



**CPS ENERGY BOARD OF TRUSTEES MEETING
TO BE HELD ON APRIL 23, 2025, AT 1:30 PM
LOCATION: CPS ENERGY BOARD ROOM (500 MCCULLOUGH AVE)**

At any time during the Board Meeting, the Board may go into an executive session as permitted by the Texas Open Meetings Act, (Chapter 551 of the Texas Government Code) regarding any item on this agenda.

AGENDA

ITEM	TOPIC	ACTION	PRESENTER/ SPONSOR
1	CALL TO ORDER	Execute	Dr. Francine Romero
2	SAFETY MESSAGE, INVOCATION, & PLEDGE OF ALLEGIANCE	Execute	Mr. Nicholas Bennett
3	PUBLIC COMMENT Pre-Registration is from Wednesday, April 16, 2025, 5:00 PM – Monday, April 21, 2025, 5:00 PM. Dial (210) 353-4662 or email PublicCommentRegistration@CPSEnergy.com	Discuss	Dr. Francine Romero
UPDATE ON CHAIR'S PRIORITIES			
4	CHAIR'S REMARKS	Discuss	Dr. Francine Romero
5	CEO RECOGNITION & REMARKS	Discuss	Mr. Rudy Garza
CONVENE TO EXECUTIVE SESSION			
6	EXECUTIVE SESSION A. Attorney-Client Matters (§551.071) B. Attorney-Client Matters (§551.071) & Competitive Matters (§551.086) C. Real Property (§551.072)	Discuss	Dr. Francine Romero
RECONVENE TO OPEN SESSION			
CONSENT AGENDA			

7	APPROVAL OF CONSENT ITEMS: A. Payment to the City of San Antonio for March 2025 B. Minutes from the March Regular Board Meeting, held on March 31, 2025 C. Procurement Items: <i>Note: These items were heard in the April 9, 2025, Audit and Finance Committee Meeting and April 9, 2025, Operations and Oversight Committee Meeting</i> 1. General Services: New Electric and Gas Infrastructure Installation Services (Mr. Richard Medina) 2. Commodity & Material Goods: Transmission Monopoles (Mr. Richard Medina) 3. General Services: Design/Build New Work Campus at W.T. Montgomery (Ms. Lisa Lewis) 4. Professional Services: Communication Engineering Services (Mr. Evan O'Mahoney)	Vote	Dr. Francine Romero
REGULAR AGENDA			
8	COMMUNITY INPUT COMMITTEE (CIC) REPORTS A. Customer Relations and Communications Subcommittee Meeting held on February 12, 2025 B. Rates, Finance, and Business Subcommittee Meeting held on February 12, 2025 C. Power and Technology Subcommittee Meeting held on February 12, 2025 D. Community Input Committee Meeting held on April 9, 2025	Discuss	Dr. Francine Romero
9	REAL ESTATE PURCHASE APPROVAL: MCCULLOUGH SURFACE PARKING LOT (Ms. Lisa Lewis)	Vote	Dr. Francine Romero
10	RANCHTOWN TO TALLEY RD ROUTING AND SITING PROJECT (Mr. Richard Medina)	Vote	Dr. Francine Romero
11	LOAD GROWTH UPDATE	Discuss	Ms. Elaina Ball
12	ADJOURNMENT	Execute	Dr. Francine Romero
If the Board meeting has not adjourned by 5:30 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.			
Known absences: None			

CPS Energy Board of Trustees Meeting April 23, 2025

Approval of Payment to the City of San Antonio for March 2025

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 March 2025 is based on actual gross revenue per the New Series Bond Ordinance of \$215,876,322.47, less applicable exclusions. In accordance with the New Series Bond Ordinance Flow of Funds requirements, current month revenue did not meet the full obligation for City Payment by \$19,710,746.88. This situation is a common occurrence for CPS Energy in the spring months due to the seasonal billing patterns. Under the previously approved agreement with the City, CPS Energy will advance to the City \$19,710,746.88 against future months' revenues for fiscal year 2026. The revenue for the month of March 2025 is calculated as follows:

Gross revenue per CPS Energy financial statements	
Electric revenue	\$231,569,389.78
Gas revenue	24,562,825.94
Interest and other income	3,768,780.86
Gross revenue per CPS Energy financial statements	<u>259,900,996.58</u>
Excluded revenue	
School and hospital revenue per City Ordinance 55022	(7,213,088.97)
LVG revenue per City Ordinance 100709	(100,803.03)
Fuel cost component of off-system nonfirm	
energy sales per City Ordinance 61794	
and revenue for wholesale special contracts	(19,457,431.13)
Noncash and other income, GASB 31	
investment market value change, miscellaneous	
interest income, gas billing adjustment and unbilled	
revenue	<u>(17,253,350.98)</u>
Total excluded revenue	<u>(44,024,674.11)</u>
Gross revenue per New Series Bond Ordinance subject to	
14% payment to the City	<u><u>\$215,876,322.47</u></u>
City payment per Bond Ordinance for March 2025	
based upon March 2025 revenue	\$30,222,685.15
City payment per memorandum of understanding (MOU)	
regarding wholesale special contracts	541,623.11
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	30,751,808.26
Utility services provided to the City for March 2025	<u>(2,782,230.08)</u>
Net amount to be paid from March 2025 revenue to	
the City in April 2025	<u><u>\$27,969,578.18</u></u>

A

CPS Energy Board of Trustees Meeting April 23, 2025

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)

March 2025	Actual	Budget	Variance	
Current Month A	\$30,752	\$32,257	(\$1,505)	-4.7%
Year-to-Date	\$69,968	\$73,914	(\$3,946)	-5.3%

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 \$27,969,578.18 representing 14% of applicable system gross revenues for the month of March 2025, such payment being net of City utility services (\$2,782,230.08), and including the current month shortage, is hereby approved." The total amount to be recovered from future months' revenues for fiscal year 2026 is \$19,710,746.88.

Draft for review and approval
at the April 23, 2025 meeting

**CPS ENERGY
MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES
HELD ON MARCH 31, 2025**

The Regular Meeting of the Board of Trustees of CPS Energy for the month of March was held on Monday, March 31, 2025, 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 Romero called the meeting to order at 1:00 p.m.

Present were Board members:

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

Also present were:

Mr. Rudy Garza, President & CEO
Ms. Shanna M. Ramirez, Chief Legal & Ethics Officer, General Counsel & Board Secretary
Mr. Benny Ethridge, Chief Energy Supply Officer
Mr. Cory Kuchinsky, Chief Financial Officer & Treasurer
Ms. DeAnna Hardwick, Chief Customer Strategy Officer
Ms. Lisa Lewis, Chief Administrative Officer
City of San Antonio officials
CPS Energy staff members
Interested Citizens

II. SAFETY MESSAGE, INVOCATION, AND PLEDGE OF ALLEGIANCE

A safety message, invocation, and the Pledge of Allegiance were delivered by Mr. David Ramirez, Senior Director, Controller.

III. PUBLIC COMMENT

Ms. Henrietta LaGrange, community member, stated that CPS Energy continues to grow, and she thanked the women on the Board and at CPS Energy.

Mr. Alex Pena, Southwest Workers Union, introduced that he was providing a coalition statement. He stated that CPS Energy is able to protect the most vulnerable in our community, and stated disconnection of services should not continue for low-income, debt-burdened, or medical needs customers. He also communicated that excess revenue should be used for these customers and requested that the Board of Trustees have a public process to review the rate structure. He urged the Board to open CIC subcommittees to the public.

