

CPS ENERGY
MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES
HELD ON SEPTEMBER 26, 2022

The Regular Meeting of the Board of Trustees of CPS Energy for the month of September was held on Monday, September 26, 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

Chair Dr. Mackey called the meeting to order at 1 p.m.

Present were Board members:

Dr. Willis Mackey, Chair
Ms. Janie Gonzalez, Vice Chair (arrived at 1:04 p.m.)
Mr. John Steen
Dr. Francine Romero
Mayor Ron Nirenberg (arrived at 1:01 p.m.)

Also present were:

Mr. Rudy Garza, 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. Yvonne Pelayo, Senior Director Local Government Relations.

III. PUBLIC COMMENT

Dr. Eva Galvan, radiation oncologist and faculty member, stated she is familiar with the long-term effects of environmental exposures on carcinogenesis, specifically data on the association between lung cancer and coal power generation. She stated the Inflation Reduction Act will allow us to move towards clean energy sources. She urged the Board of Trustees to close the Spruce power plants by 2030 or sooner, if possible.

Ms. Henrietta LaGrange, member of our community, thanked the Board of Trustees and Mr. Rudy Garza. She stated that CPS Energy employees are happy and feel better about CPS Energy because the organization is more open to input and conversation.

Mr. Arthur Rakowitz stated that he believed the Board of Trustees should be researching information on health hazards and energy loss from solar panels. He also noted concerns about vegetation management at his property.

Mr. Alan Montemayor, Chairman Alamo Group of Sierra Club, stated he appreciated CPS Energy entering into the resiliency agreement with SAWS and for planning the upcoming EV Day. He stated his hope that the Board of Trustees would expeditiously close the Spruce power plant, and that they take steps to move away from natural gas use. Finally, he urged that CPS Energy increase its electric vehicle fleet, decrease use of single use of plastic, and incentivize nighttime charging of electric vehicles.

IV. CHAIR'S REMARKS.

Chair Dr. Mackey did not have any remarks at this meeting.

V. CEO'S REPORT

Mr. Rudy Garza updated the Board of Trustees on the City of San Antonio credit to CPS Energy customers approved in the City of San Antonio's budget. A total of \$42.5M will be provided to customers through a bill credit and \$7.5M will be provided to REAP. CPS Energy is in the process of executing the City of San Antonio's plan and delivering needed assistance to vulnerable customers.

Mr. Garza then noted the record growth for San Antonio and explained that the procurement items on the consent agenda reflect the need for increased funding for multiple materials and services to meet the continued demands and growth and our community.

The American Gas Association held an Incident Management Exercise on September 8. There were 280+ industry participants. The exercise successfully evaluated our business continuity plan readiness, including our cyber response and operational mutual aid capabilities.

Mr. Garza gave an overview of the Monthly Performance Update and noted that all key results are on-track to hit year-end targets based on our updated plans.

He stated that CPS Energy held a successful joint meeting with SAWS which resulted in execution of a Resiliency Agreement, and he recognized the employees that worked on the project.

Finally, Mr. Garza stated that CPS Energy is readying a mutual assistance team for Jacksonville Electric Authority to provide support to Florida if Hurricane Ian hits the coast.

VI. RATE ADVISORY COMMITTEE (RAC) UPDATE & RECOGNITIONS

Dr. Romero gave an update on the RAC. She noted that under the leadership of Chair Reed Williams and Vice Chair Adelita Cantu, the RAC is aligned on its purpose and what needs to be accomplished. She further noted that the RAC is engaged in very complex work and analysis on generation planning. She also thanked CPS Energy employees for organizing meetings and answering questions.

Mr. Reed Williams, RAC Chair, recognized four previous members for their service to the RAC:

- Mr. Seymour Battle
- Ms. Brenda Pacheco
- Mr. Norman Dugas
- Ms. Eloisa Portillo-Morales

Mr. Williams presented certificates of appreciation.

VII. CITIZENS ADVISORY COMMITTEE (CAC) NOMINATIONS & RECOGNITIONS

Ms. Yvonne Pelayo reviewed the composition and appointment process to the CAC. She then presented three nominees for approval by the Board of Trustees: Mr. Cliff Soloway, District 5, Ms. Vanessa Alvarado, District 10, and Mr. Bob Zapata, At-Large. The nominees addressed the Board of Trustees, providing information about themselves and thanking them for the opportunity to serve.

On a motion duly made by Trustee Steen, seconded by Vice Chair Gonzalez, and upon affirmative vote by all members present, the appointments were unanimously approved.

Mr. Rudy Garza and Mr. Bill Day, CAC Chair, recognized five previous members for their service to the CAC:

- Mr. Andy Castillo
- Mr. David Walter
- Ms. Luisa Casso
- Ms. Allie Watters
- Ms. MaryEllen Veliz

Mr. Garza presented "One Team" CPS Energy coins and certificates of appreciation.

VIII. MONTHLY PERFORMANCE UPDATE

Ms. DeAnna Hardwick, Executive Vice President for Customer Strategy, presented the Key Results Dashboard and reiterated that we are on-track to hit year-end targets based on updated plans. She highlighted work in strengthening generation capabilities to handle extreme weather, and work on connecting customers with support for customers in need. Finally, she specifically addressed support for our expanding community and customer growth.

IX. EXECUTIVE SESSION

At approximately 1:58 p.m., Ms. 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 2:59 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.

X. APPROVAL OF CONSENT ITEMS

On a motion duly made by Trustee Romero, seconded by Vice Chair Gonzalez, and upon affirmative vote by all members present, the following items on the Consent Agenda were unanimously approved:

A. Approval of Payment to the City of San Antonio for August 2022

The New Series Bond Ordinance that took effect February 1, 1997 provides for a total cash payment to the City of San Antonio (City) in an amount not to exceed 14% of gross revenue as calculated pursuant to such Ordinance, less the value of other services provided to the City, with the percentage (within the 14% limitation) to be determined by the governing body of the City. The cash transfer to the City for the month of August 2022 is based on actual gross revenue per the New Series Bond Ordinance of \$335,257,976.42, less applicable exclusions. The revenue for the month of August 2022 is calculated as follows:

Gross revenue per CPS Energy financial statements	
Electric revenue	\$356,109,257.77
Gas revenue	18,760,208.71
Interest and other income	(2,784,390.91)
Gross revenue per CPS Energy financial statements	<u>372,085,075.57</u>
Excluded revenue	
School and hospital revenue per City Ordinance 55022	(10,543,821.62)
LVG revenue per City Ordinance 100709	(92,051.62)
Fuel cost component of off-system nonfirm energy sales per City Ordinance 61794 and revenue for wholesale special contracts	(21,628,531.52)
Noncash and other income, GASB 31 investment market value change, miscellaneous interest income, gas billing adjustment and unbilled revenue	<u>(4,562,694.39)</u>
Total excluded revenue	<u>(36,827,099.15)</u>
Gross revenue per New Series Bond Ordinance subject to 14% payment to the City	<u>\$335,257,976.42</u>
City payment per Bond Ordinance for August 2022	<u><u>\$335,257,976.42</u></u>

based upon August 2022 revenue	\$46,936,116.70	
City payment per memorandum of understanding (MOU) regarding wholesale special contracts	1,525,036.90	
Wholesale Special Contract Annual True Up	0.00	
City Payment reduction per gas customer billing adjustment MOU	<u>(12,500.00)</u>	
City payment per Bond Ordinance plus adjustments for memorandums of understanding	48,448,653.60	A
Utility services provided to the City for August 2022	<u>(3,324,875.24)</u>	
Net amount to be paid from August 2022 revenue to the City in September 2022	<u>\$45,123,778.36</u>	

Comparison of City payment per Bond Ordinance (plus adjustments for memorandums of understanding) vs. Budget before deduction for utility services provided to the City:

(Dollars in thousands)

August 2022	Actual	Budget	Variance	
Current Month* A	\$48,449	\$41,418	\$7,031	17.0%
Year-to-Date	\$267,472	\$230,704	\$36,768	15.9%

* This amount does not include any additional funding authorized by the Board of Trustees.

