



**CPS ENERGY BOARD OF TRUSTEES MEETING
TO BE HELD ON SEPTEMBER 30, 2024, AT 1:00 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	Ms. Janie Gonzalez
2	SAFETY MESSAGE, INVOCATION & PLEDGE OF ALLEGIANCE	Execute	Mr. James Massey
3	PUBLIC COMMENT Pre-Registration is from Wednesday, September 25, 2024, 5:00 PM – Friday, September 27, 2024, 1:00 PM. Dial (210) 353-4662 or email PublicCommentRegistration@CPSEnergy.com	Discuss	Ms. Janie Gonzalez
4	CEO RECOGNITION	Discuss	Mr. Rudy D. Garza
UPDATE ON CHAIR’S PRIORITIES			
5	CHAIR’S REMARKS	Discuss	Ms. Janie Gonzalez
CONSENT AGENDA			
6	APPROVAL OF CONSENT ITEMS: A. Payment to the City of San Antonio for August 2024 B. Minutes from the July Regular Board Meeting, held on July 29, 2024	Vote	Ms. Janie Gonzalez

REGULAR AGENDA			
7	COMMITTEE REPORTS A. Employee Benefits Oversight Committee (EBOC) meeting held on July 18, 2024 (Ms. Janie Gonzalez) B. Audit and Finance Committee (A&F) meeting held on July 18, 2024 (Ms. Janie Gonzalez) C. Operations Oversight Committee (OOC) meeting held on August 12, 2024 (Dr. Francine Romero)	Discuss	Ms. Janie Gonzalez
8	PROCUREMENT REQUEST FOR APPROVAL: UNDERGROUND INFRASTRUCTURE INSTALLATION SERVICES (Mr. Richard Medina)	Vote	Ms. Janie Gonzalez
9	PROCUREMENT REQUEST FOR APPROVAL: ENGINEERING & CONSTRUCTION SERVICES FOR ACCELERATED RECLOSER DEPLOYMENT (Mr. Richard Medina)	Vote	Ms. Janie Gonzalez
10	PROCUREMENT REQUEST FOR APPROVAL: 362KV DEADTANK CIRCUIT BREAKERS (Mr. Richard Medina)	Vote	Ms. Janie Gonzalez
CONVENE TO EXECUTIVE SESSION			
11	EXECUTIVE SESSION: A. Attorney-Client Matters (§551.071) & Competitive Matters (§551.086)	Discuss & Vote	Ms. Janie Gonzalez
RECONVENE TO OPEN SESSION			
12	ANNUAL STEP UPDATE: PROGRAM YEAR 2	Discuss	Ms. Elaina Ball
13	FY2025 SECOND QUARTER PERFORMANCE UPDATE	Discuss	Mr. Cory Kuchinsky & Ms. Elaina Ball
14	REVIEW OF ACTION ITEMS	Discuss	Ms. Shanna Ramirez

15	ADJOURNMENT	Execute	Ms. Janie Gonzalez
<p>If the Board meeting has not adjourned by 3:55 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.</p>			

CPS Energy Board of Trustees Meeting September 30, 2024

Approval of Payment to the City of San Antonio for August 2024

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 2024 is based on actual gross revenue per the New Series Bond Ordinance of \$383,026,674.23, less applicable exclusions. The revenue for the month of August 2024 is calculated as follows:

Gross revenue per CPS Energy financial statements	
Electric revenue	\$412,095,298.57
Gas revenue	12,645,812.34
Interest and other income	9,997,653.44
Gross revenue per CPS Energy financial statements	434,738,764.35
Excluded revenue	
School and hospital revenue per City Ordinance 55022	(9,486,037.69)
Fuel cost component of off-system nonfirm energy sales per City Ordinance 61794 and revenue for wholesale special contracts	(34,450,392.92)
Noncash and other income, GASB 31 investment market value change, miscellaneous interest income, gas billing adjustment and unbilled revenue	(7,775,659.51)
Total excluded revenue	(51,712,090.12)
Gross revenue per New Series Bond Ordinance subject to 14% payment to the City	\$383,026,674.23
City payment per Bond Ordinance for August 2024 based upon August 2024 revenue	\$53,623,734.39
City payment per memorandum of understanding (MOU) regarding wholesale special contracts	984,561.45
City Payment reduction per gas customer billing adjustment MOU	(12,500.00)
City payment per Bond Ordinance plus adjustments for memorandums of understanding	54,595,795.84 A
Utility services provided to the City for August 2024	(3,102,892.63)
Net amount to be paid from August 2024 revenue to the City in September 2024	\$51,492,903.21

CPS Energy Board of Trustees Meeting September 30, 2024

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 2024	Actual	Budget	Variance	
Current Month A	\$54,596	\$46,159	\$8,437	18.3%
Year-to-Date*	\$273,625	\$256,466	\$17,159	6.7%

* Includes a rounding adjustment of \$1 to agree to correctly rounded YTD amount.

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 \$51,492,903.21 representing 14% of applicable system gross revenues for the month of August 2024, such payment being net of City utility services (\$3,102,892.63), is hereby approved."

Draft for review and approval
at the September 30, 2024 meeting

CPS ENERGY
MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES
HELD ON JULY 29, 2024

The Regular Meeting of the Board of Trustees of CPS Energy for the month of July was held on Monday, July 29, 2024, 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 Gonzalez called the meeting to order at 3:00 p.m.

Present were Board members:

Ms. Janie Gonzalez, Chair
Dr. Francine Romero, Vice Chair
Dr. Willis Mackey
Mr. John Steen (arrived at 3:03 p.m.)

Absent:

Mayor Ron Nirenberg

Also present were:

Mr. Rudy Garza, President & CEO
Ms. Devi Kumar-Nambiar, VP, Deputy General Counsel
Ms. Elaina Ball, Chief Strategy Officer
Mr. Benny Ethridge, Chief Energy Supply Officer
Ms. DeAnna Hardwick, Chief Customer Strategy Officer
Mr. Cory Kuchinsky, Chief Financial Officer & Treasurer
Ms. Lisa Lewis, Chief Administrative Officer
Mr. Richard Medina, Chief Energy Delivery Officer
Mr. Evan O'Mahoney, Chief Information Officer
CPS Energy staff members
Interested Citizens

II. SAFETY MESSAGE, INVOCATION AND PLEDGE OF ALLEGIANCE

A safety message and the Pledge of Allegiance were delivered by Ms. Nathalia Lopez, Legal Program Manager.

An invocation was led by Mr. Bryan Mills, Manager, Customer Construction. He provided the lineman's prayer, honoring Mr. Clayton Kloesel, CPS Energy journeyman lineman lost in the line of duty.

III. CHAIR'S REMARKS

Chair Gonzalez stated that we gathered with heavy hearts as we honor the memory of Mr. Kloesel and noted that he was more than a member of the CPS Energy family - he was a devoted son, husband, and father. She also noted that we will honor Clayton's legacy by continuing to uphold the values of dedication

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and service to the community he embodied. Vice Chair Dr. Romero, Trustee Dr. Mackey, and Trustee Steen echoed the sentiment, noting their condolences and prayers for Mr. Kloesel's family, appreciation for his service, and recognition of the work our linemen do for this community.

Mr. Garza stated this is a devastating tragedy that happened to the CPS Energy family, including his wife and father, both CPS Energy employees. He stated that CPS Energy will continue to be there for Mr. Kloesel's family and ensure his memory lives on. He stated he was very proud of how the CPS Energy family came together and how the community provided support.

IV. PUBLIC COMMENT

Ms. Henrietta LaGrange, community member, stated her brother and father were CPS Energy employees, and she expressed her support for the Kloesel family. She expressed her appreciation for Mr. Rudy Garza and his support of CPS Energy employees. She also expressed her appreciation to Chair Gonzalez and highlighted Ms. Melissa Garza.

Mr. Jon-Carlo Guero, community member, expressed his condolences to CPS Energy and the Kloesel family. He stated he has had a great experience with our Customer Service team. He stated he agreed that there should be an objective metric for the utility, and he is glad that the Board supported Mr. Garza. He expressed support for Ms. Villarreal's appointment to the Community Input Committee (CIC). He finally stated that we needed to continue hiring people who wish to serve the public; those pursuing personal wealth may not be a great fit here.

Mr. Clay Paul, Mr. Dylan Bradberry, and Mr. Carl Bain all deferred to Ms. Brittney Paul. Ms. Brittney Paul, President of Lone Star Energy Efficiency, stated that Lone Star Energy Efficiency is a local business. She stated that she wished to appeal Lone Star's termination with the Casa Verde weatherization program, and she discussed her perspective of events leading to the termination.

