

CPS ENERGY
MINUTES OF SPECIAL MEETING OF THE BOARD OF TRUSTEES
HELD ON JANUARY 22, 2021

A Special Meeting of the CPS Energy Board of Trustees was held on Friday, January 22, 2021, by telephone conference in order to advance the public health goal of limiting face-to-face meetings (also called “social distancing”) to slow the spread of the Coronavirus (COVID-19). There was no in-person public access to the meeting. Chair John Steen called the meeting to order at 1:00 p.m.

Present via phone were Board members:

Mr. John Steen, Chair
 Dr. Willis Mackey, Vice Chair
 Mr. Ed Kelley
 Ms. Janie Gonzalez
 Mayor Ron Nirenberg

Also present via phone were:

Ms. Paula Gold-Williams, President & CEO
 Dr. Cris Eugster, Chief Operating Officer
 Ms. Carolyn E. Shellman, Chief Legal Officer & General Counsel and Board Secretary
 Mr. Fred Bonewell, Chief Security, Safety & Gas Solutions Officer
 Ms. Vivian Bouet, Chief Information Officer
 Mr. Frank Almaraz, Chief Administrative & Business Development Officer
 Mr. Rudy Garza, Interim Chief Customer Engagement Officer
 CPS Energy Staff Members
 City of San Antonio officials
 Interested Citizens

I. ROLL CALL OF BOARD MEMBERS

Ms. Shellman called the roll. A quorum was present.

II. SAFETY MESSAGE

The Board meeting began with safety messages delivered by Mayor Nirenberg and Ms. Gold-Williams.

Mayor Nirenberg provided a COVID-19 update. He explained that the City of San Antonio (City) began vaccine efforts for COVID-19 while working with state and federal government officials. Groups 1(a) and 1(b) are currently being vaccinated, per Governor Abbott’s order. There is exponentially more demand than available supply. Mayor Nirenberg encouraged all eligible persons to get the vaccine when it is available to them. He encouraged people to continue observing COVID-19 safety protocols. He further reported that the City is working to administer COVID-19 relief funds.

Ms. Gold-Williams expressed appreciation for the City and County leadership for the daily COVID-19 updates. She stated that our workforce has experienced over 300 COVID-19 positive cases. We have seen almost 10% of our workforce impacted through quarantine, and we have seen some hospitalizations of our employees. We continue to consider sequestration efforts for certain teams and locations and are monitoring factors to determine when sequestration will occur. She reported that while vaccinations are top

of mind, utility workers are not included in the first few levels of vaccine administration. We are educating our employees about available vaccinations and encouraging them to be vaccinated, if given the opportunity. We continue to stress to our employees to take all recommended safety measures to keep them and their families as safe as possible.

Chair Steen thanked Mayor Nirenberg and Ms. Gold-Williams for their leadership related to the global pandemic.

III. INVOCATION

An invocation was delivered by Ms. Denae Myers, Board Relations Manager.

IV. PUBLIC COMMENT

Chair Steen announced that public comments would be taken and outlined the guidelines for doing so. The following people made comments:

1. Mr. Richard Perez, President & CEO, San Antonio Chamber of Commerce, spoke about the Rate Advisory Committee (RAC). He urged the Board to ensure that there is representation of all aspects of the San Antonio community.
2. Mr. Scott Kanski, Texas Rising, spoke critically about the timing of the Board meetings and the process for providing public comment. He urged that the RAC accept public comment.
3. Ms. Isabella Briseño, Campus Organizer, Texas Rising, spoke critically about the timing of the Board meetings and the process for providing public comment. She encouraged increased transparency and the consideration of public health issues by the RAC.
4. Ms. Karen Munoz, St. Mary's School of Law People's Parity Project, provided input about the focus of the RAC. She spoke critically about the timing of the Board meetings and the process for providing public comment.
5. Ms. Rachel Rabbani spoke critically about the timing of the Board meetings and the process for providing public comment. She commented directly regarding Trustee Kelley's views on the RAC.
6. Ms. DeeDee Belmares, Public Citizen, spoke about the RAC, specifically addressed Trustee Gonzalez' letter related to the RAC, and urged that the RAC consider financial and generational resource planning aspects.
7. Ms. Anacua Garcia, Community Organizer, Southwest Workers Union, spoke critically about the timing of the Board meetings and the process for providing public comment. She urged the closure of coal-burning plants and for the RAC to evaluate long-term generation impacts.
8. Ms. Lexy Garcia, Texas Rising, spoke about environmental and health impacts on certain neighborhoods and serving all residents equally. She urged the RAC to consider generation resources and seek public input.
9. Mr. Mason Escamilla spoke critically about the timing of the Board meetings and the process for providing public comment. He urged the RAC to consider generation resources and seek public input.
10. Mr. Greg Harman, Sierra Club, spoke on the RAC and urged that the San Antonio City Council ensure diverse voices are included in the discussion. He further urged that RAC members receive diversity, inclusion and equity training and be well informed related to decarbonization.

- He spoke about the process for providing public comment at the Board meeting and increasing transparency and accessibility.
11. Dr. Meredith McGuire, Conservation Committee Co-Chair, Sierra Club, applauded the decision to move forward with the RAC. She urged that the Board and the RAC receive truthful data and representations, and for more transparency.

V. OPENING'S REMARKS

Chair Steen noted that this Special Meeting was called as a RAC planning session. He asked Trustee Gonzalez, as the RAC Board liaison, to provide opening remarks.

Trustee Gonzalez expressed thanks to the Mayor, the Trustees, and Ms. Gold-Williams for the opportunity to serve as the liaison to the RAC. She explained that the Board was to address the design, development, and implementation of the RAC. She noted that CPS Energy strives to be financially responsible and a good steward of community interest through its balance of six (6) **Guiding Pillars: Reliability, Customer Affordability, Security, Safety, Environmental Responsibility, and Resiliency.**

Trustee Gonzalez stated that the mission of the RAC is to: provide and ensure public participation; receive balanced and objective information from RAC members on utility efforts and projects, rate structure and design, and generation planning; and collectively achieve a framework that meets the needs of the diverse community.

Trustee Gonzalez thanked CPS Energy leadership who assisted with preparing the RAC framework. She expressed her commitment to be responsible and agile in leading the effort to achieve collective, measurable and impactful results.

VI. STATUS REPORT

Mr. Rudy Garza provided a status report related to the RAC. He thanked Trustee Gonzalez for her time to review documents and provide input. He also thanked CPS Energy team members for their work on the RAC documents.

Regarding the RAC member application, Mr. Garza encouraged the Board members to provide feedback on the application. He stated that a press release is forthcoming, which will celebrate the beginning of the RAC process and solicit interest from the public to apply for membership. Regarding the application process, he reported that applications will be accepted via a dedicated website or in paper form, available at the CPS Energy customer walk-in centers and at the City Clerk's office. Mr. Garza also noted that citizens can apply with their representative City Council members for the City Council appointments to the RAC. He expressed the desire to cast a wide net to ensure broad participation. If the Board does not have any changes to the application form, the application process will open today and remain open through February 26, 2021.

Mr. Garza noted the creation of a dedicated email address related to the RAC: rac@cpsenergy.com. Emails received through this address will be used to communicate with members of the CPS Energy team related to the RAC application process.

Mr. Garza assured the Board that we are keeping Trustee Gonzalez aware of activities related to the RAC. We anticipate that the Board will be able to look at the applicants at the beginning of March 2021. Mr. Garza expressed the goal to have the RAC seated in the May 2021 time frame.

