

CPS ENERGY BOARD OF TRUSTEES

NOTICE OF SPECIAL MEETING BY TELEPHONE CONFERENCE

To protect the health of the public and limit the potential spread of COVID-19, the CPS Energy Board of Trustees will hold this meeting via telephone conference. These meeting standards are based upon the provisions of the Open Meetings Act, as modified by the Governor of Texas in response to the COVID-19 crisis. These modified standards shall remain in place until further notice or until the state disaster declaration expires or is otherwise terminated by the Texas Governor.

Notice is hereby given of a Special Meeting of the CPS Energy Board of Trustees to be held on Thursday, April 22, 2021, at 1:00 p.m., by telephone conference.

During this meeting, the Board will receive an update on and discuss the Rate Advisory Committee (RAC) and such other matters as may be brought before the meeting by the Trustees of the Board, and specifically those matters referred to in the attached agenda, which is incorporated herein.

There will be no in-person public access to the meeting.

**The meeting will be audio-streamed on cpsenergy.com.
The meeting is also available by calling toll-free 1 (888) 886-6602.**

Those wishing to speak on an agenda item during the Public Comment portion of the meeting must register on Wednesday, April 21, 2021, from 7:00 a.m. CT to 1:00 p.m. CT. Registration may be made by email at publiccommentregistration@cpsenergy.com or by phone at (210) 353-4662. Those registering to speak should be prepared to provide the following information:

- First & last name
- City & state of residence
- Phone number
- Email address
- Group for which the individual is speaking, if applicable
- Agenda item # about which they are speaking
- Any required translation services

Speakers will be called to speak in the order that they register.

Written comments may be sent to publiccommentregistration@cpsenergy.com. Note that written comments will not be read during the Board meeting.

The agenda packet is attached. It and other informational material may be found at:

<https://www.cpsenergy.com/en/about-us/who-we-are/trustees/board-meetings.html>

A recording of the telephonic meeting will be made and will be available to the public in accordance with the Open Meetings Act upon written request.

At any time during the Board Meeting, and pursuant to the provisions of Chapter 551 of the Texas Government Code, the Board may meet in executive session for consultation concerning attorney-client matters under Section 551.071; for deliberations and other authorized action on real property under Section 551.072; on prospective gifts or donations under Section 551.073; on personnel under Section 551.074; on security personnel or devices under Section 551.076; on economic development negotiations under Section 551.087; to deliberate, vote, or take final action on competitive matters under Section 551.086; to deliberate regarding security audits and devices under Section 551.089; or to deliberate under Texas Government Code Section 418.183(f) about confidential information under the Texas Homeland Security Act.

Shellman,
Carolyn E. Digitally signed by
Shellman, Carolyn E.
Date: 2021.04.18
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Carolyn E. Shellman
Secretary of the Board
April 16, 2021

21 APR 19 AM 8:02
RECEIVED
CITY OF SAN ANTONIO
CITY CLERK



**CPS ENERGY BOARD OF TRUSTEES SPECIAL MEETING
TO BE HELD ON APRIL 22, 2021 AT 1:00 PM
BY TELEPHONE CONFERENCE
1 (888) 886-6602**

RECEIVED
CITY OF SAN ANTONIO
CITY CLERK
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ITEM	TOPIC	ACTION	PRESENTER/ SPONSOR
1	CALL TO ORDER	Execute	Dr. Willis Mackey
2	SAFETY MESSAGE	Execute	Mr. Louis Labatt
3	INVOCATION	Execute	Ms. Ann Kinnard
4	PUBLIC COMMENT (Pre-Registration on Wednesday, April 21, 2021 from 7:00 AM – 1:00 PM @ (210) 353-4662 or PublicCommentRegistration@CPSEnergy.com) A. Chair's Announcements B. Comments	Discuss	Dr. Willis Mackey
RATE ADVISORY COMMITTEE (RAC) WORKING SESSION			
5	OPENING REMARKS	Discuss	Ms. Janie Gonzalez
6	RATE ADVISORY COMMITTEE (RAC) BYLAWS (Ms. Carolyn Shellman)	Discussion & Possible Vote	Ms. Janie Gonzalez
7	RATE ADVISORY COMMITTEE (RAC) MEMBER SELECTION (Mr. Rudy Garza)	Discussion & Possible Vote	Ms. Janie Gonzalez
8	RATE ADVISORY COMMITTEE (RAC) CHAIR & VICE CHAIR SELECTION (Mr. Rudy Garza & Ms. Carolyn Shellman)	Discussion & Possible Vote	Ms. Janie Gonzalez
9	ADJOURNMENT	Execute	Dr. Willis Mackey
If the Board meeting has not adjourned by 2:45 PM, the presiding officer may entertain a motion to continue the meeting, postpone the remaining items to the next Board meeting date, or recess and reconvene the meeting at a specified date and time.			