V. APPROVAL OF CONSENT ITEMS

On a motion by Vice Chair Dr. Romero, seconded by Trustee Steen, and upon affirmative vote by all members present, the following items on the Consent Agenda were unanimously approved by those members present:

A. Approval of Payment to the City of San Antonio for June 2024

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 June 2024 is based on actual gross revenue per the New Series Bond Ordinance of \$305,034,128.32, less applicable exclusions. The revenue for the month of June 2024 is calculated as follows:

Gross revenue per CPS Energy financial statements	
Electric revenue	\$340,772,962.07
Gas revenue	12,838,378.54

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Interest and other income	7,208,346.93
Gross revenue per CPS Energy financial statements	<u>360,819,687.54</u>
Excluded revenue	
School and hospital revenue per City Ordinance 55022	(9,281,105.19)
Fuel cost component of off-system nonfirm energy sales per City Ordinance 61794 and revenue for wholesale special contracts	(28,084,960.90)
Noncash and other income, GASB 31 investment market value change, miscellaneous interest income, gas billing adjustment and unbilled revenue	<u>(18,419,493.13)</u>
Total excluded revenue	<u>(55,785,559.22)</u>
Gross revenue per New Series Bond Ordinance subject to 14% payment to the City	<u>\$305,034,128.32</u>
City payment per Bond Ordinance for June 2024 based upon June 2024 revenue	\$42,704,777.96
City payment per memorandum of understanding (MOU) regarding wholesale special contracts	287,426.07
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	42,979,704.03 A
Utility services provided to the City for June 2024	<u>(2,973,027.57)</u>
Net amount to be paid from June 2024 revenue to the City in July 2024	<u>\$40,006,676.46</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)

June 2024	Actual	Budget	Variance	
Current Month A	\$42,980	\$40,868	\$2,112	5.2%
Year-to-Date	\$167,459	\$167,045	\$414	0.2%

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 \$40,006,676.46 representing 14% of applicable system gross revenues for the month of June 2024, such payment being net of City utility services (\$2,973,027.57), is hereby approved." The Board ratifies that June 2024 revenue was sufficient to recover \$36,098,934.05 in funds that were advanced to the City in prior fiscal months.

B. Minutes from the June Regular Board Meeting, held on June 24, 2024

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C. Procurement Items:

- 1. **Item Description:** Civil Site Work Construction Services
Category: General Services
Supplier: Allbrite Constructors of Texas, Inc
Dorazio Enterprises, Inc
E-Z Bel Construction, LLC
Guido Construction Company
HJD Capital Electric, Inc
JAMCO Ventures, LLC
Paloma Blanca Enterprises, Inc
Zachry Underground & Utility Services, Inc

- 2. **Item Description:** Underground Residential Electric Distribution and Electric Terminations
Category: General Services
Supplier: Bartek Construction Co
HJD Capital Electric, Inc
Zachry Underground & Utility Services, Inc

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

VI. COMMITTEE REPORTS

In the interest of time, Chair Gonzalez accepted the submission of the following reports for the record in lieu of having them read during the meeting:

- A. Technology & Resilience Committee meeting held on June 10, 2024. The report is attached as Attachment "B" to the meeting minutes.

VII. RESOLUTION SUPPORTING FY2025 CEO SCORECARD & METRICS

The Board of Trustees discussed and agreed to defer the item until the next Regular Meeting. However, later in the meeting, the Board of Trustees later agreed to discuss and consider the item.

Ms. Lisa Lewis, Chief Administrative Officer, reviewed the process the Personnel Committee took in creating the FY2025 CEO Scorecard & Metrics. The Board of Trustees discussed the resolution. Ms. Kumar-Nambiar read the following resolution:

RESOLUTION SUPPORTING FY2025 CEO SCORECARD

WHEREAS, CPS Energy is a municipally-owned utility of the City of San Antonio;
and

WHEREAS, Section 1502.070 of the Texas Government Code provides that the powers and duties of the CPS Energy Board of Trustees is determined through the proceedings of the City of San of Antonio in its bond ordinances; and

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WHEREAS, these Bond Ordinances vest the management and control of CPS Energy with the Board of Trustees and provides that the Board may appoint a President & CEO; and

WHEREAS, the CPS Energy Board of Trustees has consistently appointed a President & CEO to develop the strategic direction and provide for the overall management of CPS Energy's operations; and

WHEREAS, the CPS Energy Board of Trustees has created a Personnel Committee which is charged with managing the performance of the President & CEO, as the Board of Trustees' sole employee; and

WHEREAS, the Personnel Committee Charter directs the Committee to report to the Board the "appropriate CEO performance metrics consistent with CPS Energy's longterm vision and strategic objectives"; and

WHEREAS, the Personnel Committee establishes a "CEO Scorecard" each year, which represents the CEO performance metrics that aligns with the CPS Energy enterprise measures and strategic objectives; and

WHEREAS, the enterprise measures have been developed in consultation with third party to identify considerations, challenge assumptions, and compare to benchmarks; and

WHEREAS, for this fiscal year, the Personnel Committee utilized the enterprise measures, validated by hbaileygroup, LLC, and the established Vision 2027 strategic plan to develop the FY2025 CEO Scorecard; and

WHEREAS, the Board of Trustee provides feedback to management in the development and establishment of these enterprise measures each year; and

WHEREAS, the FY2025 CEO Scorecard drives the Board of Trustees' expectations for the President & CEO which then translates to the organization's performance; and

WHEREAS, this year, the Personnel Committee has reported the appropriate CEO performance metrics for President & CEO, Mr. Rudy D. Garza, to this Board with the FY2025 CEO Scorecard, and has offered an opportunity for input and feedback from all Board Members.

NOW, THEREFORE, BE IT RESOLVED, CPS Energy Board of Trustees confirms and supports this process and affirms that the FY2025 CEO Scorecard is the means to measure the performance this fiscal year of the CPS Energy President & CEO, Mr. Rudy D. Garza.

Draft for review and approval
at the September 30, 2024 meeting

The Board of Trustees voted on the resolution, and it passed on a 3-1 vote, with Trustee Steen voting against the resolution.¹

VIII. APPOINTMENT TO THE COMMUNITY INPUT COMMITTEE (CIC)

Mr. Matthew Jones, Director of Local Government Relations, presented the nomination of Ms. Sara Villarreal as the Quadrant 2 representative. Trustee Dr. Mackey moved approval of the appointment, and Vice Chair Dr. Romero seconded the motion. The Board of Trustees discussed. The appointment was approved unanimously by those members present.

IX. FY2025 FIRST QUARTER PERFORMANCE UPDATE

Mr. Cory Kuchinsky, Chief Financial Officer, presented a financial update through the first quarter. He reviewed the key highlights. He noted the improvement in past due accounts, noting that the progress is better than the financial plan. Ms. Elaina Ball, Chief Strategy Officer, reviewed the enterprise metrics, noting the at-risk measure through Q1 and responses by the organization to improve performance.

The Board of Trustees discussed and asked questions.

X. SUPPLY CHAIN UPDATE

Ms. Lisa Lewis, Chief Administrative Officer, provided an update on the supply chain environment and how CPS Energy is continuing to position itself to support resiliency and growth in the community. She reviewed the key issues impacting the supply chain.

The Board of Trustees discussed and asked questions.

XI. REVIEW OF ACTION ITEMS

Ms. Kumar-Nambiar reviewed the previous action items, noting that two open items from previous meetings remain. She also reviewed the three action items from today.

XII. EXECUTIVE SESSION

At approximately 4:54 p.m., Chair Gonzalez announced the Board would go into Executive Session, and Ms. Kumar-Nambiar 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:

- Competitive Matters (§551.086)
- Attorney-Client Matters (§551.071)

¹ Trustee Steen asked that his reasons for voting against the item be included in the minutes. He noted his concern about some differences between the document presented at the June Regular Board Meeting and the updated document, and he reiterated his continued belief that the metrics are not challenging. He stated his overall concern that with the changes, there will be improved scorecards for the enterprise and CEO, not because of dramatically improving performance but because of changing methodology. He concluded by reiterating that effective metrics should be calibrated to drive change and focus the organization on what is important.

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at the September 30, 2024 meeting

The Board reconvened in open session at 5:31 p.m. The quorum was re-established, and all members were present. Ms. Kumar-Nambiar reported that only the matters cited above, and no others were discussed, and no votes were taken in Executive Session.

XIII. ADJOURNMENT

There being no further business to come before the Board, upon a motion duly made by Trustee Dr. Mackey, seconded by Vice Chair Dr. Romero and upon an affirmative vote by all members present, the meeting was unanimously adjourned at 5:31 p.m. by Chair Janie Gonzalez.

Shanna M. Ramirez
Secretary of the Board

DRAFT



EMPLOYEE BENEFITS OVERSIGHT COMMITTEE (EBOC)

EXECUTIVE SUMMARY AND CHAIR REPORT FROM THE JULY 18, 2024 MEETING PREPARED FOR COMMITTEE CHAIR JANIE GONZALEZ FOR REPORT AT THE SEPTEMBER 30, 2024 BOARD OF TRUSTEES MEETING

The EBOC met on July 18, 2024. As part of the EBOC agenda, the Committee:

- A. Approved meeting minutes from the prior meeting held on April 15, 2024.
- B. Approved the appointment of Ms. Marian Braggs, Manager of Quality Assurance, as a member of the Administrative Committee.

The Committee also received presentations regarding:

- C. A Benefit Plans Administrative & Financial Update, which highlighted the following topics: the investment performance for the year to date through May 2024, Asset Class Allocation Study, and the Benefit Trusts' Actuarial Rate of Return (ARoR) assumption.
- D. An Administrative Committee Membership & Succession Planning update, which included the request for approval of the appointment of Ms. Braggs.
- E. Health Plan Designs & Premiums, which included a recommendation to increase health premiums by 6.5%, increase deductibles, and to discontinue coverage of GLP-1 medications (for weight loss only) from the pharmacy plan as part of the health plan design for calendar year 2025. The EBOC approved these recommendations.

The next meeting of the EBOC will be held in October 2024.



