

**CPS ENERGY**  
**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF TRUSTEES**  
**HELD ON MAY 31, 2022**

The Special Meeting of the CPS Energy Board of Trustees convening as the Risk Management Committee was held on Tuesday, May 31, 2022 in the Board Room on the First Floor of the CPS Energy headquarters located at 500 McCullough, San Antonio, Texas.

**I. CALL TO ORDER**

Committee Chair Dr. Romero called the meeting to order at 12:30 p.m.

Present were Board members:

Dr. Francine Romero, Chair  
Ms. Janie Gonzalez (arrived at 12:38 p.m.)  
Dr. Willis Mackey  
Mr. John Steen  
Mayor Ron Nirenberg (arrived at 1:08 p.m.)

Also present were:

Mr. Rudy Garza, Interim President & CEO  
Ms. Shanna M. Ramirez, Chief Legal & Ethics Officer, General Counsel & Board Secretary  
Mr. Cory P. Kuchinsky, Chief Financial Officer & Treasurer  
Ms. Vivian Bouet, Chief Information Officer  
Ms. Lisa Lewis, Chief Administrative Officer  
Mr. Benny Ethridge, EVP  
CPS Energy staff members  
City of San Antonio officials  
Interested Citizens

**II. SAFETY MESSAGE, INVOCATION AND PLEDGE OF ALLEGIANCE**

A safety message, invocation, and the Pledge of Allegiance were delivered by Ms. Annamarie Rangel, Sr. Manager Risk Management Services.

**III. PUBLIC COMMENT**

There was one person present to provide public comment.

Dr. Olufemi Osidele, Member of the Rate Advisory Committee, provided comments on risk and generation planning. His experience in the nuclear industry has taught him to evaluate risks based on three questions: 1) what can go wrong?; 2) how likely is it to go wrong?; and 3) what are the consequences? He stated he supports CPS Energy's efforts in generation planning and believes risks should be analyzed thoroughly in the process. Finally, he stated that the process of analyzing risks should be transparent, include open-minded dialogue, and robust analytics with historical evidence and realistic future insights.

#### **IV. INTERIM CEO'S REMARKS**

Item #4 was removed from the agenda; Mr. Garza did not have remarks for the Risk Management Committee.

#### **V. ENTERPRISE RISK STRATEGIC ALIGNMENT**

Mr. Jonathan Tijerina, Vice President, Enterprise Risk & Development presented on Enterprise Risk Strategic Alignment. He introduced his team members and discussed his team's efforts to enhance CPS Energy's risk management strategy. The Board of Trustees asked follow-up questions and provided feedback.

#### **VI. EMERGING GENERATION OPTIONS**

Mr. Rick Urrutia, Interim Vice President, Generation Operations presented on emerging technology opportunities for power generation. He noted that CPS Energy is a changing utility that will use generation innovations to transform its portfolio, and provided an overview of the various technologies being analyzed. The Board of Trustees asked follow-up questions and provided feedback.

#### **VII. PRELIMINARY SUMMER OUTLOOK**

Mr. Kevin Pollo, Vice President, Energy Supply & Market Operations, discussed the recent trends and forecasts which anticipate warmer weather, drought, and increased tropical storm activity this year. He noted that the forecasts presents risks and impacts to CPS Energy and its customers. He stated CPS Energy expects to meet the demands of its customers and has a strong reserve margin. The Board of Trustees asked follow-up questions and provided feedback.

#### **VIII. SUMMER PREPAREDNESS**

The Operations Executive Team, which consisted of Mr. Benjamin Ethridge, Mr. Richard Medina, Mr. Anthony Moy, Ms. Deanna Hardwick, and Ms. Melissa Sorola, updated the Board of Trustees on how CPS Energy has prepared its infrastructure, employees, and customers for summer. The Board of Trustees asked follow-up questions and provided feedback.

#### **IX. ENTERPRISE RISK & CONTROLS PROGRAM UPDATE**

Mr. Anthony Werland, Director, Enterprise Risk Management & Solutions (ERMS) presented on building and supporting a focused risk culture throughout the organization. He noted that CPS Energy is working through a streamlined process for identifying and assessing risks. The Board of Trustees asked follow-up questions and provided feedback.

#### **X. EXECUTIVE SESSION**

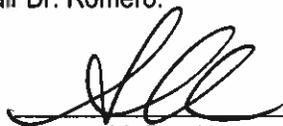
At approximately 2:18 p.m., Ms. Shanna Ramirez announced that the required notice had been posted and that the Trustees, with only necessary parties in attendance, would convene into Executive Session, pursuant to the provisions of Chapter 551 of the Texas Government Code, for discussion of a number of posted items, including the following:

- Attorney-Client Matters (§551.071)
- Real Property (§551.072)
- Prospective Gifts (§551.073)
- Personnel Matters (§551.074)
- Security Personnel or Devices (§551.076)
- Security Audits and Devices (§551.089)
- Confidential Information Under the Texas Homeland Security Act (§418.183(f))
- Economic Development Negotiations (§551.076)
- Competitive Matters (§551.086)

The Board reconvened in open session at 3:19 p.m. The quorum was re-established, and all members were present. Ms. Ramirez reported that only the matters cited above, and no others were discussed, and no votes were taken in Executive Session.

#### **XI. ADJOURNMENT**

There being no further business to come before the Board, upon a motion duly made by Trustee Dr. Mackey and seconded by Trustee Gonzalez and upon an affirmative vote by all members present, the meeting was unanimously adjourned at 3:20 p.m. by Chair Dr. Romero.



Shanna M. Ramirez  
Secretary of the Board