Draft for review and approval
at the April 23, 2025 meeting

Ms. Armandina Gutierrez, Community Member, communicated that she came to the meeting because of the high rates for service. She encouraged the Board to not increase rates because of the deep impact to low-income families.

Ms. Maria Salazar, community member, stated she is here to give her input on high rates for services. She said that many low-income customers depend on social security and welfare, and they cannot afford higher rates. She has medication that requires refrigeration, and she must have electrical service. She also asked for bilingual individuals to be at customer service centers to assist customers.

Ms. Erica Alvarado, Southwest Workers Union, requested that CPS Energy use a more equitable, tiered rate structure. She stated that those who use less should pay less. She also requested that CIC subcommittees be open to the public.

Mr. Brian Lopez, community member and resident of District 3, expressed that he is concerned about rate structures and disconnections for low-income customers. He requested that CPS Energy do more for the community.

Mr. Alan Montemayor, Sierra Club, stated that excess dollars from generation should be provided to customers to prevent disconnections. He also asked for a tiered rate structure. He requested more cooperation between SAWS and CPS Energy. He stated that renewables are the cheapest option for new generation and encouraged CPS Energy to utilize more vehicles.

Ms. Ana Trevino, Texas Rising, urged CPS Energy to prioritize the most vulnerable community members. She also called for a no disconnection policy and a tiered rate structure. Finally, she suggested that CIC subcommittees be open to the public.

Ms. Deborah Ponce, community member, shared concern about rates and shared concerns that bills vary because of modern day houses are more efficient. She said that many in her neighborhood are retired veterans with a fixed income but have higher bills because they live in an older home.

IV. CHAIR'S REMARKS

Chair Romero thanked all those who came today to provide public comment.

She noted that CPS Energy held its annual golf tournament to raise funds for REAP. The event was a success, and \$367,000 was raised. She thanked those who made the event happen, including the 73 golf teams and 60 sponsors/partners.

Chair Romero then reviewed deadlines and information for various rebate programs to assist CPS Energy customers. She also reviewed the upcoming tree giveaway events as Earth Day approaches.

Finally, Chair Romero noted that March is Women's History Month, and she thanked the pioneers in fields that advanced their careers, including those at CPS Energy who paved the way for those who came later. She noted they would be proud of the legacy we have here today.

Draft for review and approval
at the April 23, 2025 meeting

V. CEO RECOGNITION & REMARKS

Mr. Rudy Garza, President & CEO, recognized our fourth quarter CEO Core Value Award Honorees. These employees are outstanding examples of our core values, and they consistently go above and beyond. He specifically highlighted Mr. William Thomas, Multimedia Tech, and Mr. David Self, Journeyman Service Restoration for their work.

He also invited Mr. Jimmy Stinnett, Manager, Gas Locating & Damage Prevention, to share information about our 2nd Annual Safety Culture Summit. He noted that he couldn't wait to return to CPS Energy to implement what he learned. Safety culture is a process – it takes time – but it's moving in the right direction. He stated that more tenured employees are speaking up and newer employees are volunteering. He feels there is a clear difference between now and 5 years ago. Both newer and more tenured employees are listening, and it is a team effort.

Mr. Garza then played a video that highlighted the Safety Culture Summit.

Then, Mr. Garza provided an overview of the meeting. He noted that one of the procurement items is due to ERCOT accelerating a project, and the presentation will note the supply chain constraints and increase in costs.

Finally, Mr. Garza noted that today is the last day of operations for the Braunig 1 and 2 units. He thanked all the employees that have worked at the Braunig units starting in 1966 through now.

VI. APPROVAL OF CONSENT ITEMS

On a motion by Mayor Nirenberg, seconded by Trustee Steen, 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 February 2025

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 February 2025 is based on actual gross revenue per the New Series Bond Ordinance of \$274,815,101.10, less applicable exclusions. The revenue for the month of February 2025 is calculated as follows:

Gross revenue per CPS Energy financial statements	
Electric revenue	\$281,977,131.27
Gas revenue	38,911,189.12
Interest and other income	6,550,274.44
Gross revenue per CPS Energy financial statements	<u>327,438,594.83</u>
Excluded revenue	
School and hospital revenue per City Ordinance 55022	(7,979,941.44)
LVG revenue per City Ordinance 100709	(21,895.96)

Draft for review and approval
at the April 23, 2025 meeting

Fuel cost component of off-system nonfarm energy sales per City Ordinance 61794 and revenue for wholesale special contracts	(43,086,563.44)	
Noncash and other income, GASB 31 investment market value change, miscellaneous interest income, gas billing adjustment and unbilled Revenue	(1,535,092.89)	
Total excluded revenue	(52,623,493.73)	
Gross revenue per New Series Bond Ordinance subject to 14% payment to the City	<u>\$274,815,101.10</u>	
City payment per Bond Ordinance for February 2025 based upon February 2025 revenue	\$38,474,114.15	
City payment per memorandum of understanding (MOU) regarding wholesale special contracts	748,133.89	
City Payment reduction per gas customer billing adjustment MOU	(12,500.00)	
Annual True up/ (down) per gas customer MOU	6,252.95	
City payment per Bond Ordinance plus adjustments for memorandums of understanding	39,216,000.99	A
Utility services provided to the City for February 2025	(3,056,425.56)	
Reduction for January 2025 accounting adjustment	(298,296.17)	
Net amount to be paid from February 2025 revenue to the City in March 2025	<u>\$35,861,279.26</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)

February 2025	Actual	Budget	Variance	
Current Month A	\$39,216	\$41,657	(\$2,441)	-5.9%
Year-to-Date	\$39,216	\$41,657	(\$2,441)	-5.9%

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 \$35,861,279.26 representing 14% of applicable system gross revenues for the month of February 2025, such payment being net of City utility services (\$3,056,425.56), and a reduction for January 2025 accounting adjustment (\$298,296.17), is hereby approved."

Draft for review and approval
at the April 23, 2025 meeting

B. Minutes from the February Regular Board Meeting held on February 24, 2025

VII. PROCUREMENT REQUEST FOR APPROVAL: NEW ELECTRIC AND GAS INFRASTRUCTURE INSTALLATION SERVICES

Mr. LeeRoy Perez, Vice President, Transmission & Distribution Engineering & Grid Transformation, noted that the procurement will support new electric and gas infrastructure. Vice Chair Dr. Mackey requested that the item be deferred and discussed in an additional committee meeting. The Board of Trustees discussed and asked questions. Chair Romero deferred the item to the April Board of Trustees meeting.

VIII. PROCUREMENT REQUEST FOR APPROVAL: SPRUCE TO PAWNEE TO TANGO LIVE LINE 345KV TRANSMISSION LINE REBUILD

Mr. Perez noted that the work is to support an ERCOT endorsed project critical to the reliability of the ERCOT system. The selected company will rebuild an existing 58-mile-long 345kV transmission line from the Spruce Power Plant to the Pawnee Station to the Tango Station in South Texas.

The Board of Trustees asked questions and discussed the procurement. Trustee Gonzalez moved to approve the procurement, and it was seconded by Mayor Nirenberg. The motion was approved 4-1, with Trustee Steen voting against the motion.

IX. PROCUREMENT REQUEST FOR APPROVAL: JOINT TRENCH GAS AND ELECTRIC SERVICE INSTALLATION

Mr. Perez noted that the selected companies will provide electric and gas construction services. Mayor Nirenberg moved to approve the procurement, and it was seconded by Trustee Steen. The motion was unanimously approved.

*The Procurement package is attached as Attachment "A" to the meeting minutes.