AUDIT & FINANCE COMMITTEE (A&F)

EXECUTIVE SUMMARY AND CHAIR REPORT FROM THE JULY 18, 2024 MEETING PREPARED FOR CHAIR JANIE GONZALEZ FOR REPORT AT THE SEPTEMBER 30, 2024 BOARD OF TRUSTEES MEETING

The Audit & Finance Committee met on July 18, 2024. As part of the Audit & Finance Committee agenda, the Committee:

- A. Approved meeting minutes from the prior meeting held on July 18, 2024.
- B. Provided a review of the drivers for substation & transmission (S&T) growth and needed infrastructure projects. Received a procurement preview of new contracts and contract extensions.
- C. Provided a review of project count, audit plan coverage, audit universe coverage, and project feedback metrics. Received a review of two completed audit projects.
- D. Provided an overview of the proposed Audit Services Charter which was a complete overhaul of the current Audit Services Charter to be in compliance with the new Institute of Internal Auditors Standards. Highlighted changes to the Audit Services Charter which included enhanced communication with senior leaders and increased coordination with other internal and external assurance providers. The proposed Audit Services Charter was approved.
- E. Reviewed proposed revisions to the Audit & Finance Committee Charter. Received agreement to move forward with requesting approval of the revised Audit & Finance Committee Charter.

The next meeting of the Audit & Finance Committee will be held in October 2024.



OPERATIONS OVERSIGHT COMMITTEE (OOC) MEETING

EXECUTIVE SUMMARY AND CHAIR REPORT FROM THE AUGUST 12, 2024 MEETING PREPARED FOR COMMITTEE CHAIR, DR. FRANCINE ROMERO FOR REPORT AT THE SEPTEMBER 30, 2024 BOARD OF TRUSTEES MEETING

The Operations Oversight Committee met on August 12, 2024. As part of the agenda, the Committee:

- A. Reviewed and approved meeting minutes from the prior meeting held on May 6, 2024.
- B. Received a Procurement Preview that included:
 - a. A contract extension for the Recloser Deployment Program,
 - b. A contract extension for 362KV Deadtank Circuit Breakers,
 - c. A new contract/rebid for Gas Construction Services,
 - d. A new contract/rebid for Architectural Services,
 - e. A new contract/rebid for Electrical and Instrumentation Engineering Services for Natural Gas Infrastructure,
 - f. A new contract/rebid for Pole Attachment Application Processing Services,
 - g. And a procurement summary for summer and fall 2024.
- C. Received a Reliability Update that included:
 - a. A review of the 2024 Average Customer Outage Duration (SAIDI) definition,
 - b. A discussion on our SAIDI year-to-date performance and factors impacting our performance,
 - c. An overview of how we are improving our performance,
 - d. And a discussion on how reliability impacts our customer experience and our Engaged Customer Relationship (ECR) survey.
- D. Received an update on our Routing and Siting Projects that included:
 - a. A review of the purpose of and process for routing and siting,
 - b. An overview of the Howard to Leon Creek project,
 - c. An overview of the Ranchtown to Tally Rd. project,
 - d. And an overview of the Rio Medina to Legend Falls project.

The next meeting of the Operations Oversight Committee meeting is November 4, 2024.



CPS Energy Board of Trustees Meeting
September 30, 2024
APPROVAL of PROCUREMENT ITEMS
Table of Contents

1.	<p>Item Description:</p> <p>Purchase Category:</p> <p>Supplier:</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>Underground Infrastructure Installation Services</td></tr> <tr><td>General Services</td></tr> <tr><td>Bartek Construction Co</td></tr> <tr><td>HJD Capital Electric, Inc</td></tr> </table>	Underground Infrastructure Installation Services	General Services	Bartek Construction Co	HJD Capital Electric, Inc
Underground Infrastructure Installation Services						
General Services						
Bartek Construction Co						
HJD Capital Electric, Inc						
	<p>Committee Presentations:</p>	<p>Operations Oversight Committee – May 6, 2024</p> <p>Audit & Finance Committee – July 18, 2024</p>				
2.	<p>Item Description:</p> <p>Purchase Category:</p> <p>Supplier:</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>Engineering & Construction Services for Accelerated Recloser Deployment</td></tr> <tr><td>General Services</td></tr> <tr><td>Burns & McDonnell Engineering Company, Inc.</td></tr> </table>	Engineering & Construction Services for Accelerated Recloser Deployment	General Services	Burns & McDonnell Engineering Company, Inc.	
Engineering & Construction Services for Accelerated Recloser Deployment						
General Services						
Burns & McDonnell Engineering Company, Inc.						
	<p>Committee Presentations:</p>	<p>Operations Oversight Committee – August 12, 2024</p> <p>Audit & Finance Committee – July 18, 2024</p>				
3.	<p>Item Description:</p> <p>Purchase Category:</p> <p>Supplier:</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>362kV Deadtank Circuit Breakers</td></tr> <tr><td>Commodities & Material Goods</td></tr> <tr><td>Mitsubishi Electric Power Products, Inc. (MEPPI)</td></tr> </table>	362kV Deadtank Circuit Breakers	Commodities & Material Goods	Mitsubishi Electric Power Products, Inc. (MEPPI)	
362kV Deadtank Circuit Breakers						
Commodities & Material Goods						
Mitsubishi Electric Power Products, Inc. (MEPPI)						
	<p>Committee Presentations:</p>	<p>Operations Oversight Committee – August 12, 2024</p> <p>Audit & Finance Committee – July 18, 2024</p>				

Approval:

**Lewis,
Lisa D**

Digitally signed by
Lewis, Lisa D
Date: 2024.09.13
09:35:12 -05'00'

Lisa Lewis, Chief Administrative Officer

Approval:

**Garza,
Rudy D.**

Digitally signed by
Garza, Rudy D.
Date: 2024.09.16
07:15:00 -05'00'

Rudy Garza, President & CEO



**CPS Energy Board of Trustees Meeting
September 30, 2024
Procurement Form 1**



Item Description	Underground Infrastructure Installation Services
Purchase Order Value	\$75,000,000
Purchase Category	General Service
Department	Energy Delivery Services
VP Construction & Maintenance Services	Jose Trevino
Chief Energy Delivery Officer	Richard Medina

Detailed Description

CPS Energy staff recommends that a contract be awarded to Bartek Construction Co and HJD Capital Electric, Inc., both local and diverse firms, as the respondents who will provide the services at the best value for CPS Energy based on the evaluation criteria set forth below.

This contract will provide infrastructure improvements across the service area to the growing number of residents and large commercial companies of San Antonio. This contract addresses the support of new neighborhood expansions, growth related to large commercial companies, and improving the resiliency and reliability of CPS Energy’s electric grid. This contract will expire on September 30, 2027.

Subcontracting Opportunities

Both awardees intend to subcontract a portion of the services to one or more 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 and qualifications to perform the Services	40
Safety records and training program	25
The overall cost	20
Economic Development (local & diverse consideration)	10
The ability to meet CPS Energy’s requirements	5
The financial soundness of the Respondent	Pass/Fail
TOTAL	100



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Procurement Form 1**



Recommended Respondent(s) & Award

Respondent Name	SBA Classification & Details	Score	PO Value	PO #	Comments
HJD Capital Electric, Inc	Local/Diverse (Small, HUBZone)	62	\$37,500,000	2221945	Corporate headquarters located in San Antonio Metropolitan area
Bartek Construction Co	Local/Diverse (Small)	59	\$37,500,000	2221946	Corporate headquarters located in San Antonio Metropolitan area
TOTAL			\$75,000,000		

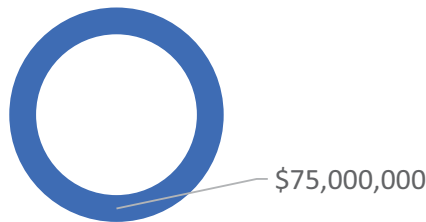
Eight (8) additional respondents were not recommended for award: ADB Companies LLC; E-Z Bel Construction LLC; JAMCO Ventures LLC; L&M Aerial & Underground LLC; Mears Installation LLC; Primoris T&D LLC; Wampole-Miller Inc; and Zachry Underground & Utility Services, Inc.

Annual Funds Budgeted

Corporate Annual Budget	Funding Method	Projected FY2025 PO Spend	% of FY2025 Annual Corp Budget	Projected FY2026 PO Spend	Projected FY2027 PO Spend	Projected FY2028 PO Spend
\$937,000,000	Capital	\$10,000,000	0.01%	\$25,000,000	\$25,000,000	\$15,000,000
\$890,000,000	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 & Diverse
- Local
- Diverse
- Other



CPS Energy Board of Trustees Meeting
September 30, 2024
Procurement Form 2



Item Description	Engineering & Construction Services for Accelerated Recloser Deployment
Purchase Order Value	\$35,000,000
Purchase Category	General Services
Department	Grid Transformation & Planning
Director Grid Transformation & Planning	Sheila Casey
Chief Energy Delivery Officer	Richard Medina

Detailed Description

CPS Energy staff is requesting funding support and a contract extension, exercising an additional four-year option period for engineering and construction services for accelerated recloser deployment. This design build contract was previously awarded to Burns & McDonnell Engineering Company, Inc. as the respondent to provide the services at the best value for CPS Energy based on the evaluation criteria set forth below.

This contract is for engineering design and installation of electronic reclosers for grid reliability, which will allow CPS Energy to complete the recloser deployment plan, enhancing grid reliability for all customers. Contract continuity is vital for timely implementation and fulfilling the Community Energy Resiliency Program, supported by a \$30M U.S. Department of Energy grant. This contract will expire on February 28, 2029.

Subcontracting Opportunities

Burns & McDonnell Engineering Company, Inc. is on track to meet their subcontracting target of 40% of overall spend, as recloser installation services are performed by Chain Electric Company, a local business.