Approval of the following resolution is requested:

"BE IT RESOLVED by the CPS Energy Board of Trustees that payment to the City of San Antonio in the amount of \$45,123,778.36 representing 14% of applicable system gross revenues for the month of August 2022, such payment being net of City utility services (\$3,324,875.24), is hereby approved."

B. Approval of Procurement Item:

1. Item Description: Electrical Substation Civil Site Work & General Civil Construction Services – Additional Funding Request

Purchase Category: General Services

Supplier: Allbrite Constructors of Texas, Inc.
Dorazio Enterprise, Inc.
E-Z Bel Construction, LLC
HJD Capital Electric, Inc.
Paloma Blanca Enterprises, Inc.
Packet Construction, LLC

2. Item Description: Electric Overhead and Underground Temporary Services and Permanent Underground Electric Services – Additional Funding Request

Purchase Category: General Services

Supplier: HJD Capital Electric, Inc.
Chain Electric Company

3. **Item Description:** **Exposing and Excavating Underground Utilities – Additional Funding Request**
Purchase Category: General Services
Supplier: Bexar Pipeline & Utilities, Inc.
 Engineered Solutions, Inc.
 Texas ReExcavation, LC DBA T-Rex Services
4. **Item Description:** **Overhead Electrical Distribution Services – Additional Funding Request**
Purchase Category: General Services
Supplier: Chain Electric Company
 Greenstone Electrical Services LLC
 Pike Electric LLC
5. **Item Description:** **Actuarial Services – Contract Renewal & Additional Funding Request**
Purchase Category: Professional Services
Supplier: Milliman, Inc.
6. **Item Description:** **Electric and Gas Distribution Engineering Services – Additional Funding Request**
Purchase Category: Professional Services
Supplier: Atwell, LLC
 Binkley & Barfield, LLC
 C&D Utility Consulting, LLC
 Cobb, Fendley & Associates, Inc.
 EN Engineering, LLC
 HBK Engineering, LLC
 HMI Services, Inc. DBA HMI Technical Solutions, LLC
 Merrick & Company
 Pape-Dawson Engineers, Inc.
 POWER Engineers, Inc.
 Schneider Engineering, LTD.
 Select Power Systems, LLC
 TRC Engineers, Inc.
7. **Item Description:** **Distribution Transformers – Contract Renewal & Additional Funding Request**
Purchase Category: Commodity & Material Goods
Supplier: Anixter, Inc.
 KBS Electrical Distributors, Inc.
 Techline, Inc.
8. **Item Description:** **PVC Conduit**
Purchase Category: Commodity & Material Goods
Supplier: Techline, Inc.

KBS Electrical Distributors, Inc.
Wesco Distribution, Inc.

- 9. Item Description:** 345kV Circuit Breakers Procurement – Additional Funding Request
Purchase Category: Commodity & Material Goods
Supplier: Mitsubishi Electric Power
- 10. Item Description:** Substation Power Transformer Procurement – Additional Funding Request
Purchase Category: Commodity & Material Goods
Supplier: E-Flow Electric Inc.
Fortune Electric Co Ltd.
- 11. Item Description:** Enterprise Fuel – Additional Funding Request
Purchase Category: Commodity & Material Goods
Supplier: Petroleum Traders Corporation

*The listed Procurement Item to be attached as Attachment "A".

XI. WEATHER OUTLOOK & WINTER WEATHERIZATION

Mr. Benny Etheridge, Executive Vice President for Energy Supply, presented on generation facility weatherization. He introduced the Energy Supply Team, noting that additional employees and improvements to the weatherization program have strengthened our generation capabilities to better serve our customers and community.

Mr. Brain Alonzo, Chief Meteorologist, provided information on the record-setting heat in the months of May, June and July, and the below average rainfall during that time. He also provided an outlook for the fall and winter seasons, which are expected to bring above-normal temperatures and below-normal precipitation.

Mr. Rick Urrutia, Interim Vice President for Generation Operations, presented on the weatherization program, and noted that CPS Energy expects to maintain a strong reserve margin to mitigate risk and meet the needs of our community.

XII. ADJOURNMENT

There being no further business to come before the Board, upon a motion duly made by Trustee Romero, seconded by Vice Chair Gonzalez, and upon an affirmative vote by all members present, the meeting was unanimously adjourned at 3:32 p.m. by Chair Dr. Mackey.



 Shanna M. Ramirez
 Secretary of the Board



CPS Energy Board of Trustees Meeting
September 26, 2022
APPROVAL of PROCUREMENT ITEMS
Table of Contents

<p>1. Item Description:</p> <p>Purchase Category:</p> <p>Supplier:</p>	<p><u>Electrical Substation Civil Site Work & General Civil Construction Services – Additional Funding Request</u></p> <p>General Services</p> <p>Allbrite Constructors of Texas, Inc.</p> <p>Dorazio Enterprises, Inc.</p> <p>E-Z Bel Construction, LLC</p> <p>HJD Capital Electric, Inc.</p> <p>Paloma Blanca Enterprises, Inc.</p> <p>Packet Construction, LLC</p>
<p>2. Item Description:</p> <p>Purchase Category:</p> <p>Supplier:</p>	<p><u>Electric Overhead and Underground Temporary Services and Permanent Underground Electric Services- Additional Funding Request</u></p> <p>General Services</p> <p>HJD Capital Electric, Inc.</p> <p>Chain Electric Company</p>
<p>3. Item Description:</p> <p>Purchase Category:</p> <p>Supplier:</p>	<p><u>Exposing and Excavating Underground Utilities - Additional Funding Request</u></p> <p>General Services</p> <p>Bexar Pipeline & Utilities, Inc.</p> <p>Engineered Solutions, Inc.</p> <p>Texas ReExcavation, LC DBA T-Rex Services</p>

4. Item Description:	<u>Overhead Electrical Distribution Services - Additional Funding Request</u>
	Purchase Category: General Services
	Supplier: Chain Electric Company
	Greenstone Electrical Services LLC
	Pike Electric LLC

5. Item Description:	<u>Actuarial Services – Contract Renewal & Additional Funding Request</u>
	Purchase Category: Professional Services
	Supplier: Milliman, Inc.

6. Item Description:	<u>Electric and Gas Distribution Engineering Services – Additional Funding Request</u>
	Purchase Category: Professional Services
	Supplier: Atwell, LLC
	Binkley & Barfield, Inc.
	C&D Utility Consulting, LLC
	Cobb, Fendley & Associates, Inc.
	EN Engineering, LLC
	HBK Engineering, LLC
	HMI Services, Inc. DBA HMI Technical Solutions, LLC
	Merrick & Company
	Pape-Dawson Engineers Inc.
	POWER Engineers, Inc.
	Schneider Engineering, LTD.
	Select Power Systems, LLC
TRC Engineers Inc.	

7. Item Description:	<u>Distribution Transformers – Contract Renewal & Additional Funding Request</u>
	Purchase Category: Commodity & Material Goods
	Supplier: Anixter, Inc.
	KBS Electrical Distributors, Inc.
	Techline, Inc.