Ms. Gonzalez opened the floor for discussion. Mayor Nirenberg thanked Trustee Gonzalez for leading the RAC efforts and sought clarification related to the City Council appointment process. Mr. Garza and Trustee Gonzalez explained that there are two sources of placement on the RAC – those positions that will be appointed by the City Council members, and those positions that will be selected by the Board of Trustees. City Council will be provided with information about applications received from citizens within their districts and will submit their nominations directly to CPS Energy. The Board's selections will come from the general application process. The Trustees will see both lists - the City Council nominations and the general applications. They reiterated that the application process is designed to be inclusive and to have diverse representation.

Mayor Nirenberg asked for further clarity regarding City Council applications. Trustee Gonzalez responded that we are working with City Council offices and the City Clerk's office to receive all inquiries and applications.

Mayor Nirenberg asked for clarity on the number of appointments. Trustee Gonzalez responded that we would address his question in the next section.

Trustee Gonzalez called on each Board member inquiring if they had questions. Trustees Steen, Kelley and Dr. Mackey responded that they did not have questions.

VII. ADVISORY SELECTION OVERVIEW & PROCESS

Trustee Gonzalez outlined the selection process for RAC members at a high level. She noted that we have already received suggested names from certain City Council offices. We are asking for each Board member to recommend 2-3 people to apply. Applications will be received and reviewed for eligibility. We want to ensure a balanced, diverse, and equitable list of RAC members that are representative of a cross section of our customers. She stated that outreach will occur through several channels including newspaper notices, mailers, online platforms, the RAC specific website, and social media. We are working diligently to ensure this is an inclusive process. She stated we will work hand-in-hand with the Mayor's office. She expressed gratitude for input and stated that we are open to feedback regarding the process. Trustee Gonzalez suggested that a special Board meeting may be necessary to discuss the applicants and the selection of the 11 members chosen by the Trustees.

Trustee Gonzalez and Mr. Garza explained the membership of the RAC. There will be a total of 21 members, including 10 members representing the City Council districts and 11 members that will be appointed by the CPS Energy Board. Mr. Garza noted that the Board would see a list of all applicants. Mr. Garza explained that we are looking for participants in all City Council districts, suburban cities, every rate group, and representatives of all segments of business. He indicated that we are looking for expertise and backgrounds of all kinds and that we want a diverse and broad representation of the community.

In response to an inquiry by Mayor Nirenberg, there was discussion about the selection method of the RAC Chair and Vice Chair. Ms. Gold-Williams suggested additional special Board meetings focused on

process and the RAC applications. Trustee Gonzalez agreed and expressed a desire to seat the RAC in the first quarter of 2021.

Mayor Nirenberg inquired about the 1-year terms of a RAC Chair and Vice Chair while the other members have 2-year terms. He indicated that he would prefer for the Chair and Vice Chair to also have 2-year terms. Trustee Gonzalez asked for discussion. Ms. Gold-Williams supported the Mayor's suggestion to make the Chair and Vice Chair's terms concurrent with other members. Trustee Gonzalez confirmed that we will align the terms of the Chair and Vice Chair to have 2-year terms.

Trustee Gonzalez asked if the other Trustees had comments or questions. Trustees Steen, Kelley and Dr. Mackey responded that they did not have questions.

VIII. OTHER THOUGHTS FOR THE FUTURE

This agenda item was considered with agenda item VII. No separate discussion occurred related to this topic.

IX. EXECUTIVE SESSION

At approximately 2:00 p.m., Chair Steen 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 the following posted items:

- Attorney-Client Matters (§551.071)

The Board reconvened in open session at 2:35 p.m. Ms. Shellman reported that Attorney-Client Matters, and no others, were discussed and no votes were taken in Executive Session.

X. ADJOURNMENT

There being no further business to come before the Board, upon a motion duly made by Dr. Mackey, and seconded by Trustee Gonzalez, and upon an affirmative vote by all members present, the meeting was unanimously adjourned at 2:36 p.m. by Chair Steen.



Carolyn E. Shellman
Secretary of the Board