The original 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
Experience and qualifications to perform the Services	70
Safety records	10
Project Management & Quality Control Programs	10
Economic Development (local & diverse consideration)	10
TOTAL	100



CPS Energy Board of Trustees Meeting
September 30, 2024
Procurement Form 2




Recommended Respondent(s) & Award

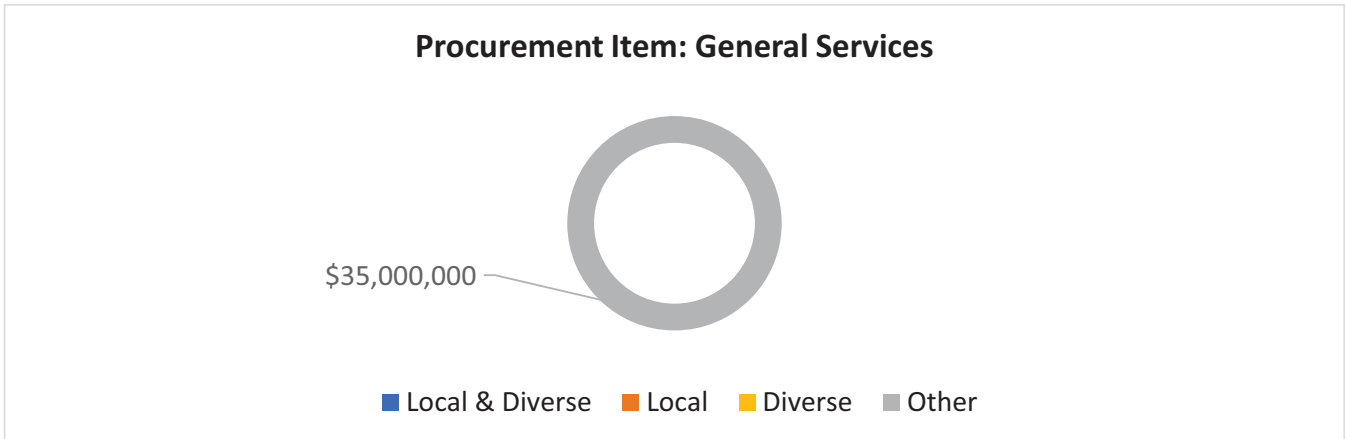
Respondent Name	SBA Classification & Details	Score	PO Value	PO #	Comments
Burns & McDonnell Engineering Company, Inc.		78	\$35,000,000	2222310	
TOTAL			\$35,000,000		

Seven (7) additional respondents were not recommended for award: Pike Electric, LLC; Schneider Engineering, LLC; Chain Electric Company; Patterson & Dewar Engineers, Inc. dba Hood-Patterson & Dewar; Black & Veatch Corporation; The L.E. Myers Co. and Edison Power Constructors, Inc.

Annual Funds Budgeted

Corporate Annual Budget	Funding Method	Projected FY2025 PO Spend	% of FY2025 Annual Corp Budget	Projected FY2026 PO Spend	Projected FY2027 PO Spend	Projected FY2028 PO Spend
\$937,000,000	Capital	\$2,300,000	0.25%	\$6,500,000	\$9,400,000	\$9,400,000
\$890,000,000	Non-Fuel O&M	\$0	0%	\$0	\$0	\$0

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





CPS Energy Board of Trustees Meeting

September 30, 2024

Procurement Form 3



Item Description	362kV Deadtank Circuit Breakers
Purchase Order Value	\$80,000,000
Purchase Category	Commodity & Material Goods
Department	Energy Delivery Services
Sr Director Substation & Transmission	Ricardo Renteria
Chief Energy Delivery Officer	Richard Medina

Detailed Description

CPS Energy staff is requesting funding support and a contract extension, exercising an additional 5-year option period, for 362kV deadtank circuit breakers. This contract was previously awarded to Mitsubishi Electric Power Products, Inc. (MEPPI), as the respondent who will provide the goods at the best value for CPS Energy based on the specifications set forth for acceptable and compatible circuit breakers for our infrastructure. MEPPI is the only vendor that offers this type of breaker technology, which disconnects all phases using one mechanism versus the alternative that uses multiple mechanisms, making it safer and more reliable.

This contract is for the procurement of 362kV deadtank circuit breakers that are utilized in our substations and switchyards. These materials are required to support the large influx of emergent customer projects, including generation interconnect and large customer load requests and the South Texas Reliability Project, which have resulted in high demand for new substations and new switchyard projects. This is in addition to the expansion and rebuilding of existing facilities needed to support the CPS Energy system growth. This contract will expire on September 30, 2029.

Subcontracting Opportunities

None at this time.

The original 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
Price schedule	42
Manufacturer past performance for 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 & contingencies	6.5
Organization and manufacturing capability	1
TOTAL	100



CPS Energy Board of Trustees Meeting
September 30, 2024
Procurement Form 3

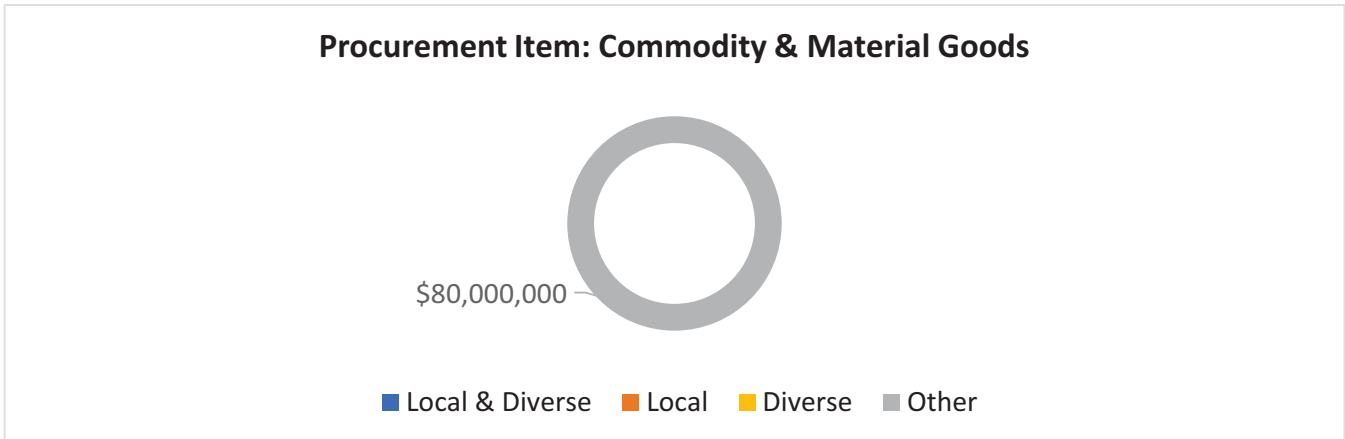


Recommended Respondent(s) & Award					
Respondent Name	SBA Classification & Details	Score	PO Value	PO #	Comments
Mitsubishi Electric Power Products, Inc.		84	\$80,000,000	3075963	
TOTAL			\$80,000,000		

Three (3) additional respondents were not recommended for award: Siemens Energy Inc.; Texas Electric Cooperatives (GE); and HBI Energy Associates, LLC (ABB).

Annual Funds Budgeted						
Corporate Annual Budget	Funding Method	Projected FY2025 PO Spend	% of FY2025 Annual Corp Budget	Projected FY2026 PO Spend	Projected FY2027 PO Spend	Projected FY2028 PO Spend
\$937,000,000	Capital	\$0	0%	\$0	\$0	\$0
\$890,000,000	Non-Fuel O&M	\$0	0%	\$0	\$0	\$0

Projecting zero spending over the next three (3) fiscal years as the 362kV circuit breaker procurement has a four-year lead time. Expenditures are expected to begin in fiscal year 2029. Our current approved budget and latest estimates support these new purchase orders.





PROCUREMENT REQUEST FOR APPROVAL: UNDERGROUND INFRASTRUCTURE INSTALLATION SERVICES

PRESENTED BY:
Richard Medina
Chief Energy Delivery Officer

September 30, 2024
Request for Approval

NEW CONTRACT / REBID **UNDERGROUND INFRASTRUCTURE** **INSTALLATION SERVICES**

- Selected firms will support large-scale system improvements to our underground distribution systems, including the installation of three-phase risers, manholes, duct banks, vaults, and conduit through directional boring and excavation.
- This contract is required to enhance our system's reliability and resiliency.



Our Contractor Setting a Manhole Outside a Substation

REQUEST FOR APPROVAL



UNDERGROUND INFRASTRUCTURE INSTALLATION SERVICES

- Current Contracts:
 - Value: \$48.9 million
 - Term: 3 years
 - Expiration: November 2024
- New Contract Details:
 - Value: \$75 million
 - Term: 3 years
 - # Bidders: 10 responded to solicitation (8 Local, 3 Diverse)
 - # Awardees: 2 (Both Local and Diverse)

We respectfully request your approval today.



THANK YOU



APPENDIX

GLOSSARY / DEFINITIONS



ACRONYM OR WORD	DEFINITION	ACRONYM OR WORD	DEFINITION
ERP	Enterprise Resource Planning		
TCOS	Transmission Cost of Service		



KEY DRIVERS FOR SUPPLY CHAIN IDENTIFIERS FOR PROCUREMENT ITEMS



**SUPPLY CHAIN
CONSTRAINTS**



**ELECTRIC SYSTEM
GROWTH**



**GAS SYSTEM
GROWTH**



**TCOS
REIMBURSEMENT**



**GRID
MODERNIZATION**



**VISION 2027
GENERATION PLAN**



**ERP
TRANSFORMATION**



PROCUREMENT REQUEST FOR APPROVAL: ENGINEERING & CONSTRUCTION SERVICES FOR ACCELERATED RECLOSER DEPLOYMENT

PRESENTED BY:
Richard Medina
Chief Energy Delivery Officer

September 30, 2024
Request for Approval

CONTRACT EXTENSION

RECLOSER DEPLOYMENT PROGRAM

- Extending the contract for a design-build agreement ensures completion of the Recloser Deployment Plan, enhancing grid reliability for all customers.
- Contract continuity is vital for timely implementation and fulfilling the Community Energy Resiliency Program, supported by a \$30M US Department of Energy grant.
- The current contractor has proven success and aligns well with our engineering standards and training requirements.



