CEO’S REPORT

PRESENTED BY:

Paula Gold-Williams
President & CEO

September 30, 2019
THIS MONTH’S TOPICS

• CPS ENERGY BOARD AGENDA INSIGHTS
• COMMENT PERIOD
• ELECTRIFICATION – FALL SA SYMPOSIUM
• UPCOMING TOPICS
ITEM 7A – ADDITIONAL UPDATES

• ERCOT SUMMER 2019 UPDATE:
  ❑ Guest Presenter:
    ❖ Bill Magness, President & CEO of ERCOT
  ❑ Highlights:
    ❖ How the market generally works
    ❖ What were the challenges this summer
    ❖ When additional capacity investments are expected
ITEM 7B – COST SAVINGS, PREVIEW CONSENT AGENDA ITEM

- OPERATIONAL – ADVANCED CABLE TESTING
  - Improving the way we test power lines, which increases our accuracy & lowers our costs

ITEM 7C – FINANCIAL UPDATE

- STRONG PERFORMANCE
  - Continued Cost Control, including reduced Debt Costs
  - Optimized Wholesale Revenues
ITEM 7D – RENEWABLE NATURAL GAS

• NATRUAL GAS
  □ Summary Preview of a New Process
  □ Designed to lower gas pipeline carbon

ITEM 10 – ENERGY STORAGE UPDATE

• EMERGING TECHNOLOGY
  □ Guest Presenter:
    ❖ Judy McElroy, CEO of Fractal
  □ Will Provide Some Industry Insights
FLEXIBLE PATH COMMENT PERIOD STATUS UPDATE

FLEXPOWER BUNDLE COMPONENTS FOR DISCUSSION

300-900 MEGAWATTS (MW)

CPS ENERGY’S PRESIDENT & CEO LAUNCHES COMMUNITY INPUT ON THE NEW “POWER BUNDLEFLEX”
CPS ENERGY NEWSROOM, JULY 10, 2019

10-50 MEGAWATTS (MW)

CPS Energy Proposes Adding New Solar, Batteries, Buying Natural Gas Power
RIVARD REPORT, JULY 10, 2019

300-500 MEGAWATTS (MW)
This is how we save our customers money & add value.
FLEXIBLE PATH COMMENT PERIOD
MAJOR STEP FORWARD

INPUT CHANELS:

- PRESENTATIONS
- WORK SESSIONS
- + OTHERS AS HELPFUL

CIVIC BREAKFAST GROUP
SYMPOSIUM IN S.A. THIS WEEK!

ELECTRIFICATION

PARTNERSHIP: CPS Energy & EPRI
UPCOMING TOPICS

• PROGRAM PROGRESS
  ❑ FLEXPOWER BUNDLE - continues
  ❑ FLEXSTEP

... more to come ...
Thank You
GLOSSARY / DEFINITIONS

• CAAP  Climate Action and Adaptation Plan
• CEO  Chief Executive Officer
• CFO  Chief Financial Officer
• CRU  Customer Response Unit
• EPRI  Electric Power Research Institute
• FY  Fiscal Year
• M  Million
• MW  Megawatts
• PFC  SA Energy Acquisition Public Facility Corporation
• S.A.  San Antonio
• RFP  Request for Proposal