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|----|---------------------------|---------------------------------------|
| 8. | Item Description: | PVC Conduit |
| | Purchase Category: | Commodity & Material Goods |
| | Supplier: | Techline, Inc. |
| | | KBS Electrical Distributors, Inc. |
| | | Wesco Distribution, Inc |
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| 9. | Item Description: | 345kV Circuit Breakers Procurement – Additional Funding Request |
| | Purchase Category: | Commodity & Material Goods |
| | Supplier: | Mitsubishi Electric Power |
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- | | | |
|-----|---------------------------|--|
| 10. | Item Description: | Substation Power Transformer Procurement – Additional Funding Request |
| | Purchase Category: | Commodity & Material Goods |
| | Supplier: | E-Flow Electric Inc. |
| | | Fortune Electric Co Ltd. |
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- | | | |
|-----|---------------------------|---|
| 11. | Item Description: | Enterprise Fuel – Additional Funding Request |
| | Purchase Category: | Commodity & Material Goods |
| | Supplier: | Petroleum Traders Corporation |

Approval: *Lisa D. Lewis*
Lisa Lewis, Chief Administrative Officer

Approval: *Rudy Garza*
Rudy Garza, Interim President & CEO



CPS Energy Board of Trustees Meeting
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Procurement Form 1

Item Description		Electrical Substation Civil Site Work & General Civil Construction Services - Additional Funding Request
Original Cumulative Purchase Order Value	(A)	\$30,000,000
Previously Added Funds	(B)	\$0
Additional Funds Requested	(C)	\$51,000,000
Projected Cumulative Purchase Order Value	(D)	\$81,000,000
Purchase Category		General Services
Department		Civil Engineering
VP T&D Engineering & Grid Transformation		Rick Maldonado
EVP Energy Delivery Services		Richard Medina

Detailed Description

CPS Energy staff recommend that additional purchase order funding be approved for an existing contract for electrical substation civil site work and general civil construction services. This contract was previously awarded to six diverse firms, five of which are local, as the respondents who provided services at the best value for CPS Energy based on the evaluation criteria set forth below.

This additional funding request will support the unanticipated growth of the CPS Energy service territory which has resulted in an unexpected amount of new large customers requesting electrical substations and switchyards. This additional funding request will fully fund the contract through its expiration on November 30, 2024, based on current projections.

Subcontracting Opportunities

All six companies listed above have committed to subcontracting at least 10% of contract spend to diverse businesses.

The solicitation method for this procurement was a Request for Proposals. An evaluation team considered the following weighted evaluation criteria to determine the best value to CPS Energy.

Evaluation Criteria	Points
Experience & Qualifications to Perform Services	25
Company Overview/Firm Overview Multiple Parties	20
Safety records and training program	20
Ability to meet CPS Terms and Conditions	15
Economic Development (local & diverse consideration)	10
The financial soundness of the Respondent	5
Cost Proposal	5
TOTAL	100

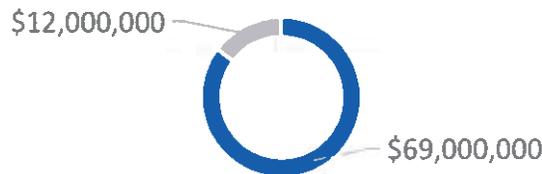


CPS Energy Board of Trustees Meeting
September 26, 2022
Procurement Form 1

Recommended Respondent(s) & Award					
Vendor Name	SBA Classification & Details	Original PO Value	Previously Reallocated Funds	Additional Funds Requested	PO#
Allbrite Constructors of Texas, Inc.	Local / Diverse (Small)	\$5,000,000	\$0	\$8,500,000	2198968
Dorazio Enterprises, Inc.	Local / Diverse (Small)	\$5,000,000	\$3,000,000	\$8,500,000	2198969
E-Z Bel Construction, LLC	Local / Diverse (Small, Hispanic American-owned)	\$5,000,000	\$0	\$8,500,000	2198971
HJD Capital Electric, Inc.	Local/Diverse (Small, Hispanic American-owned)	\$5,000,000	\$0	\$8,500,000	2198972
Paloma Blanca Enterprises, Inc.	Local / Diverse (Small)	\$5,000,000	(\$1,500,000)	\$8,500,000	2198973
Packet Construction, LLC	Non-Local / Diverse (Small)	\$5,000,000	(\$1,500,000)	\$8,500,000	2198974
		(A)	(B)	(C)	
Totals		\$30,000,000	\$0	\$51,000,000	
Projected Cumulative Purchase Order Value (D)				\$81,000,000	

Annual Funds Budgeted						
Corporate Annual Budget	Funding Method	Projected FY2023 PO Spend	% of FY2023 Annual Corp Budget	Projected FY2024 PO Spend	Projected FY2025 PO Spend	Projected FY2026 PO Spend
\$832,904,076	Capital	\$26,164,300	3.1%	\$24,970,000	\$13,959,000	\$0
\$729,676,030	Non-Fuel O&M	\$0	0%	\$0	\$0	\$0

Procurement Item: General Services



- Local / Diverse
- Local / Non-Diverse
- Non-Local / Diverse
- Non-Local / Non-Diverse



CPS Energy Board of Trustees Meeting
September 26, 2022
Procurement Form 2

Item Description		Electric Overhead and Underground Temporary Services and Permanent Underground Electric Services
Original Cumulative Purchase Order Value	(A)	\$7,500,000.00
Previously Added Funds	(B)	\$2,400,000.00
Additional Funds Requested	(C)	\$2,000,000.00
Projected Cumulative Purchase Order Value	(D)	\$11,900,000.00
Purchase Category		General Services
Department		Resource Management
VP Construction & Maintenance Services		Darrell Clifton
EVP Energy Delivery Services		Richard Medina

Detailed Description

CPS Energy staff recommend that additional purchase order funding be approved for an existing contract for electric overhead and underground temporary services and permanent underground electric services. This contract was previously awarded to HJD Capital Electric, Inc., a local, diverse firm and Chain Electric Company, a local, non-diverse firm, as the respondents who provided the goods or services at the best value for CPS Energy based on the evaluation criteria set forth below.

This contract is for installation and removal of residential overhead and underground residential distribution temporary service and meters. This additional funding request will support the growth of the CPS Energy service territory which has resulted in an unanticipated amount of new and on-going projects that will continue throughout the current contract period. This additional funding request will fully fund the contract through its expiration on January 31, 2023, based on current projections.

Subcontracting Opportunities

Chain Electric Company subcontracts traffic control work to Alamo City Public Safety, Inc. and OSO Public Safety. Alamo City Public Safety, Inc. is headquartered in San Antonio and classified as a small, Hispanic-owned and woman-owned business. OSO Public Safety is also headquartered in San Antonio and classified as a small, Hispanic-owned and woman-owned business.

The solicitation method for this procurement was a Request for Proposals. An evaluation team considered the following weighted evaluation criteria to determine the best value to CPS Energy.

Evaluation Criteria	Points
The overall cost	50
Safety records and training program	30
Exceptions to terms	15
Economic Development (local & diverse consideration)	5
TOTAL	100



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Procurement Form 2

Recommended Respondent(s) & Award

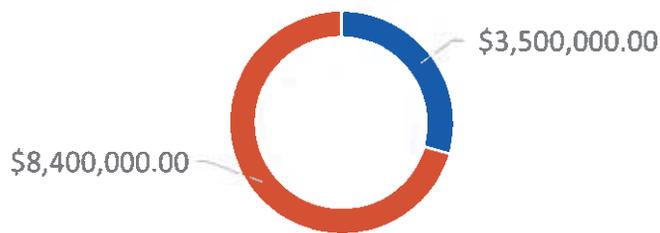
Vendor Name	SBA Classification & Details	Original PO Value	Previously Added Funds	Additional Funds Requested	PO#
HJD Capital Electric, Inc.	Local/Diverse (Small, Hispanic American-owned)	\$2,500,000	\$0	\$1,000,000	2188390
Chain Electric Company	Local/Non-Diverse	\$5,000,000	\$2,400,000	\$1,000,000	2188391
		(A)	(B)	(C)	
Totals		\$7,500,000.00	\$2,400,000.00	\$2,000,000	
Projected Cumulative Purchase Order Value (D)				\$11,900,000	

Seven (7) additional respondents were not recommended for award: Alterman; Greenstone Electrical Services, LLC; Michels Power; Pike Electric, LLC; Strong Electric; T&D Solutions; and Trinity URD Electric, LLC.