X. FY2025 YEAR-END PERFORMANCE RECAP

Mr. Cory Kuchinsky, Chief Financial Officer & Treasurer, presented our FY2025 year-end performance. He then presented on the past-due receivables and enterprise scorecard year-end results.

The Board of Trustees discussed the presentation and asked questions.¹

XI. EXECUTIVE SESSION

At approximately 3:27 p.m., Chair Romero announced the Board would go into Executive Session, and 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:

¹ Trustee Steen requested that his comments be included in total and provided his written summary, which is attached to the meeting minutes as Attachment "B".

Draft for review and approval
at the April 23, 2025 meeting

- Attorney-Client Matters (§551.071)
- Real Property (§551.072)
- Personnel Matters (§551.074)

The Board reconvened in open session at 4:03 p.m. The quorum was re-established, and four 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.

XII. ADJOURNMENT

There being no further business to come before the Board, upon a motion duly made by Vice Chair Dr. Mackey, seconded by Mayor Nirenberg, and upon an affirmative vote by all members present, the meeting was unanimously adjourned at 4:10 p.m. by Chair Romero.

Shanna M. Ramirez
Secretary of the Board



CPS Energy Board of Trustees Meeting April 23, 2025 APPROVAL of PROCUREMENT ITEMS Table of Contents

1. **Item Description:** **New Electric and Gas Infrastructure Installation Services**
Purchase Category: **General Services**
Supplier:

Badeco, Inc. dba HB Utilities
Benton-Georgia, LLC
MasTec North America, Inc
Mears Installation, LLC
Wampole-Miller, Inc. dba Miller Bros

- Committee Presentations:** Audit & Finance Committee – April 9, 2025
 Operations Oversight Committee – April 9, 2025

2. **Item Description:** **Transmission Monopoles**
Purchase Category: **Commodity & Material Goods**
Supplier:

KBS Electrical Distributors, Inc.
Meyer Utility Structures, LLC
Techline, Inc.

- Committee Presentations:** Audit & Finance Committee – April 9, 2025
 Operations Oversight Committee – April 9, 2025

3. **Item Description:** **Design/Build New Work Campus at W.T. Montgomery**
Purchase Category: **General Services**
Supplier:

Flintco, LLC

- Committee Presentations:** Audit & Finance Committee – April 9, 2025
 Operations Oversight Committee – April 9, 2025

4. **Item Description:**
Purchase Category:
Supplier:

Communication Engineering Services
Professional Services
Aeparmia Engineering, PLLC
Binkley & Barfield, Inc.
Black & Veatch Corporation
Burns & McDonnell Engineering Company Inc.
EN Engineering LLC
Lockard & White Inc
TOP Engineers Plus PLLC
TRC Engineers Inc

Committee Presentations: Audit & Finance Committee – April 9, 2025
 Operations Oversight Committee – April 9, 2025

Approval:

Lewis, Lisa D. Digitally signed by Lewis, Lisa D.
Date: 2025.04.08 14:00:45 -05'00'

Lisa Lewis, Chief Administrative Officer

Approval:

Garza, Rudy D. Digitally signed by Garza, Rudy D.
Date: 2025.04.08 17:00:46 -05'00'

Rudy Garza, President & CEO



CPS Energy Board of Trustees Meeting April 23, 2025 Procurement Form 1



Item Description	New Electric and Gas Infrastructure Installation Services
Purchase Order Value	\$171,000,000
Purchase Category	General Services
Department	Energy Delivery Services
Vice President Construction & Maintenance Services	Jose Trevino
Chief Energy Delivery Officer	Richard Medina

Detailed Description

CPS Energy staff recommend that a contract be awarded to Badeco, Inc. dba HB Utilities, a local, small firm and Benton-Georgia, LLC, MasTec North America, Inc, Mears Installation, LLC, and Wampole-Miller, Inc dba Miller Bros, all local firms, as the respondents who will provide the services at the best value for CPS Energy based on the evaluation criteria set forth below.

These contracts are for the installation of new electric and gas distribution lines within new subdivisions and apartment complexes, typically before the homes and apartments are constructed. These contracts help to meet the demand from builders and developers within the community. This contract will expire on April 30, 2028.

Subcontracting Opportunities

All large businesses awarded a contract have committed to subcontract a portion of the services to one or more small businesses.

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
Experience and qualifications to perform the Services	35
The overall cost	20
Safety records and training program	20
The ability to meet CPS Energy requirements	15
Economic development (Local and Small Business consideration)	10
The financial soundness of the Respondent	Pass/Fail
TOTAL	100



CPS Energy Board of Trustees Meeting April 23, 2025 Procurement Form 1



Recommended Respondent(s) & Award

Respondent Name	SBA Classification & Details	Score	PO Value	PO #	Comments
Benton-Georgia, LLC	Local	92	\$34,200,000	2224449	
Mears Installation, LLC	Local	91	\$34,200,000	2224451	
Badeco, Inc. dba HB Utilities	Local/Small	90	\$34,200,000	2224450	Corporate headquarters located in the San Antonio Metropolitan Area
MasTec North America, Inc	Local	90	\$34,200,000	2224448	
Wampole-Miller, Inc dba Miller Bros	Local	88	\$34,200,000	2224452	
TOTAL			\$171,000,000		

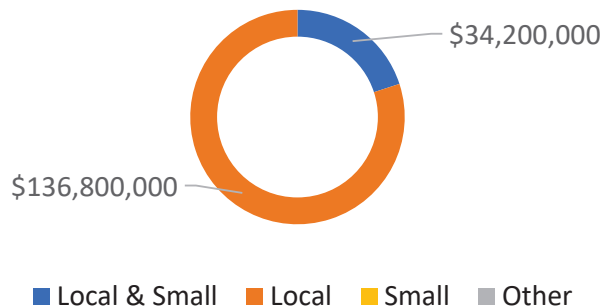
Four (4) additional respondents were not recommended for award: ASPS Holdings LLC dba Superior Pipeline Services; Bartek Construction Co; Future Infrastructure, LLC; and JAMCO Ventures, LLC.

Annual Funds Budgeted

Corporate Annual Budget	Funding Method	Projected FY2026 PO Spend	% of FY2026 Annual Corp Budget	Projected FY2027 PO Spend	Projected FY2028 PO Spend	Projected FY2029 PO Spend
\$1,501,000,000	Capital	\$57,000,000	3.8%	\$57,000,000	\$57,000,000	\$0
\$982,000,000	Non-Fuel O&M	\$0	0%	\$0	\$0	\$0

Our current approved budget and latest estimates support these new purchase orders.

Procurement Item: General Services





CPS Energy Board of Trustees Meeting April 23, 2025 Procurement Form 2



Item Description	Transmission Monopoles
Purchase Order Value	\$220,000,000
Purchase Category	Commodity & Material Goods
Department	Energy Delivery Services
VP T&D Engineering & Grid Transformation	LeeRoy Perez
Chief Energy Delivery Officer	Richard Medina

Detailed Description

CPS Energy staff recommend that a contract be awarded to Techline, Inc. and KBS Electrical Distributors, Inc., both local and small firms, and Meyer Utility Structures, LLC 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 supply and delivery of steel transmission monopoles for aging and new infrastructure. This contract will allow CPS Energy to meet the demand of our growing service territory and complete projects that have been deemed as critically necessary to the grid by ERCOT. This contract will expire on April 30, 2030.

Subcontracting Opportunities

None at this time.