Electronic Recloser



REQUEST FOR APPROVAL

RECLOSER DEPLOYMENT PROGRAM

- Current Contract:
 - Value: \$28.5 million
 - Term: 4 years
 - Expiration: February 28, 2025
 - # of Bidders: 8 responded to solicitation (5 Local and 1 Diverse)
 - # Awardees: 1
- Contract Extension Details:
 - Value: \$35 million
 - Term: 4 years
 - Expiration: February 28, 2029
 - Contract includes 40% Local subcontracting commitment.

We respectfully request your approval today.



THANK YOU



APPENDIX

GLOSSARY / DEFINITIONS



ACRONYM OR WORD	DEFINITION	ACRONYM OR WORD	DEFINITION
ERP	Enterprise Resource Planning		
TCOS	Transmission Cost of Service		



KEY DRIVERS FOR SUPPLY CHAIN IDENTIFIERS FOR PROCUREMENT ITEMS



SUPPLY CHAIN CONSTRAINTS



ELECTRIC SYSTEM GROWTH



GAS SYSTEM GROWTH



TCOS REIMBURSEMENT



GRID MODERNIZATION



VISION 2027 GENERATION PLAN



ERP TRANSFORMATION



PROCUREMENT REQUEST FOR APPROVAL: 362KV DEADTANK CIRCUIT BREAKERS

PRESENTED BY:
Richard Medina
Chief Energy Delivery Officer

September 30, 2024
Request for Approval

CONTRACT EXTENSION

362KV DEADTANK CIRCUIT BREAKERS

- Deadtank circuit breakers are used for the safe and reliable operation of our substations and switchyards.
- Contract continuity is required to support continued generation needs for substations in light of the emergent large customer projects, interconnect projects, the South Texas Reliability Project, and projects related to generation retirement.
- The current supplier is the only source for gang-operated breakers.
- Approximately 142 circuit breakers for 17 projects need to be ordered. This material has a lead time of 4 years.



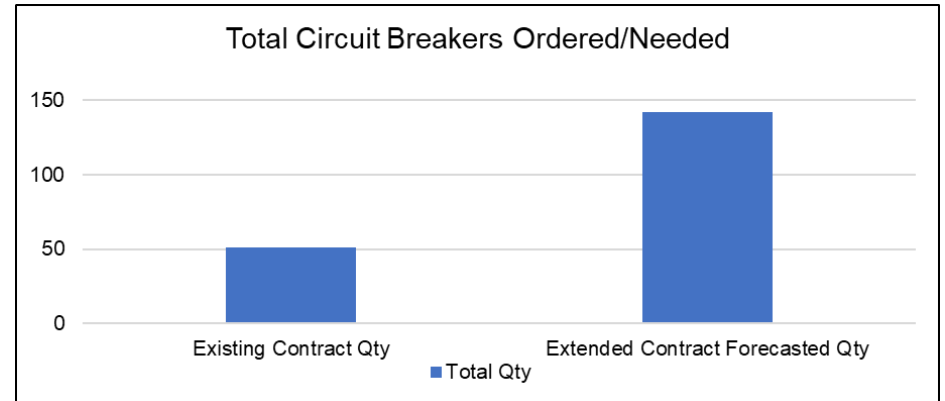
Substation



REQUEST FOR APPROVAL

362KV DEADTANK CIRCUIT BREAKERS

- Current Contracts:
 - Value: \$17 million
 - Term: 5 years
 - Expiration: June 2025
 - # of Bidders: 4 responded to solicitation (none were Local or Diverse)
- Contract Extension Details:
 - Value: \$80 million
 - Term: 5 years
 - Expiration: October 2029
 - 1 Awardee



Pricing:

- Future pricing estimates include price escalation for the PPI index added to the price per unit for volatility in costs for raw materials, manufacturing costs, and specialized transportation.

We respectfully request your approval today.



THANK YOU



APPENDIX

GLOSSARY / DEFINITIONS



ACRONYM OR WORD	DEFINITION	ACRONYM OR WORD	DEFINITION
KV	Kilovolt		
TCOS	Transmission Cost of Service		



KEY DRIVERS FOR SUPPLY CHAIN IDENTIFIERS FOR PROCUREMENT ITEMS



**SUPPLY CHAIN
CONSTRAINTS**



**ELECTRIC SYSTEM
GROWTH**



**GAS SYSTEM
GROWTH**



**TCOS
REIMBURSEMENT**



**GRID
MODERNIZATION**



**VISION 2027
GENERATION PLAN**



**ERP
TRANSFORMATION**



ANNUAL STEP UPDATE: PROGRAM YEAR 2

PRESENTED BY:

Elaina Ball
Chief Strategy Officer

September 30, 2024
Informational Update



AGENDA

- STEP Overview
- Program Performance
- Year 2 Highlights
- Programs on the Horizon

Our objective today is to provide an overview of STEP performance and highlights for program year 2.

SUSTAINABLE TOMORROW ENERGY PLAN

OUR APPROACH TO ENERGY EFFICIENCY & CONSERVATION

STEP aims to reduce our community's demand for energy by 410 megawatts (MW) over 5 years with equitable programs designed to help customers save energy and money.

Short-term benefits:

- Lowers customers' energy usage and their monthly bill
- Program incentives reduce upfront costs for customers
- Reduces overall system fuel costs & creates savings for all customers

Long-term benefits:

- Delays the need for additional generation capacity in the future
- Minimizes corresponding rate increases to support the cost of the new generation
- Provides environmental benefits from reduced emissions

It costs twice as much to procure energy as it does for us to invest in saving energy.



GOALS & METRICS

OUR 5-YEAR STEP PROGRAM TOOK EFFECT ON AUGUST 1, 2022

Goals

**DEMAND
MANAGEMENT**



BILL SAVINGS



ADDRESS EQUITY



INNOVATION



**EMISSIONS
REDUCTION**



Metrics

- **410 MW** of incremental demand reduction
- **1%** of energy savings per year
- **16,000** homes & **20,000** multifamily units weatherized
- **\$665M** in lifetime avoided fuel & capacity costs
- **1.85M** tons of avoided carbon

Approved
Budget &
Timeline

**5 years & \$350 million total
(Check-in at year 3)**

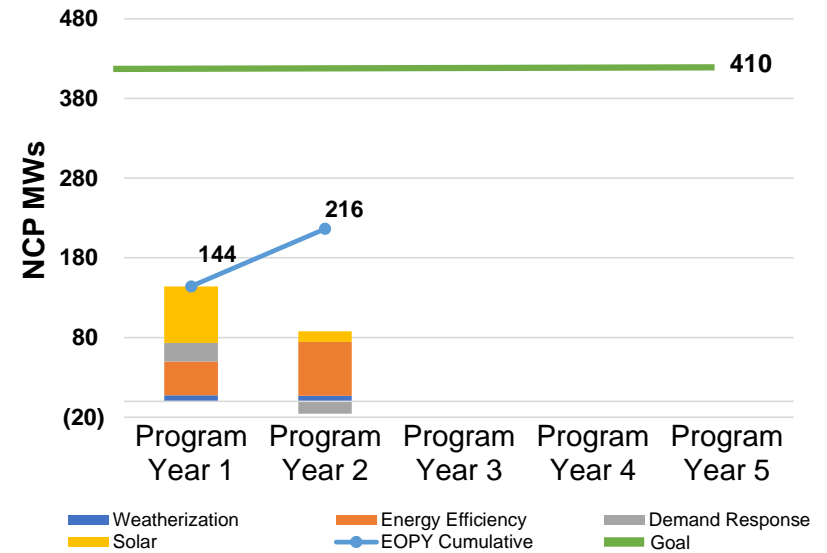


PROGRAM PERFORMANCE

DASHBOARD VIEW – AS OF 7/31/24

Demand Savings		216 MW of total demand reduction
Energy Savings		609,100 MWh energy savings
Equity		3,955 single family homes weatherized
Budget	\$\$\$	\$143.4M program spend

Cumulative progress toward the STEP MW Goal



A strong performance in tried & true programs supports our transition to more equitable & innovative offerings in Year 3.

Note: All figures are subject to year-end measurement & verification.