Annual Funds Budgeted

Corporate Annual Budget	Funding Method	Projected FY2023 PO Spend	% of FY2023 Annual Corp Budget	Projected FY2024 PO Spend	Projected FY2025 PO Spend	Projected FY2026 PO Spend
\$832,904,076	Capital	\$5,700,000	0.7%	\$0	\$0	\$0
\$729,676,030	Non-Fuel O&M	\$0	0%	\$0	\$0	\$0

Procurement Item: General Services



- Local / Diverse
- Local / Non-Diverse
- Non-Local / Diverse
- Non-Local / Non-Diverse



**CPS Energy Board of Trustees Meeting
September 26, 2022
Procurement Form 3**

Item Description		Exposing and Excavating Underground Utilities - Additional Funding Request
Original Cumulative Purchase Order Value	(A)	\$14,250,000
Previously Added Funds	(B)	\$5,500,000
Additional Funds Requested	(C)	\$15,000,000
Projected Cumulative Purchase Order Value	(D)	\$34,750,000
Purchase Category		General Services
Department		Resource Management
VP Construction & Maintenance Services		Darrell Clifton
EVP Energy Delivery Services		Richard Medina

Detailed Description

CPS Energy staff recommend that additional purchase order funding be approved for an existing contract for exposing and excavating underground utilities. This contract was previously awarded to Bexar Pipeline, LLC and Engineered Solutions, Inc., both local, diverse firms, and Texas ReExcavation LC DBA T-Rex Services, LC a non-local, non-diverse firm, as the respondents who provided the goods or services at the best value for CPS Energy based on the evaluation criteria set forth below.

This contract is for excavating and exposing buried utility facilities at designated locations for CPS Energy construction activities to avoid damage to existing facilities and structures. This additional funding request will support the growth of the CPS Energy service territory which has resulted in an unanticipated amount of new and on-going projects that will continue throughout the current contract period. This additional funding request will fully fund the contract through its expiration on March 1, 2024, based on current projections.

Subcontracting Opportunities

Texas ReExcavation LC dba T-Rex Services, LC subcontracts traffic control work to Alamo City Public Safety, Inc. and OSO Public Safety. Alamo City Public Safety, Inc. is headquartered in San Antonio and classified as a small, Hispanic-owned and woman-owned business. OSO Public Safety is also headquartered in San Antonio and classified as a small, Hispanic-owned and woman-owned business.



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Procurement Form 3

The solicitation method for this procurement was a Request for Proposals. An evaluation team considered the following weighted evaluation criteria to determine the best value to CPS Energy.

Evaluation Criteria	Points
Experience and qualifications to perform the Services	43
The ability to meet CPS Energy's requirements	23
The overall cost	11
Economic Development (local & diverse consideration)	10
Safety records and training program	8
The financial soundness of the Respondent	5
TOTAL	100

Recommended Respondent(s) & Award					
Vendor Name	SBA Classification & Details	Original PO Value	Previously Added or Reallocated Funds	Additional Funds Requested	PO#
Bexar Pipeline & Utilities, Inc	Local/Diverse (Small)	\$3,562,500	\$2,752,960	\$4,000,000	2194998
Texas ReExcavation LC DBA T-Rex Services, LC	Non-Local/Non-Diverse	\$3,562,500	(\$200,000)	\$2,500,000	2195000
Engineered Solutions, Inc	Local/Diverse (Small, Hispanic American-owned)	\$3,562,500	\$6,500,000	\$8,500,000	2194999
<i>Contract terminated*</i>	<i>Contract terminated</i>	\$3,562,500	(\$3,552,960)	\$0	2194997
		(A)	(B)	(C)	
	Totals	\$14,250,000	\$5,500,000	\$15,000,000	
		Projected Cumulative Purchase Order Value (D)		\$34,750,000	

Five (5) additional respondents were not recommended for award: ADB Company; Badger Daylighting Corp.; Crossfire A Strike Company; Hydromax LLC; and Renegade Well Services, LLC.

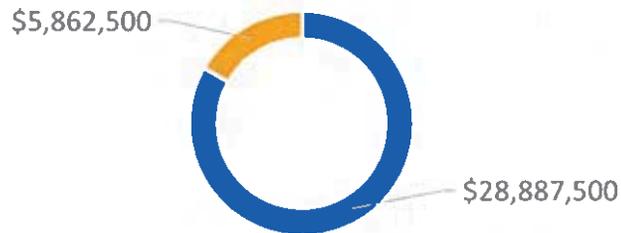
*One (1) contract was terminated early due to contractor unable to fulfill the terms of contract due to crew availability.



**CPS Energy Board of Trustees Meeting
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Procurement Form 3**

Annual Funds Budgeted						
Corporate Annual Budget	Funding Method	Projected FY2023 PO Spend	% of FY2023 Annual Corp Budget	Projected FY2024 PO Spend	Projected FY2025 PO Spend	Projected FY2026 PO Spend
\$832,904,076	Capital	\$14,000,000	1.68%	\$14,000,000	\$400,000	\$0
\$729,676,030	Non-Fuel O&M	\$0	0%	\$0	\$0	\$0

Procurement Item: General Services



■ Local / Diverse
 ■ Local / Non-Diverse
 ■ Non-Local / Diverse
 ■ Non-Local / Non-Diverse



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Procurement Form 4

Item Description		Overhead Electrical Distribution Services - Additional Funding Request
Original Cumulative Purchase Order Value	(A)	\$71,000,000
Previously Added Funds	(B)	\$0
Additional Funds Requested	(C)	\$60,000,000
Projected Cumulative Purchase Order Value	(D)	\$131,000,000
Purchase Category		General Services
Department		Resource Management
VP Construction & Maintenance Services		Darrell Clifton
EVP Energy Delivery Services		Richard Medina

Detailed Description

CPS Energy staff recommend that additional purchase order funding be approved for an existing contract for overhead electrical distribution services. This contract was previously awarded to Greenstone Electrical Services LLC, a local, diverse firm, and Pike Electric LLC and Chain Electric Company, both local, non-diverse firms, as the respondents who provided the goods or services at the best value for CPS Energy.

This contract is for installation and maintenance of overhead electric distribution system services and temporary overhead construction services. This additional funding request will support the growth of the CPS Energy service territory which has resulted in an unanticipated amount of new and on-going projects that will continue throughout the current contract period. This additional funding request will fully fund the contract through its expiration on February 29, 2024, based on current projections.

Subcontracting Opportunities

Chain Electric Company subcontracts traffic control work to Alamo City Public Safety, Inc. and OSO Public Safety. Alamo City Public Safety, Inc. is headquartered in San Antonio and classified as a small, Hispanic-owned and woman-owned business. OSO Public Safety is also headquartered in San Antonio and classified as a small, Hispanic-owned and woman-owned business.

Pike Electric LLC subcontracts traffic control work to Alamo City Public Safety, Inc.; hydration supplies to Mireles Party Ice; onsite fuel services to Marshall Distributing Company, Inc.; and hauling services to J Hernandez Trucking LLC. Mireles Party Ice is headquartered in San Antonio and is classified as a Hispanic-owned, emerging small business. Marshall Distributing Company, Inc. is headquartered in San Antonio. J Hernandez Trucking LLC is headquartered in San Antonio and classified as a Hispanic-owned, emerging small business.



CPS Energy Board of Trustees Meeting
September 26, 2022
Procurement Form 4

The solicitation method for this procurement was a Request for Proposals. An evaluation team considered the following weighted evaluation criteria to determine the best value to CPS Energy.