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
The overall cost	40
Experience, Warranty, Quality Control & Contingencies	35
The ability to meet CPS Energy's requirements	15
Economic Development (Local and Small business consideration)	10
TOTAL	100



CPS Energy Board of Trustees Meeting April 23, 2025 Procurement Form 2



Recommended Respondent(s) & Award

Respondent Name	SBA Classification & Details	Score	PO Value	PO #	Comments
Techline, Inc.	Local/Small	91	\$90,000,000	3078064	
Meyer Utility Structures, LLC		83	\$90,000,000	3078065	
KBS Electrical Distributors, Inc.	Local/Small	71	\$40,000,000	3078066	
TOTAL			\$220,000,000		

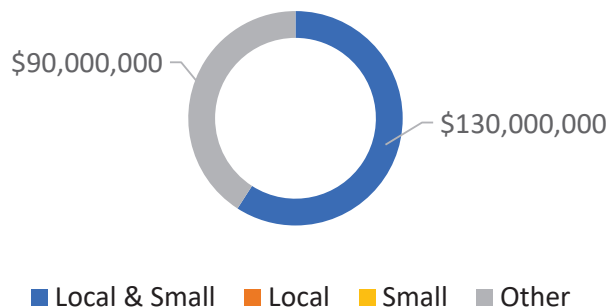
Six (6) additional respondents were not recommended for award: DP International Sales, Inc.; Fap Co.; Nucor Towers & Structures, Inc.; Sabre Industries, Inc.; Trans American Power Poles, Inc.; and Wesco Distribution, Inc.

Annual Funds Budgeted

Corporate Annual Budget	Funding Method	Projected FY2026 PO Spend	% of FY2026 Annual Corp Budget	Projected FY2027 PO Spend	Projected FY2028 PO Spend	Projected FY2029 PO Spend
\$1,501,000,000	Capital	\$40,000,000	2.6%	\$100,000,000	\$50,000,000	\$30,000,000
\$982,000,000	Non-Fuel O&M	\$0	0%	\$0	\$0	\$0

Our current approved budget and latest estimates support these new purchase orders.

Procurement Item: Commodity & Material Goods





CPS Energy Board of Trustees Meeting
April 23, 2025
Procurement Form 3



Item Description	Design/Build New Work Campus at W.T. Montgomery
Purchase Order Value	\$83,000,000
Purchase Category	General Services
Department	Facilities
VP Operational Support Services	Bert Hargesheimer
Chief Administrative Officer	Lisa Lewis

Detailed Description

CPS Energy staff recommend that a contract be awarded to Flintco, LLC, a local firm, as the respondent who will provide the goods or services at the best value for CPS Energy based on the evaluation criteria set forth below.

This contract will allow CPS Energy to construct a new work campus in accordance with the CPS Energy Real Estate Master Plan. This project is necessary given the condition of existing service facilities and will provide support to the region based on current and future needs. Cost does not include land as CPS Energy already owns the property. The facilities will include a fleet/auto shop, warehouse, administrative buildings, and a large laydown yard, with a combined area of approximately 100,000 square feet and a projected useful life of over 40 years. This contract will expire on August 4, 2027.

Subcontracting Opportunities

Flintco, LLC has committed to subcontract a portion of the services to one or more local or small businesses. CPS Energy and Flintco, LLC will host a joint subcontractor fair in the coming months.

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

Evaluation Criteria	Points
Design Build Team's Experience	20
Design Build Team's Technical Competence	20
Design Build Team's Capability to Perform	30
Design Build Team's Past Performance	20
Economic Development (Local and Small business consideration)	10
Safety records and training program	Pass/Fail
The financial soundness of the Respondent	Pass/Fail
TOTAL	100



CPS Energy Board of Trustees Meeting April 23, 2025 Procurement Form 3



Respondents were then shortlisted and issued a **Request for Proposal**. An evaluation team considered the following weighted evaluation criteria to determine the best value to CPS Energy.

Evaluation Criteria	Points
Technical Proposal: Project Plan and Schedule	75
Cost Proposal: Overall Cost	25
TOTAL	100

Recommended Respondent(s) & Award

Respondent Name	SBA Classification & Details	Score	PO Value	PO #	Comments
Flintco, LLC	Local	93	\$83,000,000	2226039	
TOTAL			\$83,000,000		

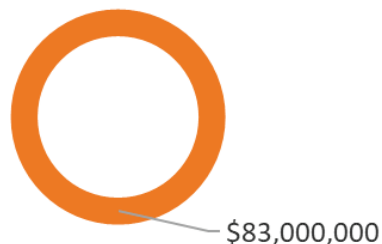
Nine (9) additional respondents were not recommended for award: Butler-Cohen LLC; David E Harvey Builders Inc; Guido Construction Company; Joeris General Contractors LLC; Lott Brothers Construction Company; Skanska USA Bldg. Inc; SpawGlass Contractors Inc; Structure Tone Southwest LLC; and Turner Construction Company

Annual Funds Budgeted

Corporate Annual Budget	Funding Method	Projected FY2026 PO Spend	% of FY2026 Annual Corp Budget	Projected FY2027 PO Spend	Projected FY2028 PO Spend	Projected FY2029 PO Spend
\$1,501,000,000	Capital	\$13,000,000	0.9%	\$58,000,000	\$27,000,000	\$0
\$982,000,000	Non-Fuel O&M	\$0	0%	\$0	\$0	\$0

Our current approved budget and latest estimates support these new purchase orders.

Procurement Item: General Services



■ Local & Small
 ■ Local
 ■ Small
 ■ Other



CPS Energy Board of Trustees Meeting

April 23, 2025
Procurement Form 4



Item Description	Communication Engineering Services
Purchase Order Value	\$6,000,000
Purchase Category	Professional Services
Department	IT Infrastructure and Operations
VP IT Infrastructure & Operations	Anand Vedapuri
Chief Information Officer	Evan O'Mahoney

Detailed Description

CPS Energy staff recommend that a contract be awarded to Aeparmia Engineering, PLLC and TOP Engineers, both local, small firms, Lockard and White Inc., a small firm, Binkley & Barfield, Inc., Black & Veatch Corporation, Burns & McDonnell Engineering Company Inc., EN Engineering LLC, and TRC Engineers Inc., all local firms as the respondents who will provide the goods or services at the best value for CPS Energy based on the evaluation criteria set forth below.

This contract provides engineering services for communication systems, including design, drafting, and construction plans for the building of communication sites and associated infrastructure. This contract will allow CPS Energy to expand existing and future communication infrastructure for system growth, grid modernization, and enhanced resiliency. These contracts will expire on April 30, 2028.

Subcontracting Opportunities

All large businesses awarded a contract have committed to subcontract a portion of the services to one or more small businesses.

The solicitation method for this procurement was a Request for Qualification (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	100
Safety records and training program	Pass/Fail
The financial soundness of the Respondent	Pass/Fail
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

April 23, 2025
Procurement Form 4



Recommended Respondent(s) & Award

Respondent Name	SBA Classification & Details	Score	PO Value	PO #	Comments
Burns & McDonnell Engineering Company Inc.	Local	90	\$1,000,000	2226205	
Binkley & Barfield, Inc.	Local	87	\$1,000,000	2226203	
Lockard & White Inc	Small	85	\$1,000,000	2226207	
Black & Veatch Corporation	Local	83	\$1,000,000	2226204	
Aeparmia Engineering, PLLC	Local/Small	80	\$500,000	2226202	
TRC Engineers Inc	Local	79	\$500,000	2226209	
EN Engineering LLC	Local	78	\$500,000	2226206	
TOP Engineers Plus PLLC	Local/Small	75	\$500,000	2226208	Corporate headquarters located in the San Antonio Metropolitan Area
TOTAL			\$6,000,000		

Four (4) additional respondents were not recommended for award: CP & Y Inc; Jacobs Telecommunications Inc; M & S Engineering, LLC, and Infosys Limited.