RATE ADVISORY COMMITTEE (RAC) BYLAWS

PRESENTED BY:

Carolyn E. Shellman

Chief Legal Officer & General Counsel (CLO&GC)
Quarterback & RAC Business Lead

April 22, 2021

Discussion & Possible Vote

OBJECTIVES & TAKEAWAYS



- **REVIEW, DISCUSS & POSSIBLY APPROVE THE RAC BYLAWS**



AGENDA



- **RAC BYLAWS – HIGHLIGHTS**
 - **GENERAL CONSENSUS ITEMS**
 - **DISCUSSION ITEMS**
- **ACTION REQUESTED**

BYLAWS – HIGHLIGHTS

GENERAL CONSENSUS ITEMS



BYLAWS SECTION	SECTION SUMMARY	CONSENSUS?
Article II, Section 2 – Eligibility for Membership	Describes criteria to be a RAC member	✓
Article II, Section 3 – Composition	Describes how members are nominated & that membership will reflect a diverse & balanced cross-section of customers	✓
Article II, Section 5 – Nomination Procedures	Describes process for how RAC members are nominated	✓

BYLAWS – HIGHLIGHTS

GENERAL CONSENSUS ITEMS



BYLAWS SECTION	SECTION SUMMARY	CONSENSUS?
Article II, Section 6 - Resignation, Termination & Absences	Describes process to deal with resignations, terminations & absences	✓
Article II, Section 7 – Vacancies	Describes process for filling member vacancies	✓
Article III, Section 1 – Selection of the Chair & Vice Chair	Describes process – Board selects the Chair & Vice Chair	✓
Article III, Section 2 – Chair & Vice Chair Duties	Describes the duties & responsibilities of the Chair & Vice Chair	✓

BYLAWS – HIGHLIGHTS

GENERAL CONSENSUS ITEMS



BYLAWS SECTION	SECTION SUMMARY	CONSENSUS?
Article VI - Amendments	Describes how the bylaws may be amended.	✓

BYLAWS – HIGHLIGHTS

DISCUSSION ITEMS



BYLAWS SECTION	SECTION SUMMARY	?
Article I, Section 2 - Purpose	Describes the RAC's purpose & items the RAC will consider	Can the RAC (that is not a decision-making body) make rate increase recommendations?

BYLAWS – HIGHLIGHTS

DISCUSSION ITEMS



BYLAWS SECTION	SECTION SUMMARY	?
Article II, Section 4 - Terms	States member term is based on scope of a specific project	Scope- or time-based term?

Alternative / Original Article II, Section 4 language:

"RAC members will be appointed to serve a two (2) year term and RAC members will be eligible to serve no more than three (3) consecutive terms. The CPS Energy Board of Trustees may reconsider a member who serves a total of three consecutive terms for an additional term after leaving the RAC for at least one term."

BYLAWS – HIGHLIGHTS

DISCUSSION ITEMS



BYLAWS SECTION	SECTION SUMMARY	?
Article IV, Section 5 – Quorum	Describes the number of members needed for a quorum	Quorum \geq 11
Article IV, Section 6 – Decision Making	Describes voting	Super majority \geq 13
Article V – Subcommittees	Describes use of subcommittees	Subcommittees allowed?

ACTION REQUESTED



- **Further discussion?**
- **Request approval of Bylaws, with changes as discussed & concluded in the meeting.**





Thank You



BYLAWS OF THE CPS ENERGY RATE ADVISORY COMMITTEE

ARTICLE I — NAME AND PURPOSE

Section 1 — Name: The name of the committee is the CPS Energy Rate Advisory Committee (RAC). The RAC is a special purpose advisory group to provide input to the CPS Energy Management and the CPS Energy Board of Trustees. The RAC is purely advisory in nature, not a policy making, or decision-making body.

Section 2 — Purpose: 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.