Evaluation Criteria	Points
Experience and qualifications to perform the Services	44
The ability to meet CPS Energy's requirements	23
The overall cost	11
Economic Development (local & diverse consideration)	10
Safety records and training program	8
The financial soundness of the Respondent	4
TOTAL	100

Recommended Respondent(s) & Award					
Vendor Name	SBA Classification & Details	Original PO Value	Previously Reallocated Funds	Additional Funds Requested	PO#
Chain Electric Company	Local/Non-Diverse	\$44,000,000	-\$5,600,000	\$32,000,000	2194588
Greenstone Electric LLC	Local/Diverse (Small, HUBzone, Woman-owned)	\$10,000,000	\$5,600,000	\$8,500,000	2194589
Pike Electric LLC	Local/Non-Diverse	\$17,000,000	\$0	\$19,500,000	2194590
		(A)	(B)	(C)	
Totals		\$71,000,000	\$0	\$60,000,000	
Projected Cumulative Purchase Order Value (D)				\$131,000,000	

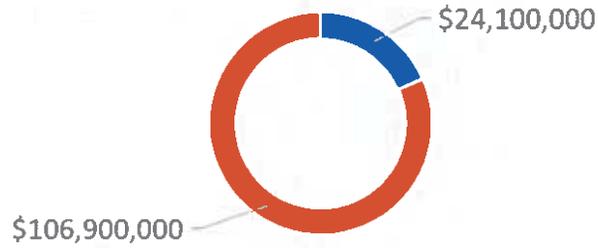
Nine (9) additional respondents were not recommended for award: Bird Electric Enterprises; KV Power, LP; Power Line Services, Inc.; Renegade Well Services, LLC; Sayer Construction, LLC; Source Power, LLC; Southeast Power Corp.; The L E Myers Co.; and Line Tech Services.

Annual Funds Budgeted						
Corporate Annual Budget	Funding Method	Projected FY2023 PO Spend	% of FY2023 Annual Corp Budget	Projected FY2024 PO Spend	Projected FY2025 PO Spend	Projected FY2026 PO Spend
\$832,904,076	Capital	\$45,400,000	5.45%	\$45,400,000	\$3,800,000	\$0
\$729,676,030	Non-Fuel O&M	\$0	0%	\$0	\$0	\$0



CPS Energy Board of Trustees Meeting
September 26, 2022
Procurement Form 4

Procurement Item: General Services



■ Local / Diverse ■ Local / Non-Diverse ■ Non-Local / Diverse ■ Non-Local / Non-Diverse



CPS Energy Board of Trustees Meeting
September 26, 2022
Procurement Form 5

Item Description		Actuarial Services – Contract Renewal & Additional Funding Request
Original Cumulative Purchase Order Value	(A)	\$1,000,000
Previously Added Funds	(B)	\$450,000
Additional Funds Requested	(C)	\$400,000
Projected Cumulative Purchase Order Value	(D)	\$1,850,000
Purchase Category		Professional Services
Department		People & Culture
VP People & Culture		Debra Wainscott
Chief Administrative Officer		Lisa Lewis

Detailed Description

CPS Energy staff recommends that additional purchase order funding be approved for an existing contract for actuarial services. This contract was previously awarded to Milliman, Inc., a non-local, non-diverse firm, as the respondent who provided the goods or services at the best value for CPS Energy based on the evaluation criteria set forth below. As discussed with the Employee Benefits Oversight Committee, CPS Energy staff is requesting a 1-year renewal of this contract while simultaneously conducting an RFP for a new 5-year contract.

This contract is required to provide actuarial services for the four (4) Benefit Trusts (Health, Pension, Life, and Disability Plans). This contract will provide various actuarial services that include consultation, advisory services, valuation services, experience analyses and other general duties. This additional funding request will fully fund the contract through its new expiration on January 31, 2024, based on current projections.

Subcontracting Opportunities

Milliman, Inc. is unable to offer subcontracting opportunities, as it is industry standard to complete the actuarial services and evaluations with in-house certified actuaries employed by the company.

The solicitation method for this procurement was a Request for Proposals. An evaluation team considered the following weighted evaluation criteria to determine the best value to CPS Energy.

Evaluation Criteria	Points
Additional submission requirements (technical requirements)	55
The overall cost	15
The ability to meet CPS Energy's requirements	10
The financial soundness of the Respondent	10
Experience and qualifications to perform the services	5
Economic Development (local & diverse consideration)	5
TOTAL	100



**CPS Energy Board of Trustees Meeting
September 26, 2022
Procurement Form 5**

Recommended Respondent(s) & Award

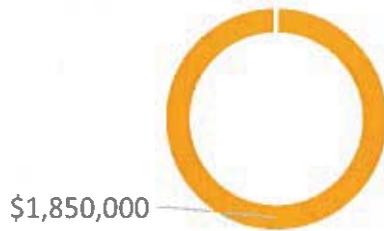
Vendor Name	SBA Classification & Details	Original PO Value	Previously Added or Reallocated Funds	Additional Funds Requested	PO#
Milliman, Inc.	Non-Local / Non-Diverse	\$1,000,000	\$450,000	\$400,000	2174062
		(A)	(B)	(C)	
Projected Cumulative Purchase Order Value (D)				\$1,850,000	

Seven (7) additional respondents were not recommended for award: Aon Hewitt; PricewaterhouseCoopers, LLP; Segal Consulting; Dean Actuaries, LLC; Pension Live, LLC; Spring Consulting, LLC; and Willis Towers Watson.

Annual Funds Budgeted

Corporate Annual Budget	Funding Method	Projected FY2023 PO Spend	% of FY2023 Annual Corp Budget	Projected FY2024 PO Spend	Projected FY2025 PO Spend	Projected FY2026 PO Spend
\$832,904,076	Capital	\$0	0%	\$0	\$0	\$0
\$729,676,030	Non-Fuel O&M	\$300,000	0.04%	\$300,000	\$0	\$0

Procurement Item: General Services



- Local / Diverse
- Local / Non-Diverse
- Non-Local / Diverse
- Non-Local / Non-Diverse



CPS Energy Board of Trustees Meeting
September 26, 2022
Procurement Form 6

Item Description		Electric and Gas Distribution Engineering Services - Additional Funding Request
Original Cumulative Purchase Order Value	(A)	\$40,300,000
Previously Added Funds	(B)	\$0
Additional Funds Requested	(C)	\$20,000,000
Projected Cumulative Purchase Order Value	(D)	\$60,300,000
Purchase Category		Professional Services
Department		Customer Design & Delivery
VP Customer Value Optimization		Karma Nilsson
EVP Customer Strategy		Deanna Hardwick

Detailed Description

CPS Energy staff recommend that additional purchase order funding be approved for an existing contract for electric and gas engineering design and customer-facing services to support new customers. This contract was previously awarded to fourteen firms, as the respondents who provided the services at the best value for CPS Energy based on the evaluation criteria set forth below.

This contract requires additional funding due to higher-than-expected new customer growth across multiple customer segments and increased usage of contracted resources to meet customer needs. This contract will allow CPS Energy to continue engineering design and project management services for customers needing to connect to CPS Energy’s natural gas & electric distribution systems. This additional funding request will fully fund the contract through its expiration on November 22, 2023, based on current projections.

Subcontracting Opportunities

There are no subcontracting opportunities associated with this contract as all companies self-perform professional engineering services. However, the work associated with the execution of these projects provides opportunity for other CPS Energy construction contractors where prime and subcontracting opportunities to local and diverse companies are available.

ON-BOARDING, TRAINING & MENTORING FOR ALL CONTRACTORS

- We actively engage all contractors and provide them mentoring opportunities while building relationships that support and drive their success.
- We provide meaningful guidance and feedback that ensures continuous growth for their businesses and employees.
- We have an internal network of subject matter experts supporting and collaborating with our contractors.
- New contractors go through a structured training program that includes Overhead, Underground and Gas Service designs.
- Each training program is between 2-4 weeks and an assessment exam is required after each training module, followed by a debrief.