Annual Funds Budgeted

Corporate Annual Budget	Funding Method	Projected FY2026 PO Spend	% of FY2026 Annual Corp Budget	Projected FY2027 PO Spend	Projected FY2028 PO Spend	Projected FY2029 PO Spend
\$1,501,000,000	Capital	\$1,800,000	0.1%	\$1,800,000	\$1,800,000	\$0
\$982,000,000	Non-Fuel O&M	\$200,000	0.02%	\$200,000	\$200,000	\$0

Our current approved budget and latest estimates support these new purchase orders.



CPS Energy Board of Trustees Meeting

April 23, 2025

Procurement Form 4



Procurement Item: Professional Services





Community Input Committee (CIC) Subcommittee Report Customer Relations and Communication

EXECUTIVE SUMMARY AND CHAIR REPORT FROM THE FEBRUARY 12, 2025, MEETING PREPARED FOR COMMITTEE CHAIR, MR. RICHARD FARIAS FOR REPORT AT THE APRIL 23, 2025, BOARD OF TRUSTEES MEETING

The Customer Relations and Communication subcommittee met on February 12, 2025. As part of the agenda, the Committee:

- A. Received a presentation on CPS Energy's Customer Overview
 - a. We serve about 960,000 customers.
 - b. LARGE & INDUSTRIAL ~5K (1% of total)
 - c. SMALL & MEDIUM ~90K (9% of total)
 - d. RESIDENTIAL ~865K (90% of total)
- B. Identification of Teams Directly Supporting Customers
 - a. Enterprise Customer Experience – what we cover.
 - Customer Research and Insights
 - Customer Data Analytics
 - Customer Business Innovation
 - b. Teams Utilized to Run Customer Experience
 - Public Relations
 - Internal Communications
 - Social Media
 - Marketing
 - Customer Service
 - Customer Revenue
 - Metering Services
 - Key Accounts
 - Corporate Responsibility
 - Community Engagement
- c. Measuring Success
 - a. Brand Trust
 - b. Service Satisfaction
 - c. Product Experience
- d. Plans for 2025
 - a. Develop Customer Experience roadmap, refine customer segmentation, and conduct quality control surveys.
 - b. Develop Customer Experience Championship Team

- c. Support the development and execution of products and services to include customer feedback and effective engagement.

Subcommittee members asked about the participation of the CIC committee in community engagement opportunities, such as the MLK walk that some members attended with CPS Energy staff, as well as other volunteer events that support REAP fundraising.

The next Customer Relations and Communications Subcommittee meeting is scheduled for May 14, 2025.



Community Input Committee (CIC) Subcommittee Report Rates, Finance, and Business

EXECUTIVE SUMMARY AND CHAIR REPORT FROM THE FEBRUARY 12, 2025, MEETING PREPARED FOR COMMITTEE CHAIR, MS. LAWSON PICASSO FOR REPORT AT THE APRIL 23, 2025, BOARD OF TRUSTEES MEETING

The Rates, Finance, and Business subcommittee met on February 12, 2025. As part of the agenda, the Committee:

Received a presentation overviewing the Transmission Cost of Service:

- A. CPS Energy Electric Utility Operations
 - Distribution, Transmission, and Retail Rates Overview:
 - Distribution rates are set by the City of San Antonio, while transmission rates are regulated by the Public Utility Commission of Texas (PUCT).
- B. Transmission Providers and Market Structure
 - CPS Energy is both a transmission provider and a distribution provider, vertically integrated in the utility market.
 - Explanation of the Electric Reliability Council of Texas (ERCOT) Four Coincident Peak Matrix used by transmission and distribution providers.
 - Transmission investments benefit local distribution customers by providing reliability and resilience.
 - Transmission providers range from very small companies to very large companies, with many interactions in between.
- C. Overview of Transmission Rate Case Process and the PUCT
- D. Challenges and Uncertainties in Rate Cases
 - Impact of legislative and regulatory changes

Subcommittee members sought to gain a better understanding of the transmission segment of our business, the differences in generation and transmission, CPS Energy as a vertically integrated utility, and the complexities involved in the transmission cost of service recovery process. Subcommittee members also elected Bob Zapata as Chair and Maria Nelson as Vice Chair.

This report has been distributed to all members of the Community Input Committee.

The next Rates, Finance, and Business Subcommittee meeting is May 14, 2025.



Community Input Committee (CIC) Subcommittee Report Power and Technology

EXECUTIVE SUMMARY AND CHAIR REPORT FROM THE FEBRUARY 12, 2025, MEETING PREPARED FOR COMMITTEE CHAIR, MR. STEVE BONNETTE FOR REPORT AT THE APRIL 23, 2025, BOARD OF TRUSTEES MEETING

The Power and Technology Subcommittee met on February 12, 2025. As part of the agenda, the Committee:

Received a presentation on ERCOT and the Wholesale Market.

- A. CPS Energy's Role in the Market
 - 1. CPS Energy is a key stakeholder in the ERCOT grid.
 - 2. CPS Energy is a fully integrated utility providing electric generation, transmission, distribution, and retail services.
 - 3. CPS Energy participates in the competitive wholesale market.
- B. Energy Market Fundamentals and Mechanisms for Market Pricing Dynamics
 - 1. Market pricing is relative to your perspective as a buyer or seller.
 - i. Statewide load/customer demand is aggregated, and a single demand value is cleared. High prices typically signal a need to reduce demand and create an incentive for demand response programs.
 - ii. Generators offer their capacity into the market, and those offers are "stacked" by cost – lowest to highest. Economically efficient generators are dispatched first, moving less efficient generators to the margin.
- C. Impacts of Energy Transition on Resource Adequacy
 - 1. ERCOT's goal is to balance supply and demand across the electric system, taking into account the variability of certain resources.
 - 2. A sustainable balance must be maintained to navigate the transition reliably and affordably.

Subcommittee members aimed to deepen their understanding of Transmission Service Providers and the history of deregulation. They discussed the demands for transmission and generation within ERCOT and explored the market factors influencing pricing and generation. Additionally, they raised questions about the Texas Energy Fund and the potential future incentive programs that the Legislature might implement to address these demands.

This report has been distributed to all members of the Community Input Committee.

The next Power and Technology Subcommittee meeting is May 14, 2025.



Community Input Committee (CIC) Committee Report

EXECUTIVE SUMMARY AND CHAIR REPORT FROM THE APRIL 9, 2025, MEETING PREPARED FOR COMMITTEE CHAIR, MS. LAWSON PICASSO FOR REPORT AT THE APRIL 23, 2025, BOARD OF TRUSTEES MEETING

The Community Input Committee met on April 9, 2025. As part of the agenda, the Committee:

- A. Received a presentation on CPS Energy's FY2026 Budget. The presentation explained CPS Energy's continued execution of the budget plan, driven by generation, transmission, distribution, and technology decisions. It provided topline guidance on Capital and Non-Fuel O&M Budgets, along with a snapshot of the FY2026 Financing Plan. Committee members expressed appreciation for the Corpus Christi and Laredo plant acquisitions and acknowledged the value they are providing. Additionally, Committee members had questions regarding the City of San Antonio's policy on use of excess wholesale revenue, CPS Energy's use of the Repair and Replacement Fund Additions, status of delinquent accounts, and the potential impact of uncertainty around federal grants and potential policy changes being discussed by the Texas Legislature.