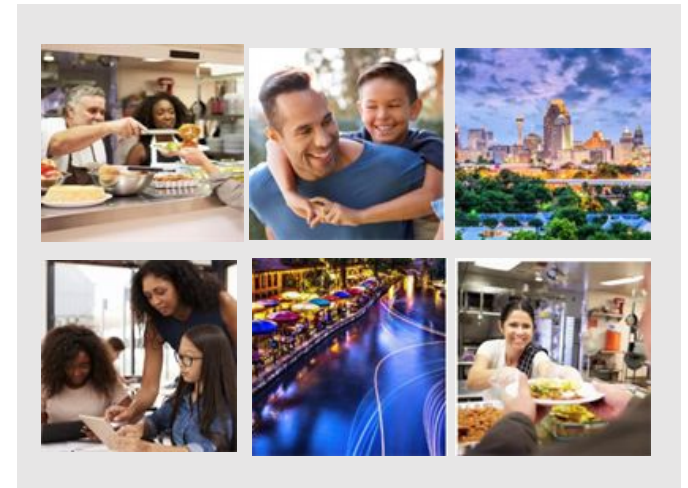
MARKETING STRATEGY OVERVIEW

TRIED & TRUE PROGRAMS



OBJECTIVES

1. **Change** how our community thinks & feels about energy efficiency by:
 - Implementing community-focused campaigns
 - Presenting the benefits of participating in energy efficiency programs
2. **Support** holistic goals through data-driven creative campaigns that:
 - Drive market transformation
 - Increase audience diversity & engagement
3. **Create** a user-focused digital experience that:
 - Engages younger customers
 - Connects users to sustainability & energy



CREATIVE STRATEGY

- **Drive participation** through a focus on sustainability & community
- **Directly target** underserved communities & empower them to take action
- **Inspire pride** in our community through San Antonio focused imagery & messaging
- **Create marketing** to better engage non-English speakers
- **Enhance engagement** through personalized, segment-based creative
- **Quantify, analyze** & continually **optimize** results



TURNING STRATEGY INTO ACTION

TRIED & TRUE PROGRAMS

ENGAGEMENT

2.4 MILLION

TOTAL EMAILS SENT

9 MILLION

IMPRESSIONS

Residential: **7 million**

Commercial: **2 million**

134K

CLICKS TO THE WEBSITE

Residential: **108K**

Commercial: **26K**

IMPACT

15K+

MORE EFFICIENT HOUSEHOLDS

~2K

MORE EFFICIENT BUSINESSES

RESULTS

\$20.5 MILLION

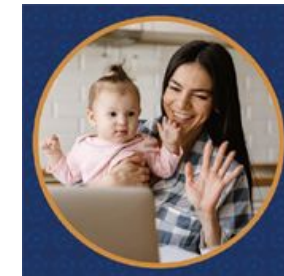
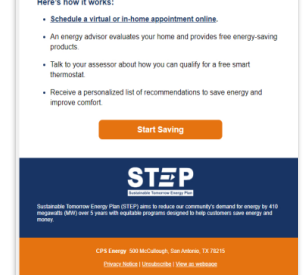
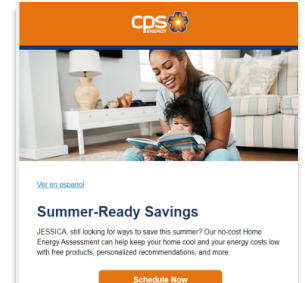
IN CUSTOMER REBATES

Residential: **\$14.5 million**

Commercial: **\$6 million**

165 MILLION kWh

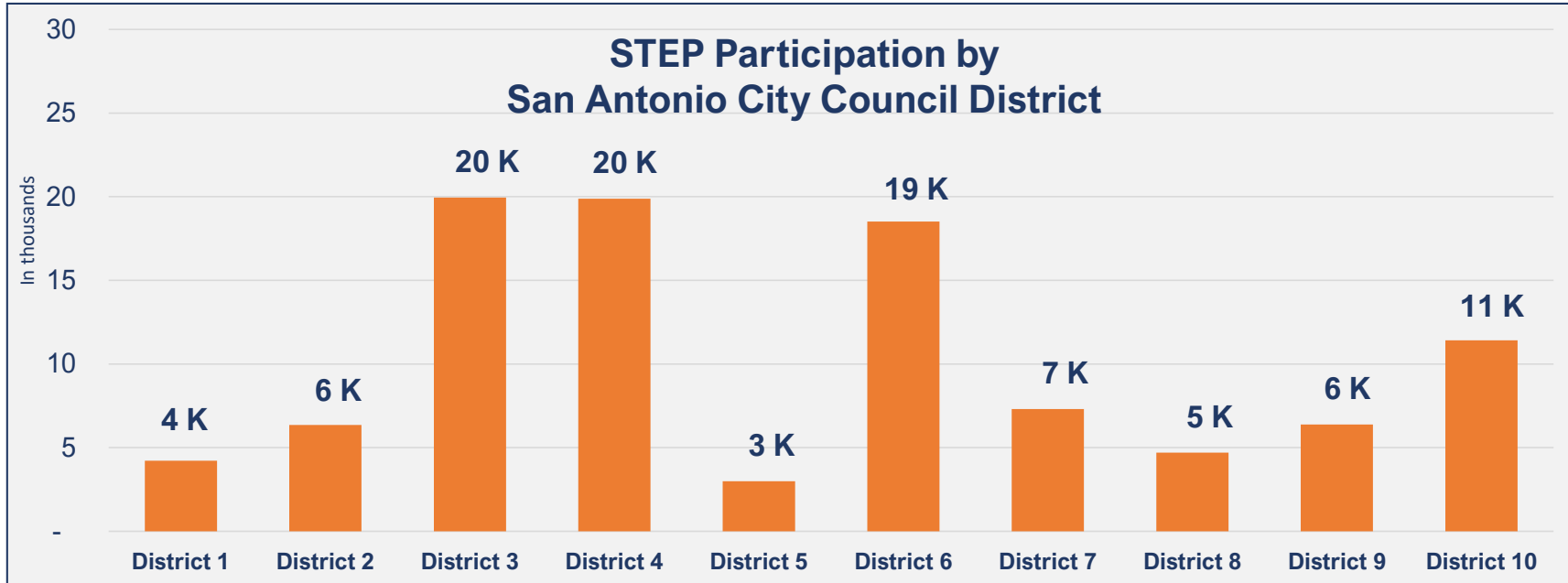
SAVED - Enough power to serve ~15K homes in a year



Note: Impacts shown were achieved during Program Year 2

STEP PARTICIPATION

CITY COUNCIL DISTRICT



Notes:

- 1. STEP participation between August 2022 and July 2024.
- 2. Additional 32K STEP participants outside CoSA city limits not shown above.
- 3. All figures are subject to year-end measurement & verification.

Over 130K customers have taken steps to become more energy efficient through STEP.



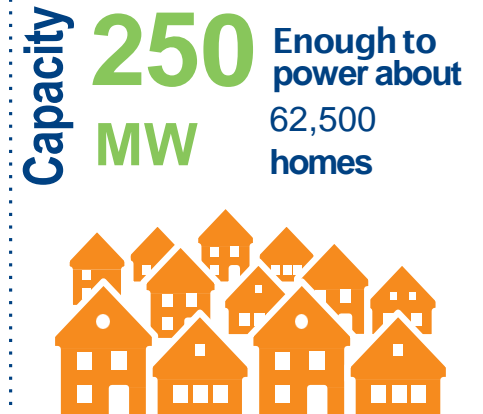
DEMAND RESPONSE

SUMMER 2023 HIGHLIGHTS

This longstanding program continues to evolve to provide quick demand reduction to support the rapidly changing energy landscape.

This program provides support during times of:

- High demand
- Extreme weather
- Grid constraints & emergencies



This program reduces energy costs for all customers; participating customers receive an additional incentive for actively reducing demand during events.



DEMAND RESPONSE

CUSTOMER EXPERIENCE



“We were first made aware of the program through the Free Tune-Up program. Lower utility costs are a benefit to St. Mark’s because it allows us to use those savings for our Outreach programs and events.”

Eric Nelson
Director of Operations
St. Mark’s Episcopal Church



“We’re committed to energy efficiency and thrilled to be part of the CPS Energy Demand Response program. Over the past six years, our participation has earned us more than \$200,000 in rebates, easing our budget and extending the lifespan of our HVAC systems.”

Celeste Eggert
VP, Chief Development Officer
Haven for Hope



“This is fun. I am in and will try my best.”

“The family strives to conserve energy wherever it can, thank you.”

“I really do enjoy these phone calls and emails with the Power Play program. It feels like a competition and I enjoy it. Keep up the good work!”

Customer Responses
Power Players

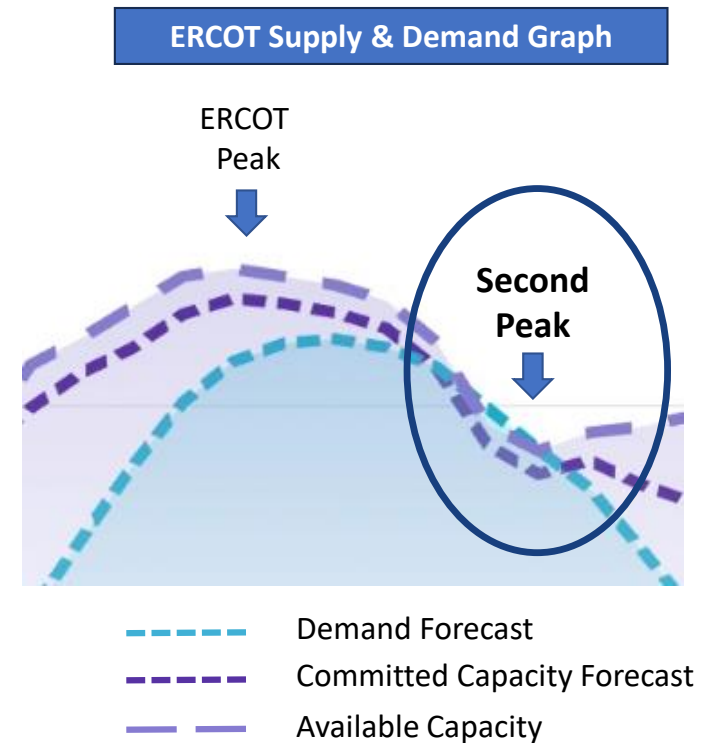
NEW DEMAND RESPONSE PROGRAMS

STRIVING TO REDUCE A SECOND PEAK



New pilot offerings were launched to support demand reduction efforts needed outside of traditional peak times:

- **Bonus Hours**
 - New for commercial & industrial participants
 - Dispatchable between 7-10 PM
- **My Battery Rewards**
 - Residential offering
 - Customers dispatch batteries



These programs were developed to enhance grid resiliency during the newly established second peak.