**CPS Energy Board of Trustees Meeting
September 26, 2022
Procurement Form 6**

The solicitation method for this procurement was a Request for Qualifications (RFQ)¹. An evaluation team considered the following weighted evaluation criteria to determine the best value to CPS Energy.

Evaluation Criteria	Points
Experience and qualifications to perform the Services	65
Safety records and training program	20
The ability to meet CPS Energy's requirements	10
The financial soundness of the Respondent	5
TOTAL	100

¹ CPS Energy is unable to consider price or economic development as Evaluation Criteria for RFQ's.



CPS Energy Board of Trustees Meeting
September 26, 2022
Procurement Form 6

Recommended Respondent(s) & Award					
Vendor Name	SBA Classification & Details	Original PO Value	Previously Reallocated Funds	Additional Funds Requested	PO#
C&D Utility Consulting, LLC	Local / Diverse (Small, Vet, Hispanic American-Owned)	\$1,000,000	\$1,000,000	\$1,400,000	2193034
Select Power Systems, LLC	Local / Diverse (Woman-Owned, Small)	\$1,000,000	\$500,000	\$910,000	2193043
EN Engineering, LLC	Local / Non-Diverse	\$9,750,000	\$4,000,000	\$7,490,000	2193036
Merrick & Company	Local / Non-Diverse	\$5,000,000	(\$1,000,000)	\$1,960,000	2193037
Atwell, LLC	Local / Non-Diverse	\$1,000,000	\$1,500,000	\$1,870,000	2193045
TRC Engineers Inc.	Local / Non-Diverse	\$4,000,000	(\$500,000)	\$1,610,000	2193044
Binkley & Barfield, Inc.	Local / Non-Diverse	\$1,500,000	\$500,000	\$1,400,000	2193033
Cobb, Fendley & Associates, Inc.	Local / Non-Diverse	\$2,550,000	\$0	\$1,400,000	2193035
Pape-Dawson Engineers Inc.	Local / Non-Diverse	\$5,500,000	(\$2,500,000)	\$1,400,000	2193038
Schneider Engineering, LTD.	Local / Non-Diverse	\$1,000,000	\$0	\$560,000	2193042
HBK Engineering LLC	Local / Non-Diverse	\$1,000,000	(\$500,000)	\$0	2193041
POWER Engineers, Inc.	Local / Non-Diverse	\$5,000,000	(\$3,000,000)	\$0	2193040
HMI Services, Inc. DBA HMI Technical Solutions, LLC	Local / Non-Diverse	\$1,000,000	\$0	\$0	2193046
<i>Contract Terminated*</i>	<i>Contract Terminated</i>	\$1,000,000	\$0	\$0	2193039
		(A)	(B)	(C)	
Totals		\$40,300,000	\$0	\$20,000,000	
Projected Cumulative Purchase Order Value (D)				\$60,300,000	

Six (6) additional respondents were not recommended for award: Leidos Engineering, LLC; Quanta Utility Engineering Services, Inc.; Techserv Consulting and Training Ltd.; Saber Power Services LLC; WSB & Associates, Inc.; and Grubb Engineering, Inc.

*One (1) contract was terminated early because the company is no longer in business.

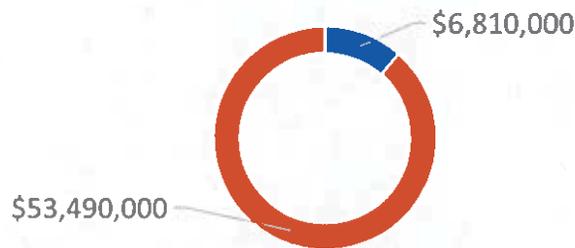


CPS Energy Board of Trustees Meeting
September 26, 2022
Procurement Form 6

Annual Funds Budgeted

Corporate Annual Budget	Funding Method	Projected FY2023 PO Spend	% of FY2023 Annual Corp Budget	Projected FY2024 PO Spend	Projected FY2025 PO Spend	Projected FY2026 PO Spend
\$832,904,076	Capital	\$21,600,000	2.6%	\$22,410,000	\$0	\$0
\$729,676,030	Non-Fuel O&M	\$0	0%	\$0	\$0	\$0

Procurement Item: General Services



■ Local / Diverse
 ■ Local / Non-Diverse
 ■ Non-Local / Diverse
 ■ Non-Local / Non-Diverse



CPS Energy Board of Trustees Meeting
September 26, 2022
Procurement Form 7

Item Description		Distribution Transformers – Contract Renewal & Additional Funding Request
Original Cumulative Purchase Order Value	(A)	\$82,000,000
Previously Added Funds	(B)	\$7,500,000
Additional Funds Requested	(C)	\$220,500,000
Projected Cumulative Purchase Order Value	(D)	\$310,000,000
Purchase Category		Commodity & Material Goods
Department		Distribution Engineering
VP T&D Engineering & Grid Transformation		Ricardo Maldonado
EVP Energy Delivery Services		Richard Medina

Detailed Description

CPS Energy staff recommends that additional purchase order funding be approved for an existing contract for the supply of distribution transformers. This contract was previously awarded to KBS Electrical Distribution, Inc. and Techline, Inc. both local, diverse firms; and Anixter, Inc. a local, non-diverse firm, as the respondents who provided the goods at the best value for CPS Energy based on the evaluation criteria set forth below. As discussed with the Audit & Finance and Operations Oversight Committees, CPS Energy staff is requesting a 5-year renewal of this contract due to the turbulent transformer manufacturing landscape.

This contract is for the procurement of various size and voltage overhead and padmount distribution transformers required to provide electric service to our customers. This additional funding request will support the growth of the CPS Energy service territory which has resulted in an unanticipated amount of new and on-going projects and will fully fund the contract through its new expiration on September 30, 2027, based on current projections.

Subcontracting Opportunities

There are no subcontracting opportunities associated with this contract, as Anixter, Inc., KBS Electrical Distributors, Inc. and Techline, Inc. self-perform all work associated with the supply of the distribution transformers. However, the work associated with the installation of this material provides opportunity for other CPS Energy construction contractors where prime and subcontracting opportunities to local and diverse companies are available.



CPS Energy Board of Trustees Meeting
September 26, 2022
Procurement Form 7

The solicitation method for this procurement was a Request for Proposals (RFP). An evaluation team considered the following weighted evaluation criteria to determine the best value to CPS Energy.

Evaluation Criteria	Points
Performance History, Experience and Qualifications	35
Overall Cost	30
The ability to meet CPS Energy's requirements	25
Financial Soundness	5
Economic Development (local & diverse consideration)	5
TOTAL	100

Recommended Respondent(s) & Award					
Vendor Name	SBA Classification & Details	Original PO Value	Previously Added Funds	Additional Funds Requested	PO#
Anixter, Inc.	Local / Non-Diverse	\$32,800,000	\$7,500,000	\$110,000,000	TBD
KBS Electrical Distributors, Inc.	Local / Diverse (Small)	\$24,600,000	\$0	\$66,000,000	TBD
Techline, Inc.	Local / Diverse (Woman-Owned)	\$24,600,000	\$0	\$44,500,000	TBD
		(A)	(B)	(C)	
	Totals	\$82,000,000	\$7,500,000	\$220,500,000	
		Projected Cumulative Purchase Order Value (D)		\$310,000,000	

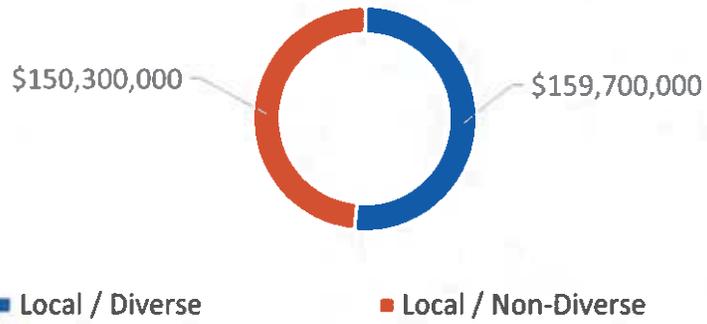
Two (2) additional respondents were not recommended for award: Texas Electrical Cooperatives, Inc. and Wesco Distribution, Inc.