ARTICLE II – MEMBERSHIP

Section 1 — Membership and role: Members of the RAC shall be appointed by the CPS Energy Board of Trustees. RAC members shall represent a broad constituency of the community, shall facilitate the flow of ideas and concerns from the community to CPS Energy Management and the Board of Trustees, and shall assist with communicating the flow of information from CPS Energy Management and Board of Trustees to the community. Members will be expected to attend meetings, be respectful of the comments and views of others, and provide thoughtful input on issues, representing, to the extent possible, community, not partisan, values and concerns.

Section 2 – Eligibility for membership: Membership of the RAC shall be open to the following individuals in good standing¹ through an application and appointment process:

- Any ratepayer, resident, property owner, or business owner who is a customer of CPS Energy and resides in or is located within the CPS Energy service territory, including representatives of business and civic associations that represent businesses or citizens operating or living within the CPS Energy service area.
- Individuals may be nominated by a member of the City Council or the Board of Trustees or may self-nominate through the application process.

¹ “Good standing” means being current on bill payments with CPS Energy and having good payment history.

Section 3 — Composition: Membership of the RAC will consist of twenty-one (21) members all of whom must reside within the CPS Energy service area. Ten (10) members will be nominated by the San Antonio City Council, with each Council member nominating one (1) member who must reside in the Council member's district. Eleven (11) members will be nominated by the CPS Energy Board of Trustees. The overall membership of the RAC should reflect a diverse and balanced cross-section of customers from the CPS Energy service area. As an example, members may include representatives of the following:

- San Antonio city council districts
- Areas outside the San Antonio city limits, but within the CPS Energy service area
- CPS Energy rate classes
- Neighborhood associations
- Multi-family residential customers
- Major manufacturers, large and small businesses, the education community, the medical community, the construction and development community
- Professional planning, economic development, environmental, conservation and community advocate groups

Section 4 – Terms: RAC members will be appointed to participate in a task-focused, time limited rate or generation planning study project, the time and scope of which will be defined by the CPS Energy Board of Trustees. RAC members will be eligible to serve no more than three (3) consecutive terms, but the Board may reconsider a member for an additional term after the member leaves the RAC for at least one term.

Section 5 — Nomination procedures: Each City Council member may nominate one person from the Council member's district to serve as a RAC member. CPS Energy Management will also request nominations from community groups to ensure as much as possible that nominees are identified who meet the composition goals outlined in Section 3 of this Article. CPS Energy Board members may also identify nominees for consideration. CPS Energy Management shall be responsible for recommending an official slate of prospective RAC members to the Board of Trustees for consideration. The Board of Trustees will review nominees from the City Council and those recommended by Management and by Board members and will select members of the RAC who meet the requirements of this Article with the goal of honoring Council member nominations, if possible, while selecting a balanced group of members representing different customer segments. The Board may choose to select some, all, or none of the nominees.

Section 6 — Resignation, termination, and absences: Resignation from the RAC must be in writing and provided to the RAC Chair. A RAC member may be removed by written notice from the Chair due to three total absences from meetings in a year. A RAC member may also be removed for other reasons by a super majority vote (as defined in ARTICLE IV, Section 6) of the remaining RAC members.

Section 7 — Vacancies: If a vacancy occurs within the RAC, the City Council member, or the CPS Energy Board member who previously nominated that position may nominate a replacement. The Board will consider nominated replacements and may approve the individual to serve out the term of the member creating the vacancy. An individual appointed to serve out the remaining term of a vacating member may be reappointed to serve three additional terms. However, after the third full term, that individual will need to be off the RAC for at least one term before being considered again for appointment, as required in ARTICLE II, Section 4.

ARTICLE III — SELECTION OF CHAIR AND VICE-CHAIR

Section 1 — Selection and term of Chair and Vice Chair: The RAC will have a Chair and a Vice Chair selected by the CPS Energy Board of Trustees. The Chair and Vice Chair will each serve one term and may be reappointed by the Board for additional terms.

Section 2 — Chair and Vice Chair Duties: Responsibilities of the Chair include, but are not limited to, presiding over all RAC meetings; encouraging members to participate in discussions and to arrive at decisions in a timely and democratic manner; undertaking certain administrative duties, such as approving RAC agendas, draft minutes, proposed meeting dates and venues, etc. The Vice Chair shall assist the Chair in these functions, as needed, and shall preside over RAC meetings when the Chair is absent. The Chair and Vice Chair shall also serve as the primary spokespersons for the RAC, maintain communication with CPS Energy Management, and report on the RAC's progress to the Board of Trustees.

ARTICLE IV — MEETINGS OF MEMBERS

Section 1 — Regular meetings: A regular meeting will be held at least once a quarter during the CPS Energy fiscal year. The date, time and location of the meeting will be identified in the notice.