COMMITMENT TO EQUITY

MINOR HOME REPAIRS



Weatherization Repair Assistance Program

- \$2.02M in funds raised this year
 - \$1M received from NHSD
 - \$1M secured from Congressman Castro
 - \$20K Donations
- Impacts
 - 360 homes repaired as of July
 - ~\$1,235 of assistance per home
 - ~\$445K in repairs



MEET JOAQUIN | CONSTITUENT SERVICES | CONTACT | MEDIA CENTER | Q

August 16, 2024

AT CELEBRATION IN CROWNHILL ACRES, CONGRESSMAN CASTRO TOUTS \$1 MILLION GRANT FOR ENERGY-EFFICIENT HOME IMPROVEMENTS

SAN ANTONIO — On Thursday, Congressman Joaquin Castro (TX-20) joined CPS Energy in the Crownhill Acres neighborhood to celebrate a \$1 million grant he secured to grow the Casa Verde Weatherization Program and help approximately 500 low-income homeowners qualify for no-cost, energy-saving home improvements. The celebration was held at the home of a Casa Verde beneficiary who has owned her home for nearly four decades.

"CPS Energy's Casa Verde program is a wonderful initiative that helps San Antonio homeowners save money on their utility bills by funding energy-efficient home repairs," said Congressman Joaquin Castro. "Earlier this year, my office was proud to get a million dollars to help hundreds of low-income families qualify for the program. This week's celebration was a great opportunity to recognize the impact Casa Verde has made and will continue to make in the months and years to come."

"I want to thank Congressman Castro for the \$1 million aimed at supporting more weatherization projects in San Antonio," said CPS Energy President and CEO, Rudy D. Garza. "Meeting with a customer who benefited from Casa Verde and hearing about the energy savings she has seen is representative of the community benefit that this funding provides."

<https://castro.house.gov/media-center/press-releases/at-celebration-in-crownhill-acres-congressman-castro-touts-1-million-grant-for-energy-efficient-home-renovations>

"Thank you for helping me fix the plumbing. God blessed me and took care of it. I'm so grateful to you for having made my dream come true." – Ms. Magaña WRAP recipient



COMMITMENT TO EQUITY

MULTIFAMILY PROGRAM

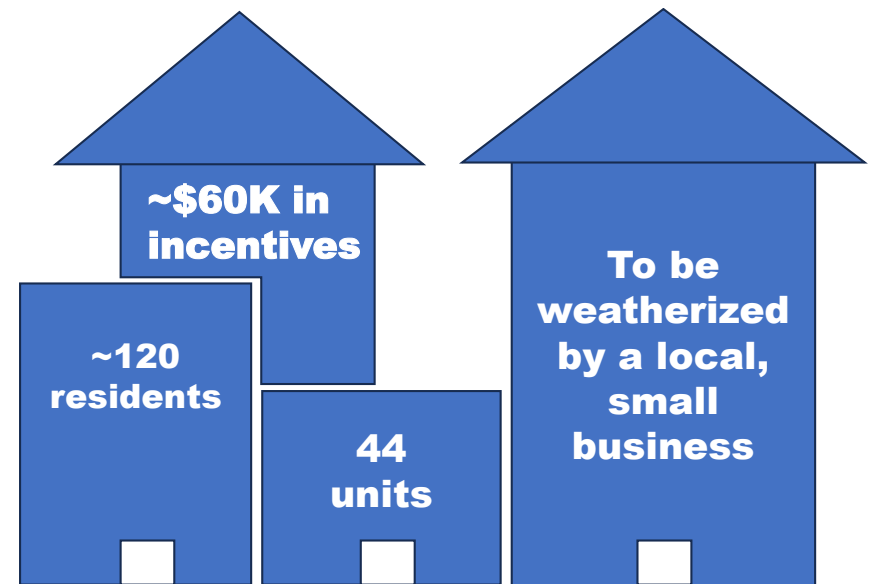
Purpose: Expand the benefits of weatherization to multi-family customers who cannot participate in our single-family weatherization program.

Eligible Properties:

- Multifamily properties with 5 or more units
- Owned and operated by a 501(c)3 or 25% occupied by tenants who receive low-income assistance



Estimated Impact from First Pilot Project



This program aligns with our commitment to offer more equitable programs designed to help customers save energy and money.



PROGRAMS ON THE HORIZON

Equity-Focused

Launching

- Multifamily Program
- Community Solar
- Expanded Retail Products
- Small Business Demand Response

Program Enhancements

Soliciting

- Residential & Commercial Energy Efficiency programs
- Online Marketplace
- Single family Weatherization

New & Innovative

Researching

- Home Energy Reports
- Battery Energy Storage Systems programs
- Behavioral Energy Efficiency programs
- LMI Solar Rebates

We are following through on our commitment to an equitable & innovative approach to energy efficiency & conservation.



THANK YOU



APPENDIX

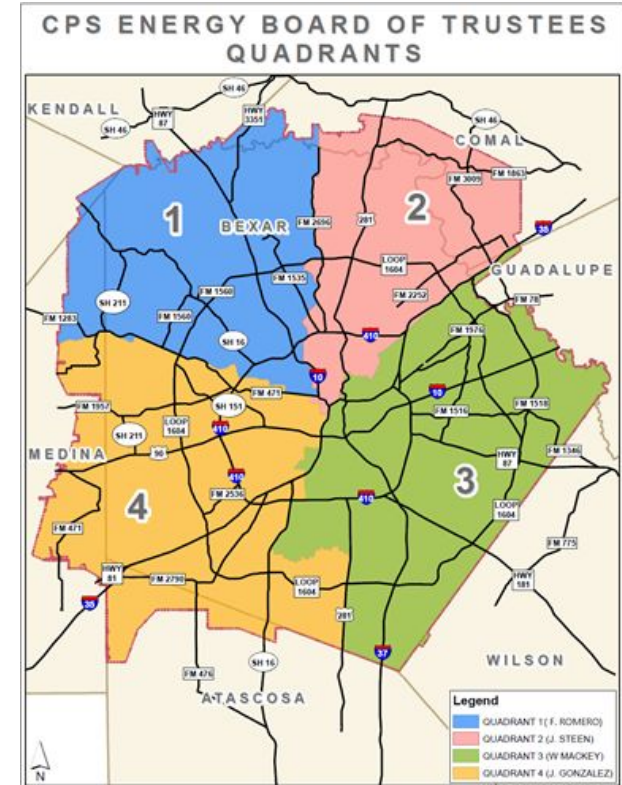
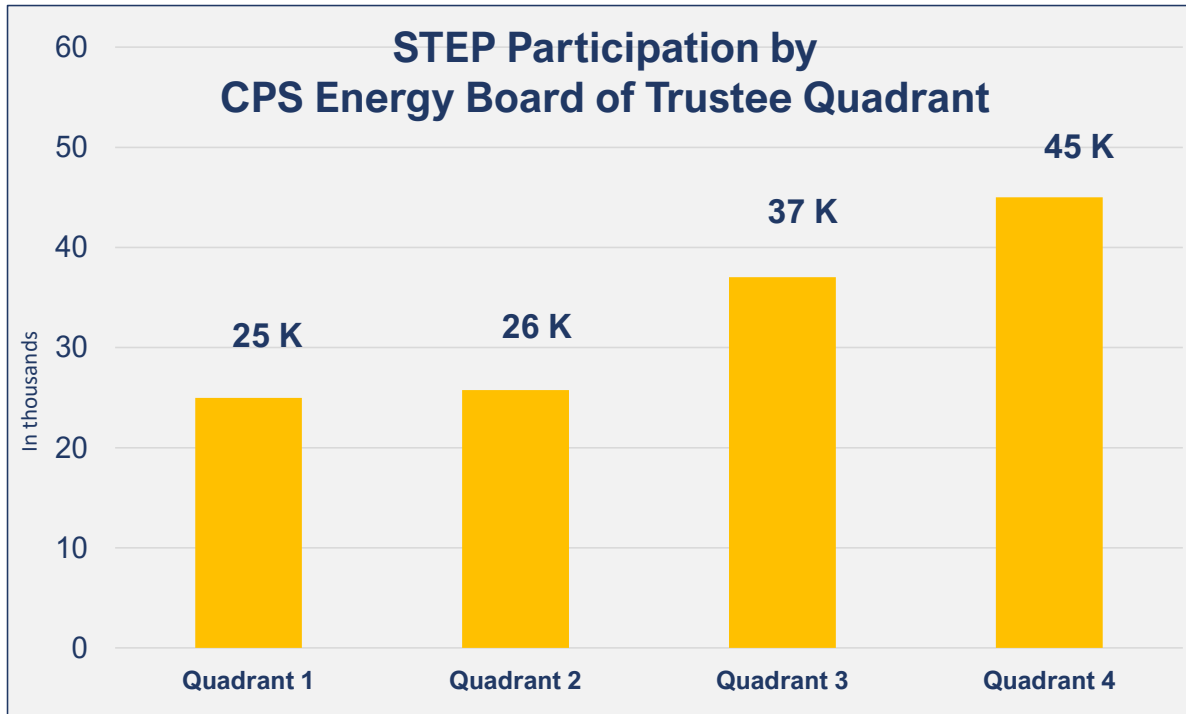
GLOSSARY / DEFINITIONS



ACRONYM OR WORD	DEFINITION	ACRONYM OR WORD	DEFINITION
CoSA	City of San Antonio	MW	Megawatt
EOPY	End of Program Year	MWh	Megawatt hour
ERCOT	Electric Reliability Council of Texas	NCP	Non-coincident Peak
HVAC	Heating, Ventilation & Air Conditioning	NHSD	Neighborhood & Housing Services Department
K	Thousand	STEP	Sustainable Tomorrow Energy Plan
LMI	Low-to-moderate income	VP	Vice President
M	Million	WRAP	Weatherization Repair Assistance Program

STEP PARTICIPATION

CPS ENERGY BOARD QUADRANT



Notes:

1. STEP participation between August 2022 and July 2024.
2. All figures are subject to year-end measurement & verification.