Annual Funds Budgeted						
Corporate Annual Budget	Funding Method	Projected FY2023 PO Spend	% of FY2023 Annual Corp Budget	Projected FY2024 PO Spend	Projected FY2025 PO Spend	Projected FY2026 PO Spend
\$832,904,076	Capital	\$44,000,000	3.6%	\$44,000,000	\$44,000,000	\$44,000,000
\$729,676,030	Non-Fuel O&M	\$0	0%	\$0	\$0	\$0



**CPS Energy Board of Trustees Meeting
September 26, 2022
Procurement Form 7**

Procurement Item: Commodity & Material Goods





**CPS Energy Board of Trustees Meeting
September 26, 2022
Procurement Form 8**

Item Description	PVC Conduit
Purchase Order Value	\$60,000,000
Purchase Category	Commodity & Material Goods
Department	Underground Engineering
VP Construction & Maintenance Services	Darrell Clifton
Interim EVP Energy Delivery Services	Richard Medina

Detailed Description

CPS Energy staff recommends that a new, three (3) year contract for the procurement of various size PVC conduit be awarded to Techline, Inc. and KBS Electrical Distributors, Inc., both of which are local/diverse firms; and Wesco Distribution, Inc., a local/non-diverse firm, as the respondents who will provide the goods at the best value for CPS Energy based on the evaluation criteria set forth below.

This contract is for the procurement of various size PVC conduit required to encase underground electric cable and wire for our substation and distribution systems. These contracts will support the growth of the CPS Energy service territory through their expiration on September 30, 2025.

Subcontracting Opportunities

There are no subcontracting opportunities associated with this contract, as Techline, Inc., Wesco Distribution, Inc. and KBS Electrical Distributors, Inc. all self-perform all work associated with the supply of the PVC conduit. However, the work associated with the installation of this material provides opportunity for other CPS Energy construction contractors where prime and subcontracting opportunities to local and diverse companies are available.

The solicitation method for this procurement was a Request for Quotation. An evaluation team considered the following weighted evaluation criteria to determine the best value to CPS Energy.

Evaluation Criteria	Points
Overall Cost	90
Economic Development (local & diverse consideration)	10
TOTAL	100



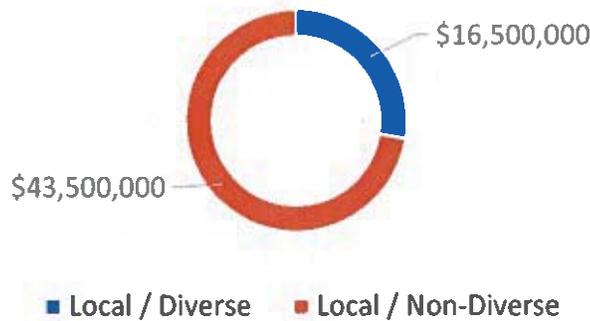
**CPS Energy Board of Trustees Meeting
September 26, 2022
Procurement Form 8**

Recommended Respondent(s) & Award					
Respondent Name	SBA Classification & Details	Score	PO Value	PO #	Comments
Techline Inc	Local/Diverse (Woman-Owned)	Based on price & econ dev	\$6,500,000	3071864	
Wesco Distribution Inc	Local/Non-Diverse	Based on price & econ dev	\$43,500,000	3071865	
KBS Electrical Distributors, Inc.	Local/Diverse (Small)	Based on price & econ dev	\$10,000,000	3071866	
TOTAL			\$60,000,000		

Two (2) additional respondents were not recommended for award: Texas Electrical Cooperative, Inc. and Stuart C. Irby Co.

Annual Funds Budgeted						
Corporate Annual Budget	Funding Method	Projected FY2023 PO Spend	% of FY2023 Annual Corp Budget	Projected FY2024 PO Spend	Projected FY2025 PO Spend	Projected FY2026 PO Spend
\$832,904,076	Capital	\$4,750,000	0.57%	\$20,000,000	\$20,000,000	\$15,000,000
\$729,676,030	Non-Fuel O&M	\$250,000	0.03%	\$1,000,000	\$1,000,000	\$1,000,000

Procurement Item: Commodity & Material Goods





CPS Energy Board of Trustees Meeting

September 26, 2022

Procurement Form 9

Item Description		345kV Circuit Breakers Procurement – Additional Funding Request
Original Cumulative Purchase Order Value	(A)	\$5,000,000
Previously Added Funds	(B)	\$0
Additional Funds Requested	(C)	\$12,000,000
Projected Cumulative Purchase Order Value	(D)	\$17,000,000
Purchase Category		Commodity & Material Goods
Department		Substation Engineering
VP T&D Engineering & Grid Transformation		Ricardo Maldonado
EVP Energy Delivery Services		Richard Medina

Detailed Description

CPS Energy staff recommends that additional purchase order funding be approved for an existing contract for the supply of 345kV circuit breakers. This existing contract was previously awarded to Mitsubishi Power Electric, a non-local, non-diverse firm, as the respondent who provided the goods at the best value for CPS Energy based on the evaluation criteria set forth below.

These 345kV circuit breakers will be installed in switchyards to disconnect and isolate portions of the circuits to ensure the safe and reliable operation of our equipment. This additional funding request will support the growth of the CPS Energy service territory, which has resulted in an unanticipated amount of new and on-going projects (e.g. generation interconnection and large customer load requests). This additional funding request will fully fund the contract through its expiration on June 18, 2025, based on current projections.

Subcontracting Opportunities

There are no subcontracting opportunities associated with this contract, as Mitsubishi Power Electric self-performs all work associated with the supply of these circuit breakers. However, the work associated with the installation of this material provides opportunity for other CPS Energy construction contractors where prime and subcontracting opportunities to local and diverse companies are available.



**CPS Energy Board of Trustees Meeting
September 26, 2022
Procurement Form 9**

The solicitation method for this procurement was a Request for Proposal. An evaluation team considered the following weighted evaluation criteria to determine the best value to CPS Energy.

Evaluation Criteria	Points
Price Schedule	42
Manufacturer Past Performance with CPS Energy	16
Responsiveness to RFP and CPS Energy Specifications	10
Economic Development	10
Cost Model	7.5
Experience Providing Similar Goods	7
Plant Locations, Delivery, and Contingencies	6.5
Organization and Manufacturing Capability	1
TOTAL	100

Recommended Respondent(s) & Award					
Vendor Name	SBA Classification & Details	Original PO Value	Previously Added or Reallocated Funds	Additional Funds Requested	PO#
Mitsubishi Electric Power	Non-Local / Non-Diverse	\$5,000,000	\$0	\$12,000,000	3069965
		(A)	(B)	(C)	
Totals		\$5,000,000	\$0	\$12,000,000	
Projected Cumulative Purchase Order Value (D)				\$17,000,000	

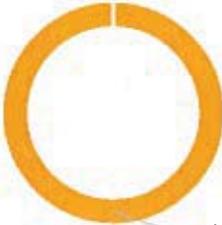
Three (3) additional respondents were not recommended for award: Siemens Industry; Texas Electric Cooperative; and ABB Inc.