- B. Received an update on CPS Energy's Generation Plan. The presentation provided the most recent ERCOT load growth estimates, and an overview of the Vision 2027 generation plan approved by the Board of Trustees in January 2023 and inclusive of input from the community. The presentation outlined the generation plan timeline through 2030 and provided a positive update on the status of increasing generation to address demand growth while also meeting the community's CAAP goals for 2040. Committee members again expressed appreciation for the Corpus Christi and Laredo plant acquisitions in bolstering energy supply diversity at a low cost and sought a deeper understanding of demand reduction programs, plant retirement timelines and impacts, battery storage, communication methods for emergency preparedness, and the projected energy mix over the next 25-year period. The Committee also highlighted the need to reduce carbon intensity, but also the long-term goal of total greenhouse gas reductions.

The next Community Input Committee meeting is July 9, 2025.



REAL ESTATE PURCHASE APPROVAL

MCCULLOUGH SURFACE PARKING LOT

PRESENTED BY:

Lisa Lewis

Chief Administrative Officer

April 23, 2025

Request for Approval

MCCULLOUGH SURFACE PARKING LOT

ACQUISITION FROM NEIGHBOR, FIRST BAPTIST CHURCH



- **Scope:** Acquisition of McCullough Ave surface lot owned by First Baptist Church, located in front of CPS Energy Headquarters
- **Details / Background:** 510 Avenue B
 - ~227 Parking Spaces
 - Leased since 2017
- **Purchase Price:** ~\$12 million
 - \$140/sf price is within range of similar sales located in proximity to San Antonio River
 - Purchase will secure long-term parking flexibility
 - Will result in CPS Energy's ownership of the total block



We respectfully request your approval at this time.





THANK YOU



RANCHTOWN TO TALLEY RD ROUTING AND SITING PROJECT

PRESENTED BY:
Richard Medina
Chief Energy Delivery Officer

April 23, 2025
Request for Approval



AGENDA

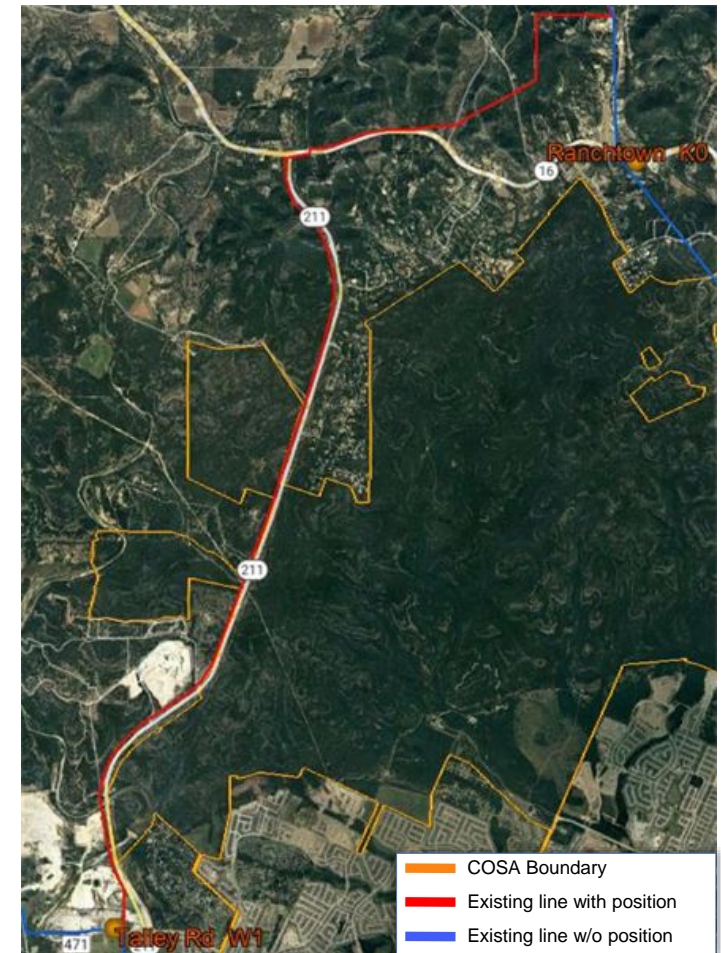
- Project Overview
- Public Involvement
- Public Utility Commission (PUC) Process
- Board Action

The Project Team is seeking Board approval of the route and project.

PROJECT OVERVIEW

- Electric Reliability Council of Texas (ERCOT) endorsed project
- Install new 138kV transmission line
 - 11.3 miles on existing poles
 - 1 mile on replaced poles
- Approximately 50 feet of additional easement required for rebuild portion
- Approximately 12.3 miles total project length
- Project is mostly outside City of San Antonio (District 6)
- Target in-service date: June 2027

This project supports growth by adding transmission capacity and reducing the likelihood of overloads.



PUBLIC INVOLVEMENT



- Public Open House (08/12/24)
 - 101 property owners and residents invited
 - Location: Los Reyes Elementary School
 - 16 participants signed in
- Additional outreach efforts
 - Project Website
 - Project Brochure/FAQ/Questionnaires
 - Multiple newspaper notice advertisements
 - San Antonio Express-News: 08/04/2024 and 08/11/2024
 - La Prensa: 08/04/2024
 - Conexion: 08/07/2024
 - PUC application notice packet: 11/01/2024



PUC PROCESS

- CCN Application submitted to the PUC on 11/01/2024, which included:
 - Environmental assessment
 - Cost estimate
 - Our filed testimonies
- 101 property owners and 63 agencies received notice
- No landowner or agency interventions
- PUC Notice of Approval on 01/23/2025

The CCN application received an uncontested PUC approval.



REQUEST FOR APPROVAL

Project team requests Board approval to:

- Proceed with PUC approval
- Execute planning, easement procurement, and construction of the project



THANK YOU



APPENDIX

GLOSSARY / DEFINITIONS



ACRONYM OR WORD	DEFINITION
CCN	Certificate of Convenience and Necessity
ERCOT	Electric Reliability Council of Texas
FAQ	Frequently asked questions
kV	Kilovolt
PUC	Public Utility Commission of Texas
STEC	South Texas Electric Cooperative



LOAD GROWTH UPDATE

PRESENTED BY:

Elaina Ball

Chief Strategy Officer

April 23, 2025

Informational Update

AGENDA



- Drivers for Infrastructure Growth
- ERCOT Market Landscape & Industry Trends
- Our System Growth
- San Antonio South Reliability Electric Transmission Line Expansion
- Next Steps

We are seeing substantial load growth and interconnection requests, which are creating demand for additional substation and transmission infrastructure.

DRIVERS FOR INFRASTRUCTURE GROWTH



We are proactively planning our transmission system to accommodate these growth drivers:

- **Population Growth:** Bexar County is expected to increase by 4.9% by 2030*
- **Energy Demand:** CPS Energy's system load, excluding new large data center growth, is projected to grow by 2.8% annually over the next 10 years
- **Data Center Demand:** Increased interest from large data center customers is anticipated to contribute to a 31% increase to our system load within the next 10 years
- **Renewables Expansion:** Multiple solar and storage interconnection requests are necessitating transmission projects
- **Power Generation Retirements:** Planned retirements of existing power generation facilities impacting infrastructure needs

The drivers of infrastructure growth—population increase, rising system load, data center demand, renewable energy expansion, and planned power generation retirements—underscore our proactive transmission planning approach.