Section 2 — Special meetings: Special meetings of the RAC shall be called at the request of the Chair, or by a super majority (as defined in ARTICLE IV, Section 6) of the RAC.

Section 3 — Notice of meetings: Notice of each meeting shall be given to each member, by written notice, delivered personally, electronically, or by mail, not less than one week prior to the meeting. Meeting notices and agendas will be posted on CPS Energy's website, not less than one week prior to the meeting.

Section 4 – Meeting Agenda: CPS Energy Management shall draft meeting agendas for review and approval by the Chair. Any three members can request an item to be added to the agenda for a meeting.

Section 5 — Quorum: Eleven members must be present to constitute a quorum. In the absence of a quorum, no meeting can be held and if a quorum is lost during a meeting, the meeting must conclude.

Section 6 – Decision Making: There shall be an effort extended to achieve a consensus of members present for all issues that require decision making. It is particularly desirable for an issue to be resolved through consensus, but the Chair may decide to proceed with resolution of a given issue through a vote. If the Chair deems that a vote is necessary, issues to be voted on shall be decided by a 60% super majority (13) of the RAC.

ARTICLE V — SUBCOMMITTEES

Section 1 — Subcommittee formation: The RAC may create subcommittees, as needed, to further discuss matters in more detail. If so charged by the RAC, subcommittees shall make recommendations to the RAC, which will in turn make decisions regarding the recommendations of the subcommittee.

ARTICLE VI — AMENDMENTS

Section 1 — Amendments: These bylaws may be amended at any time by the Board of Trustees.

CERTIFICATION

These bylaws, if approved by the CPS Energy Board of Trustees, will take effect immediately upon approval.



RATE ADVISORY COMMITTEE (RAC) MEMBER SELECTION

PRESENTED BY:

Rudy Garza

Chief Customer Engagement Officer (CCEO)
Customer Engagement Lead

April 22, 2021

Discussion & Possible Vote

OBJECTIVES & TAKEAWAYS



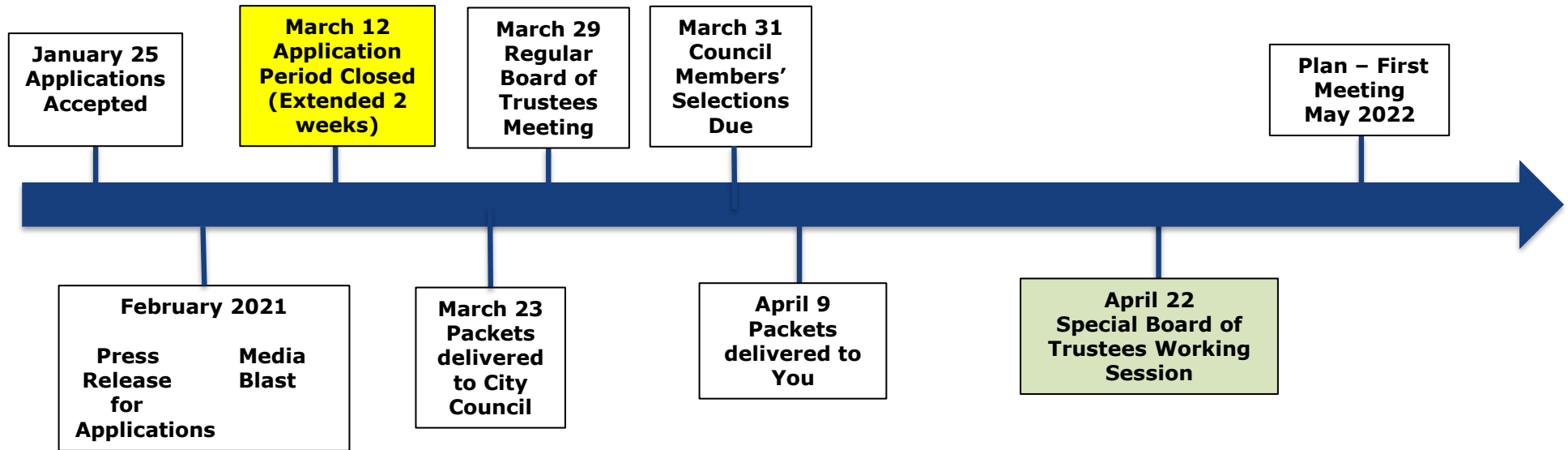
- **REVIEW PROCESS FOR MEMBER SELECTION**
- **REVIEW/NOMINATE RAC MEMBERS**

AGENDA

- **TIMELINE**
- **PROCESS**
- **MEMBERS**



TIMELINE FOR SELECTION



We are on track to have the first RAC meeting with all members in May 2021.