Annual Funds Budgeted						
Corporate Annual Budget	Funding Method	Projected FY2023 PO Spend	% of FY2023 Annual Corp Budget	Projected FY2024 PO Spend	Projected FY2025 PO Spend	Projected FY2026 PO Spend
\$832,904,076	Capital	\$4,500,000	0.54%	\$5,000,000	\$3,750,000	\$3,750,000
\$729,676,030	Non-Fuel O&M	\$0	0%	\$0	\$0	\$0



CPS Energy Board of Trustees Meeting
September 26, 2022
Procurement Form 9

Procurement Item: Commodity & Material Goods



\$17,000,000

- Local / Diverse
- Local / Non-Diverse
- Non-Local / Diverse
- Non-Local / Non-Diverse



**CPS Energy Board of Trustees Meeting
September 26, 2022
Procurement Form 10**

Item Description		Substation Power Transformer Procurement – Additional Funding Request
Original Cumulative Purchase Order Value	(A)	\$50,000,000
Previously Added Funds	(B)	\$0
Additional Funds Requested	(C)	\$75,000,000
Projected Cumulative Purchase Order Value	(D)	\$125,000,000
Purchase Category		Commodity & Material Goods
Department		Substation Engineering
VP T&D Engineering & Grid Transformation		Ricardo Maldonado
EVP Energy Delivery Services		Richard Medina

Detailed Description

CPS Energy staff recommends that additional purchase order funding be approved for an existing contract for the supply of substation power transformers. This contract was previously awarded to E-Flow Electric Inc., a local, diverse firm, and Fortune Electric Co Ltd., a non-local, non-diverse firm, as the respondents who provided the goods at the best value for CPS Energy based on the evaluation criteria set forth below.

These substation power transformers are the core piece of equipment in the substation that converts transmission voltage (138kV) to distribution voltages (35kv & 13kV) used by our customers and the community. This additional funding request will support the growth of the CPS Energy service territory which has resulted in an unanticipated amount of new and on-going projects (large customer load requests) that will continue throughout the current contract period. This additional funding request will fully fund the contract through its expiration on November 30, 2027, based on current projections.

Subcontracting Opportunities

There are no subcontracting opportunities associated with this contract, as E-Flow Electric Inc. and Fortune Electric Co Ltd self-perform all work associated with the supply of these substation power transformers. However, the work associated with the installation of this material provides opportunity for other CPS Energy construction contractors where prime and subcontracting opportunities to local and diverse companies are available.



CPS Energy Board of Trustees Meeting
September 26, 2022
Procurement Form 10

The solicitation method for this procurement was a Request for Proposal (RFP). An evaluation team considered the following weighted evaluation criteria to determine the best value to CPS Energy.

Evaluation Criteria	Points
Price Schedule	40
Manufacturer Past Performance	29.75
Plant Locations, Delivery, and Contingencies	13.75
Design Review	9
Organization and Manufacturing Capability	2.5
Financial Soundness	2
Proposal Content	2
Economic Development	1
TOTAL	100

Recommended Respondent(s) & Award					
Vendor Name	SBA Classification & Details	Original PO Value	Previously Added or Reallocated Funds	Additional Funds Requested	PO#
E-Flow Electric Inc.	Local / Diverse (Small, Disabled Veteran, Hispanic American-owned)	\$30,000,000	\$19,002,860	\$37,500,000	3064764
Fortune Electric Co Ltd.	Non-Local /Non-Diverse	\$20,000,000	(\$19,002,860)	\$37,500,000	3064763
		(A)	(B)	(C)	
Totals		\$50,000,000	\$0	\$75,000,000	
Projected Cumulative Purchase Order Value (D)				\$125,000,000	

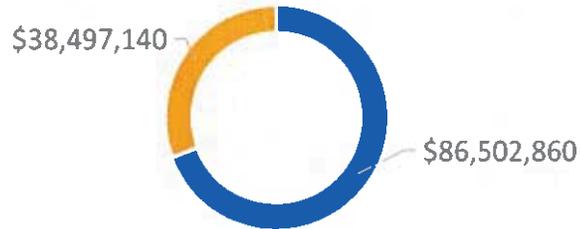
Eleven (11) additional respondents were not recommended for award: SGB – E-Tech; Hyundai Electric; TEC – GE Prolec; WESCO-ABB; Virginia Transformer; JHSP; Pennsylvania Transformer; WEG; HICO America; E-Flow Delta Star; and SPX Waukesha.

Annual Funds Budgeted						
Corporate Annual Budget	Funding Method	Projected FY2023 PO Spend	% of FY2023 Annual Corp Budget	Projected FY2024 PO Spend	Projected FY2025 PO Spend	Projected FY2026 PO Spend
\$832,904,076	Capital	\$3,900,000	0.50%	\$13,800,000	\$29,300,000	\$18,200,000
\$729,676,030	Non-Fuel O&M	\$0	0%	\$0	\$0	\$0



CPS Energy Board of Trustees Meeting
September 26, 2022
Procurement Form 10

Procurement Item: Commodity & Material Goods



■ Local / Diverse ■ Local / Non-Diverse ■ Non-Local / Diverse ■ Non-Local / Non-Diverse



CPS Energy Board of Trustees Meeting

September 26, 2022

Procurement Form 11

Item Description		Enterprise Fuel – Additional Funding Request
Original Cumulative Purchase Order Value	(A)	\$9,800,000
Previously Added Funds	(B)	\$0
Additional Funds Requested	(C)	\$6,200,000
Projected Cumulative Purchase Order Value	(D)	\$16,000,000
Purchase Category		Commodity & Material Goods
Department		Supply Chain
VP Supply Chain		Maria Garcia
Chief Administrative Officer		Lisa Lewis

Detailed Description

CPS Energy staff recommends that additional purchase order funding be approved for an existing contract for the supply of enterprise fuel. This existing contract was previously awarded to Petroleum Traders Corporation, a non-local, diverse firm, as the respondent who provided the fuel at the best value for CPS Energy based on the evaluation criteria set forth below.

This contract is for the procurement of gasoline and ultra-low sulfur diesel (on-road, non-dyed). This additional funding request is to address volatile fuel pricing in the market and will fully fund the contract through the current expiration date on August 14, 2023, based on current projections.

Subcontracting Opportunities

There are no subcontracting opportunities associated with this contract, as Petroleum Traders Corporation performs all work associated with the supply of fuel.

The solicitation method for this procurement was a Request for Proposal. An evaluation team considered the following weighted evaluation criteria to determine the best value to CPS Energy.

Evaluation Criteria	Points
Experience and Qualifications	33
References	30
Citations	13
Hazardous Substance	10
Minimum Insurance Requirements	8
Pricing	3
Economic Development	3
TOTAL	100



**CPS Energy Board of Trustees Meeting
September 26, 2022
Procurement Form 11**

Recommended Respondent(s) & Award

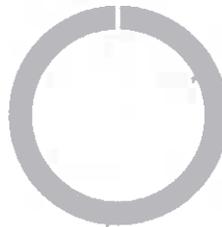
Vendor Name	SBA Classification & Details	Original PO Value	Previously Added or Reallocated Funds	Additional Funds Requested	PO#
Petroleum Traders Corporation	Non-Local / Diverse (Small, Veteran)	\$9,800,000	\$0	\$6,200,000	3070090
		(A)	(B)	(C)	
Totals		\$9,800,000	\$0	\$6,200,000	
Projected Cumulative Purchase Order Value (D)				\$16,000,000	

Four (4) additional respondents were not recommended for award: Mansfield Oil, Pinnacle Petroleum Inc, RKA Petroleum Companies, Inc and Sun Coast Resources, Inc.

Annual Funds Budgeted

Corporate Annual Budget	Funding Method	Projected FY2023 PO Spend	% of FY2023 Annual Corp Budget	Projected FY2024 PO Spend	Projected FY2025 PO Spend	Projected FY2026 PO Spend
\$832,904,076	Capital	\$0	0%	\$0	\$0	\$0
\$729,676,030	Non-Fuel O&M	\$4,300,000	0.59%	\$4,100,000	\$0	\$0

Procurement Item: Commodity & Material Goods



\$11,100,000

- Local / Diverse
- Local / Non-Diverse
- Non-Local / Diverse
- Non-Local / Non-Diverse