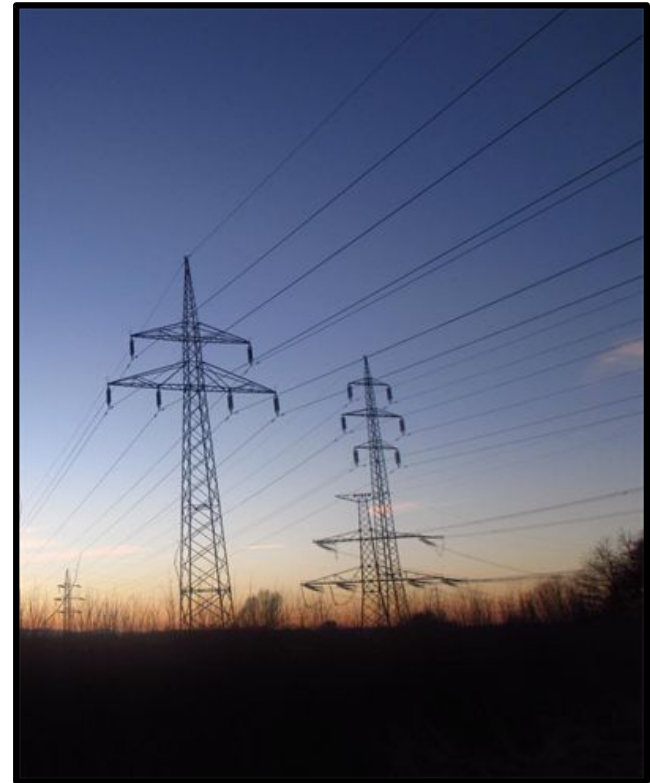
*Source: S&P Global

ERCOT MARKET LANDSCAPE



- ERCOT anticipates **~152 GW** of new load by 2030
- There are ~1,775 active generation interconnection requests* in the queue totaling **~346 GW**

* Note: Not all interconnection requests will advance to commissioning phase



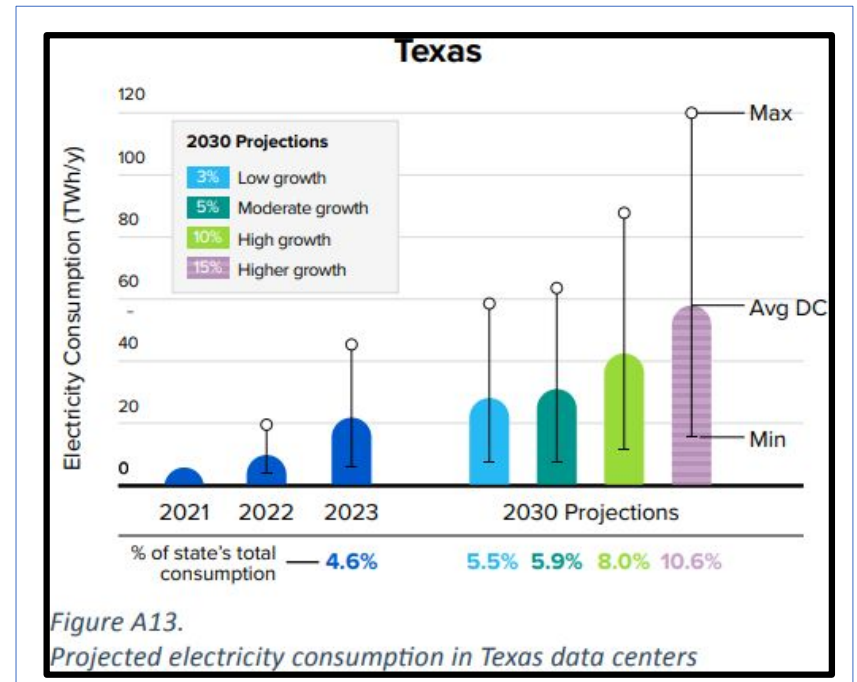
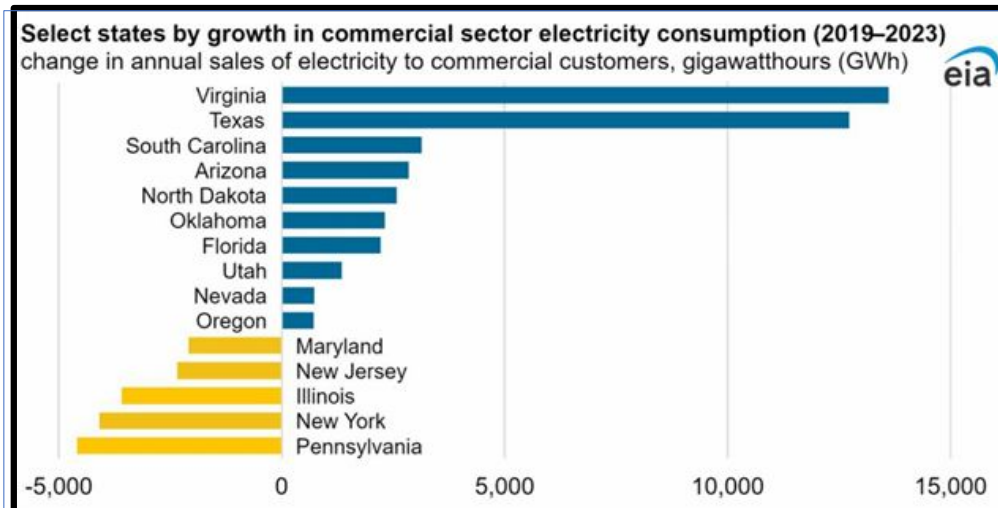
The ERCOT region forecasts tremendous electric demand growth over the next 5-7 years, which is driving the need to adapt and plan differently for the future.

INDUSTRY TRENDS

DATA CENTER – ELECTRIC LOAD GROWTH IN TEXAS



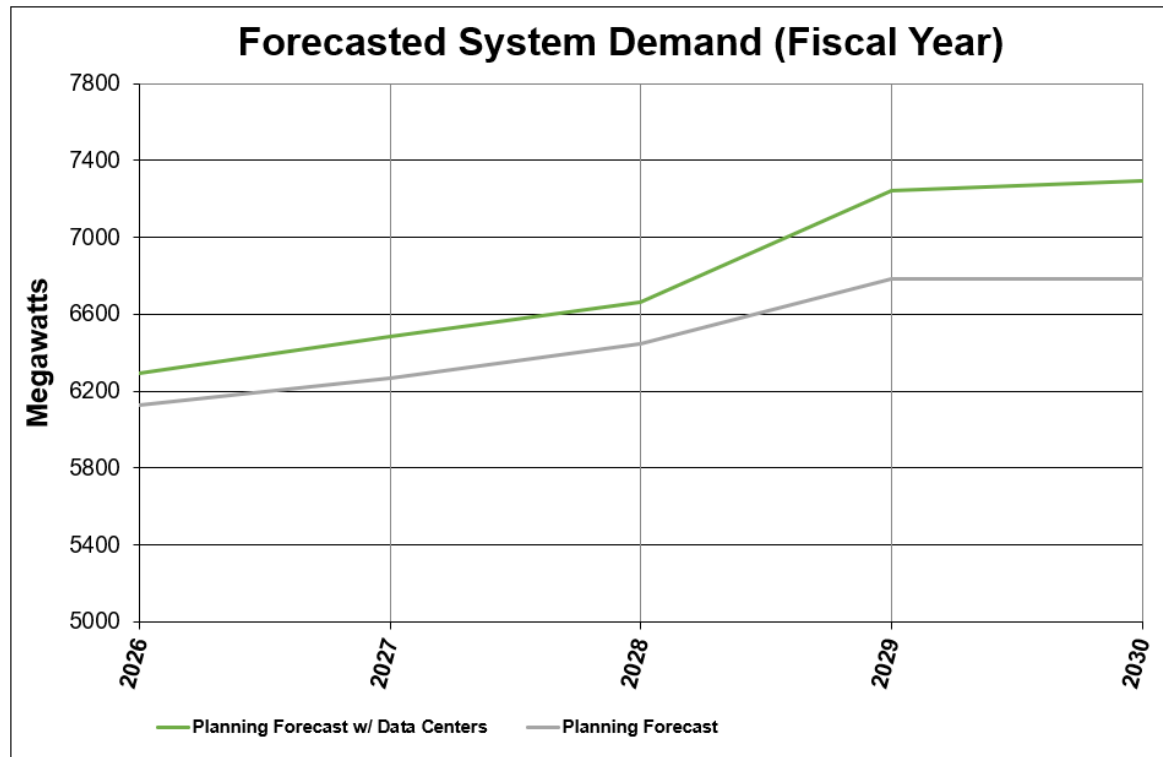
Texas is #2 in the US for commercial demand for electricity led by Data Centers