PROCESS

MAJOR COMPONENTS



The major components of the RAC Process are:

- Development of the application
- Collection of applications
- Council Member nominations
- Board Member nominations
- Nomination of the Chair & Vice-Chair
- Board approval of all nominations



We have completed the first three steps!

PROCESS

COUNCIL MEMBER NOMINATIONS



Packets were sent to each Council Member with the applications received from their district. Their nominations are:

District Number	Nominee	Profession
1	John Agather	Musician
2	Seymour Battle	Real Estate Investor
3	Lulu Avitua	Business Owner & Student
4	Peter Onofre	Operations Administrator
5	Andy Castillo	Designer
6	Alvaro Rodriguez	Sales
7	Eloisa Portillo-Morales	Climate Equity Co-Director & City Strategist
8	Michael Kennick	Electrical Engineer
9	Nomination pending**	
10	Jack Hebdon	Developer Partner

**The
professional
mix of
nominations
is diverse!**

PROCESS

BOARD MEMBER NOMINATIONS



After the Council nominations were received, packets were sent to you that included:

- A detailed process document
- All applications from the districts, including their nominee
- All applications received from outside the City of San Antonio



**You received copies of all the applications
that we received.**

PROCESS

BOARD MEMBER NOMINATIONS (CONT.)



Each of you submitted your top two applicants, as well as two alternatives.

The candidates selected are

- Curtis Anastasio
- DeeDee Belmares
- Jim Berg
- Norman Dugas
- Wayne Eddington
- Anthony Edwards
- Dana McGinnis
- Dr. Olufemi Osidele
- Michael Sanchez
- Reed Williams

BOARD MEMBER NOMINATIONS

DIVERSIFICATION



The diversity of the RAC members is:

80 % Male

20 % Female

65 % Minority

35 % Non-Minority

80 % Within SA

20 % Outside SA

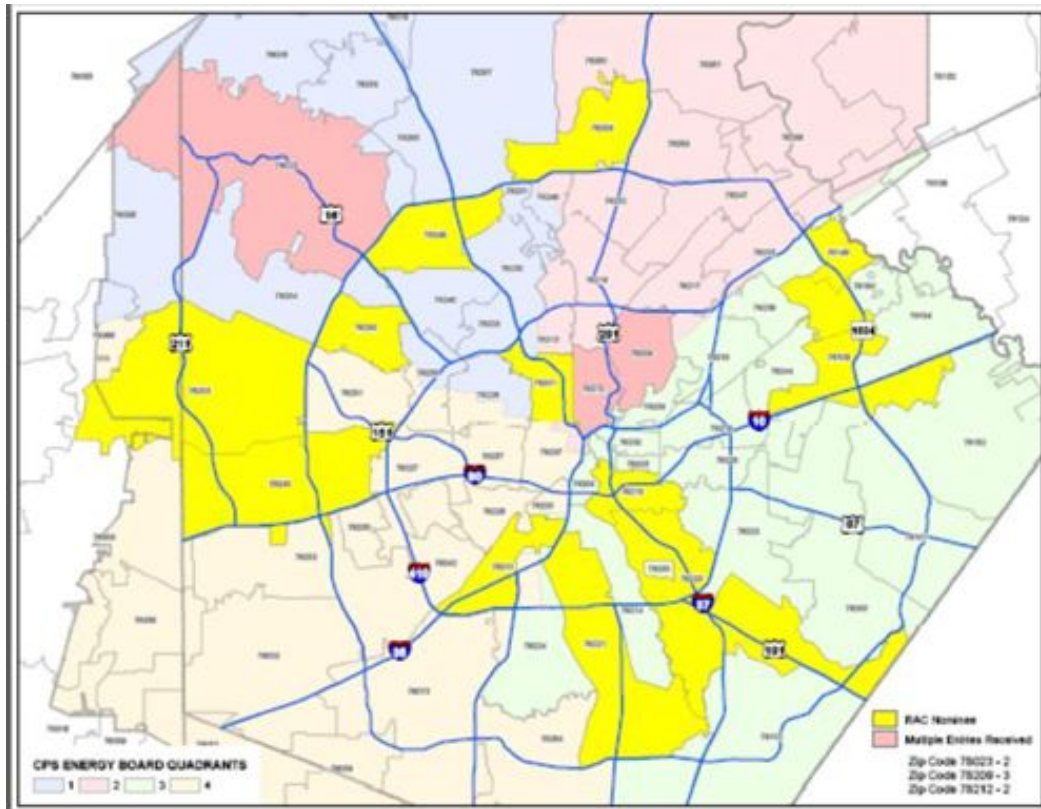
30 % Quadrant 1

20 % Quadrant 2

30 % Quadrant 3

20 % Quadrant 4

BOARD MEMBER NOMINATIONS DIVERSIFICATION – BY QUADRANT



Several of the zip codes have multiple nominees, but overall the distribution is well disbursed throughout our service area.

DIVERSIFICATION

COUNCIL MEMBER NOMINATIONS



District	Nominee	Zip Code	Race	Gender	Quadrant	Profession
1	John Agather	78212	Hispanic	Male	2	Musician
2	Seymour Battle	78210	African American	Male	3	Real Estate Investor
3	Lulu Avitua	78221	Hispanic	Female	3	Business Owner/Student
4	Peter Onofre	78245	Hispanic	Male	4	Operations Administrator
5	Andy Castillo	78211	Hispanic	Male	4	Designer
6	Alvaro Rodriguez	78250	Hispanic	Male	1	Sales
7	Eloisa Portillo-Morales	78201	Hispanic	Female	1	Climate Equity
8	Michael Kennick	78203	Non-Minority	Male	1	Electric Engineer
9						
10	Jack Hebdon	78209	Non-Minority	Male	2	Developer Partner

DIVERSIFICATION

BOARD MEMBER NOMINATIONS



Trustee	Nominee	Zip Code	Race	Gender	Quadrant	Profession
Chair Dr. Mackey	Wayne Eddington	78148	African American	Male	3	Civil Engineer
	Anthony Edwards	78258	African American	Male	2	VP Community Prgm
Vice-Chair Gonzalez	Michael Sanchez	78249	Other	Male	1	Real Estate Investor
	DeeDee Belmares	78109	Hispanic	Female	3	Organizer
Trustee Kelley	Curtis Anastasio	78230	Non-Minority	Male	1	Public Board Service
	Norman Dugas	78023	Non-Minority	Male	1	Residential Real Estate Developer
Trustee Steen	Dana McGinnis	78212	Non-Minority	Male	2	Investment Advisor
	Jim Berg	78209	Non-Minority	Male	3	Business Owner
Mayor Nirenberg	Reed Williams	78209	Non-Minority	Male	2	Grape Farmer
	Dr. Olufemi Osidele	78253	African American	Male	4	Consultant
All	Anita Ledbetter	78223	Hispanic	Female	3	Executive Director

REQUEST FOR APPROVAL



We request all 21 members of the RAC be approved by you.



Thank You





Appendix



BOARD MEMBER NOMINATIONS

DIVERSIFICATION – ALL APPLICANTS



The diversity of all the RAC applicants is:

70 % Male

30 % Female

46 % Minority

54 % Non-Minority

69 % Within SA

31 % Outside SA





RATE ADVISORY COMMITTEE (RAC) CHAIR & VICE CHAIR SELECTION

PRESENTED BY:

Carolyn Shellman

Chief Legal Officer & General Council (CLO&GC)
Quarterback & RAC Business Lead

Rudy Garza

Chief Customer Engagement Officer (CCEO)
Customer Engagement Lead

April 22, 2021

Discussion & Possible Vote



OBJECTIVES & TAKEAWAYS



- **REVIEW/NOMINATE A CHAIR & VICE CHAIR**

AGENDA

- **CHAIR & VICE CHAIR**



CHAIR & VICE CHAIR

DISCUSSION & SELECTION



The members of the RAC are:

Curtis Anastasio

DeeDee Belmares

Jim Berg

Norman Dugas

Wayne Eddington

Anthony Edwards

Anita Ledbetter

Dana McGinnis

Dr. Olufemi Osidele

Michael Sanchez

Reed Williams

John Agather

Lulu Avitua

Seymour Battle

Andy Castillo

Jack Hebdon

Michael Kennick

Peter Onofre

Eloisa Portillo-Morales

Alvaro Rodriguez

District 9 Candidate

REQUEST FOR APPROVAL



We request your approval of the
Chair & Vice Chair of the RAC.





Thank You

