Your CPS Energy Bill, Manage My Account (MMA), My Energy Portal, and Renovation of Service (Self-Serve). On the left side, there are several tiles: "OUTAGE MAP", "Winter Storm February 2021", "Rate Advisory Committee" (with a "LEARN MORE" button), and "NOTIFI ALERTS".

The RAC website page can be found two ways:

- A link under Company Information or
- A "tile" labeled RAC

RATE ADVISORY COMMITTEE WEBSITE



The website will be updated to include:

- Pictures & Biographies of all members
- Previous meetings recordings
- Materials for current & past meetings
- Other information



The website will be updated before & after each meeting to keep members & the public informed.

RATE ADVISORY COMMITTEE

EDUCATION PHASE



The purpose of the RAC is to:

“learn about the utility business & the rate design function...”

This includes learning:

- Current cost-of-service rate model and the impact on all customers
- Other rate structures being employed including emerging trends in utility rate design
- Methodologies to calculate the impact on all customers in the analysis phase



The Educational phase will take from three to four months.

RATE ADVISORY COMMITTEE

ANALYSIS PHASE (AS REQUIRED)



- Analyze and provide perspectives on rate increases proposed by CPS Energy using methodologies developed in the Education Phase
- Analyze and provide input using methodologies developed in the Education Phase on the rate impacts on all customers for
 - Investment decisions including generation planning
 - Long-term power purchase agreements
 - Major operational opportunities for revenue growth, and cost reductions and energy conservation

RATE ADVISORY COMMITTEE

MEETING SCHEDULE



The meeting schedule proposed is:

- Initial meeting – May 27th
- Education Phase
 - Bi-weekly meetings, Thursday's 5:30- 7:30
 - Starting June 10th – August 19th
- Analytics Phase
 - As required, Thursday's 5:30- 7:30
 - Starting September 2nd – October 28th



Thank You





Appendix



RATE ADVISORY COMMITTEE

MEETING PROCEDURES & CONDUCT 1 OF 3



Scheduled meetings will start on time assuming a quorum is present. If a quorum is not present when the meeting is scheduled to start the meeting will be canceled.

Since the scheduled meetings can be attended by remote video conferencing, a member attending by remote video conferencing is included in the quorum for the meeting.

Scheduled meetings will end on time or if a quorum is lost. Unfinished business or discussions will be continued at the next scheduled meeting.

An agenda for a scheduled meeting and associated reference material for the meeting will be sent to the members at least 72 hours in advance of the meeting.

RATE ADVISORY COMMITTEE

MEETING PROCEDURES & CONDUCT 2 OF 3



Meetings will be live streamed to the public and an archived recording of the meetings will be available on the web site instead of traditional minutes. Since the recording is an exact documentation of the meeting, minutes are redundant and a waste of time.

The meeting will be conducted by the Chair. In the absence of the Chair the Vice-Chair will conduct the meeting.

A member will be allowed to speak based on an established que of members requesting to speak. The member will be allowed to speak until finished. When the member is finished, the member will indicate the completion of their comments by stating that they are finished.

RATE ADVISORY COMMITTEE

MEETING PROCEDURES & CONDUCT 3 OF 3



Members will act in a courteous manner and speak in a respectful manner to other members at all times. Intentional disruptions or interrupting another member while a member is speaking will not be tolerated.

The Chair or Vice-Chair in the absence of the Chair has the option depending on the discussion topic to limit the time that each member speaks so all members have an opportunity to speak.

All members will be addressed by their first name and self-identified pronouns.