Source: EPRI – Powering Intelligence: Analyzing Artificial Intelligence and Data Center Energy Consumption

Total electric consumption by data centers in the U.S. will double by 2028, increasing the need for more baseload generation.

OUR SYSTEM GROWTH



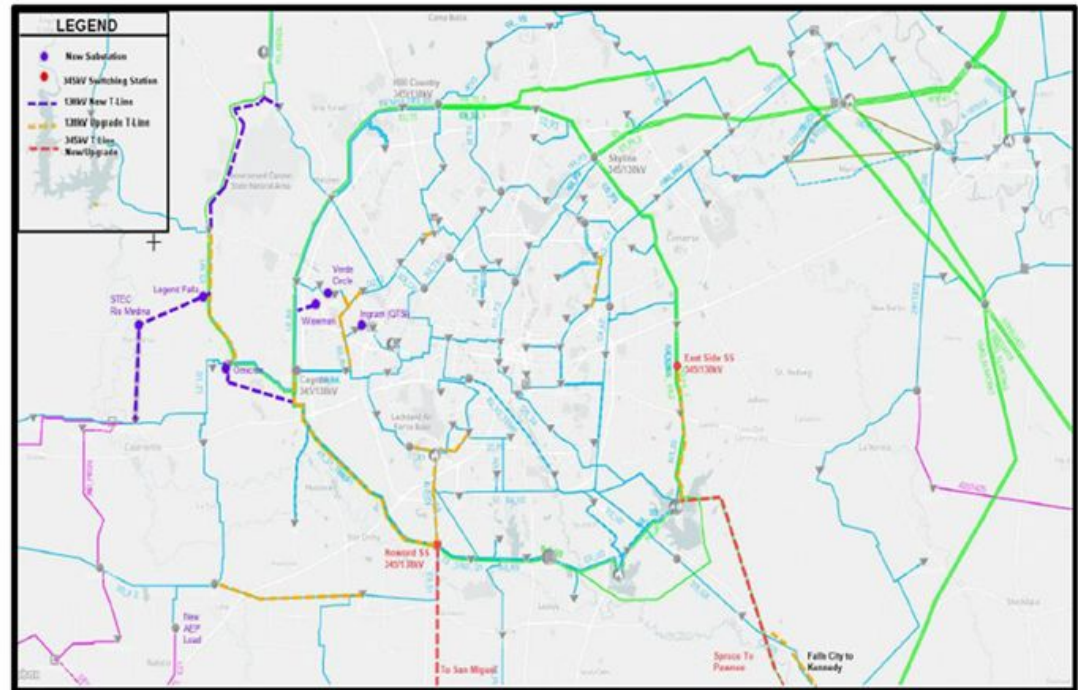
We are seeing a significant increase in system load growth over the next several years leading to an increase in capital projects and investment required.

REGIONAL TRANSMISSION GROWTH



ERCOT approved 2 new 345kV/138kV switching stations & multiple new or upgraded transmission lines

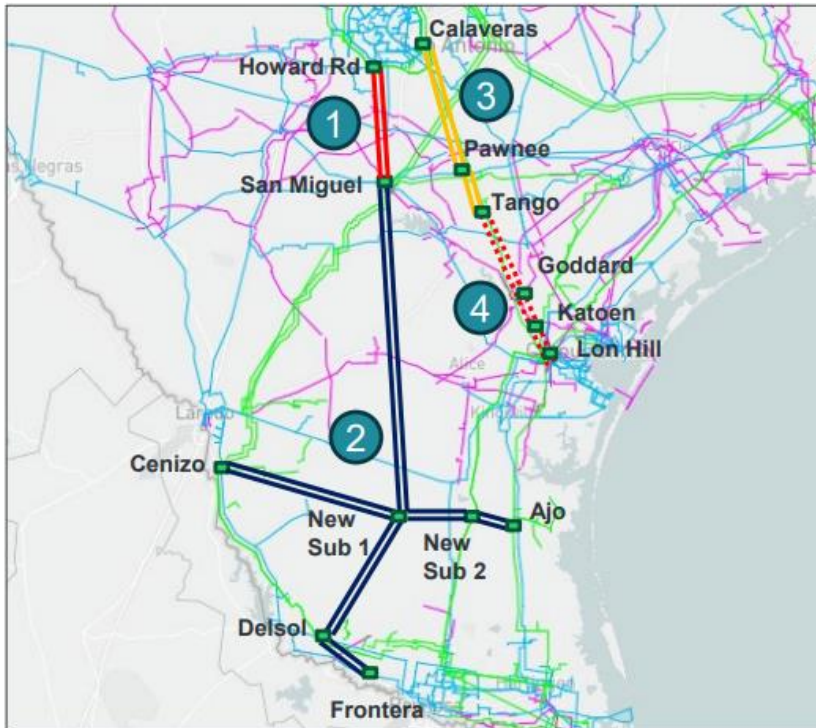
- With needs to invest up to **\$1.4B** over the next 5 years
- This will support the ~1GW of forecasted load growth by 2029



ERCOT is reviewing a new Extra-High Voltage (EHV) 765kV system to address overall growth.

SAN ANTONIO SOUTH RELIABILITY

ELECTRIC TRANSMISSION LINE EXPANSION



Our portion:

- ① Howard Rd. to San Miguel new double circuit 345kV transmission line
- ③ Spruce → Pawnee → Tango rebuild of a single 345kV circuit to a double circuit

Multiple projects have been approved in South Texas to improve system reliability and the ability to transfer power from new generation resources to major load centers across ERCOT.



NEXT STEPS

- Increase in RFPs to meet demand
- Continued execution our substation & transmission projects
- Power Generation preparation for load growth

The significant increase in projects and investment will require collaboration across multiple business areas.



THANK YOU



APPENDIX

GLOSSARY / DEFINITIONS



ACRONYM OR WORD	DEFINITION	ACRONYM OR WORD	DEFINITION
DC	Data Center	RFP	Request for Proposal
ERCOT	Electric Reliability Council of Texas	T&D	Transmission & Distribution
EHV	Extra-High Voltage	TWh/y	Terawatt-Hours per Year
GW	Gigawatt		
GWh	Gigawatt Hours		
kV	Kilovolt		