FY2025 SECOND QUARTER PERFORMANCE UPDATE

PRESENTED BY:

Cory Kuchinsky, CPA

Chief Financial Officer & Treasurer (CFO)

Elaina Ball

Chief Strategy Officer

September 30, 2024

Informational Update

AGENDA



- Strategic Assets Acquisition
- Financial Performance
- Past Due Accounts Update
- Enterprise Scorecard Recap

Our objective is to provide you with an update on our Q2 (as of July 31, 2024)
Financial & Enterprise Performance.

STRATEGIC ASSETS ACQUISITION



STRATEGIC VIEW

- Investments were pulled forward and align with the implementation of our Board approved Generation Plan (Jan 2023)
- Reduced risk profile associated with new construction

FINANCIAL VIEW

- The \$785M Corpus Christi & Laredo (CCL) plant acquisition reduces our aggregate capital spend for a similar amount of generation by ~50%
- Modest near-term impact on financial metrics; however, there is long-term recovery and outperformance relative to plan as soon as FY2030
- 25-year levelized bill impact of ~\$1.00 / month savings to customers

FINANCIAL PERFORMANCE



Q2 UPDATE

- Warmer weather in July has resulted in electric sales above Plan YTD.
- Wholesale revenues continue to outperform the Plan primarily due to the asset purchase in May. Current wholesale performance is temporary in nature due to the CCL acquisition and will help support future investments and the implementation of our Board-approved Generation Plan.
- Year-to-date cost trends continue:
 - O&M costs remain higher due to storm-related work, leak repair-related materials and expenses, and the expected transition costs from the Corpus Christi and Laredo (CCL) Plants.
 - Capital costs continue to be above Plan due to transmission-related investments.

FINANCIAL PERFORMANCE CONT'D.



FORWARD GUIDANCE

- The CCL plants have provided us with additional generation length, therefore, we are revising our full-year wholesale revenue forecast significantly higher than Plan.
- Progress on accounts receivables continue and we expect bad debt levels to fall below planned levels.
- O&M is expected to be higher than Plan primarily due to expected transition costs from the CCL purchase.
- Total Capital is expected to come in higher than Plan due to transmission-related investments.
- Our financial metrics are expected to outperform and/or stay in line with rating agency thresholds.



FLOW OF FUNDS

YEAR-TO-DATE ACTUAL VS. PLAN

Description	FY2025		
	Plan	Actuals	Variance: (Under Plan) Over Plan
Revenues, net of unbilled ¹	\$ 1,625.6	\$ 1,711.8	\$ 86.2
Less: fuel & regulatory expense	596.5	560.9	(35.6)
Less: Operation & maintenance	443.4	465.1	21.7
Revenues, net of Operating Expenses	585.7	685.8	100.1
Less: Debt service	239.2	251.9	12.7
6% Gross Revenue to R&R	97.5	102.7	5.2
Less: city payment (CP) per flow of funds	210.3	219.0	8.7
Remaining to R&R	38.7	112.2	73.5
Total R&R fund additions	\$ 136.2	\$ 214.9	\$ 78.7
Gross CCL Capital ²		779.4	779.4
Gross Non-Transmission Capital	\$ 400.2	\$ 357.7	\$ (42.5)
Gross Transmission Capital	45.5	84.9	39.4
Total Gross Capital	\$ 445.7	\$ 1,222.0	\$ 776.3

Highlights:

- **Total Revenues**
 - Weather-driven demand and additional wholesale length from the CCL acquisition has helped revenues exceed Plan.
 - Low fuel costs have driven lower fuel revenue.
- **Operation & Maintenance**
 - Continue to be over plan primarily due to storm-related work, leak repair-related materials and expenses, and the expected transition costs from the CCL Plants.
- **Capital**
 - Transmission capital continues to be above plan primarily due to carryover cost for Howard Rd. Switchyard and Elm Creek Reactor from FY2024 to FY2025, plus acceleration of project timing for ERCOT/South San Reliability, and large load customer projects.

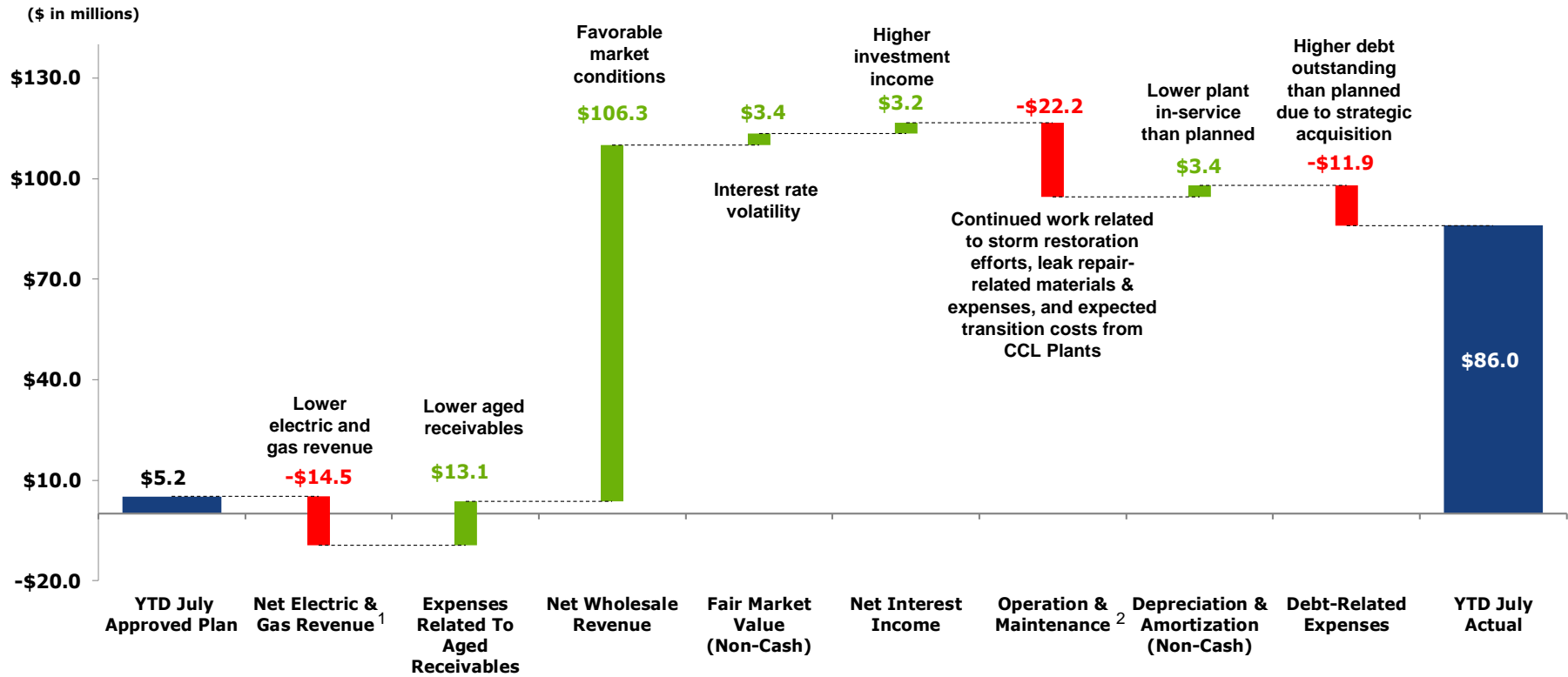
¹ July YTD bad debt expense of \$(5.0M) vs \$8.1M for Plan which is \$(13.1M) under Plan.

² The \$785M initial purchase price is comprised of \$779.4M of capital; the remaining \$5.6M consists of working capital and a congestion revenue rights portfolio.



FY2025 YTD NET INCOME

PLAN TO ACTUAL WALK-FORWARD



¹ 'Net electric & gas revenue' is net of gross revenue (billed & unbilled), net TCOS revenues, fuel & reg, & city payment.

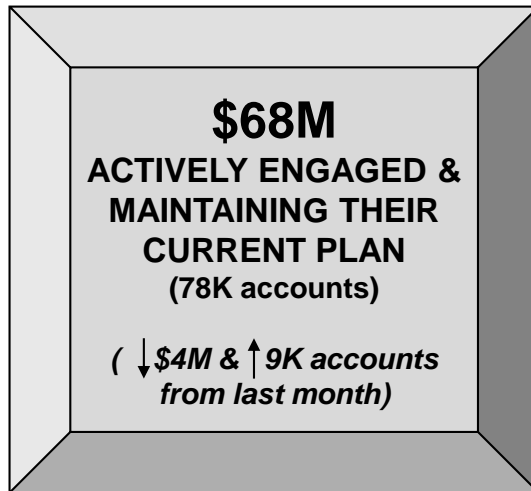
² O&M and debt-related costs due to CCL acquisition were considered during due diligence process. Variances compared to the approved FY2025 budget are expected this fiscal year.



PAST DUE ACCOUNTS

The amount of customer accounts at risk of disconnection is \$36M. 33,978 accounts were past due in June and are now current in July.

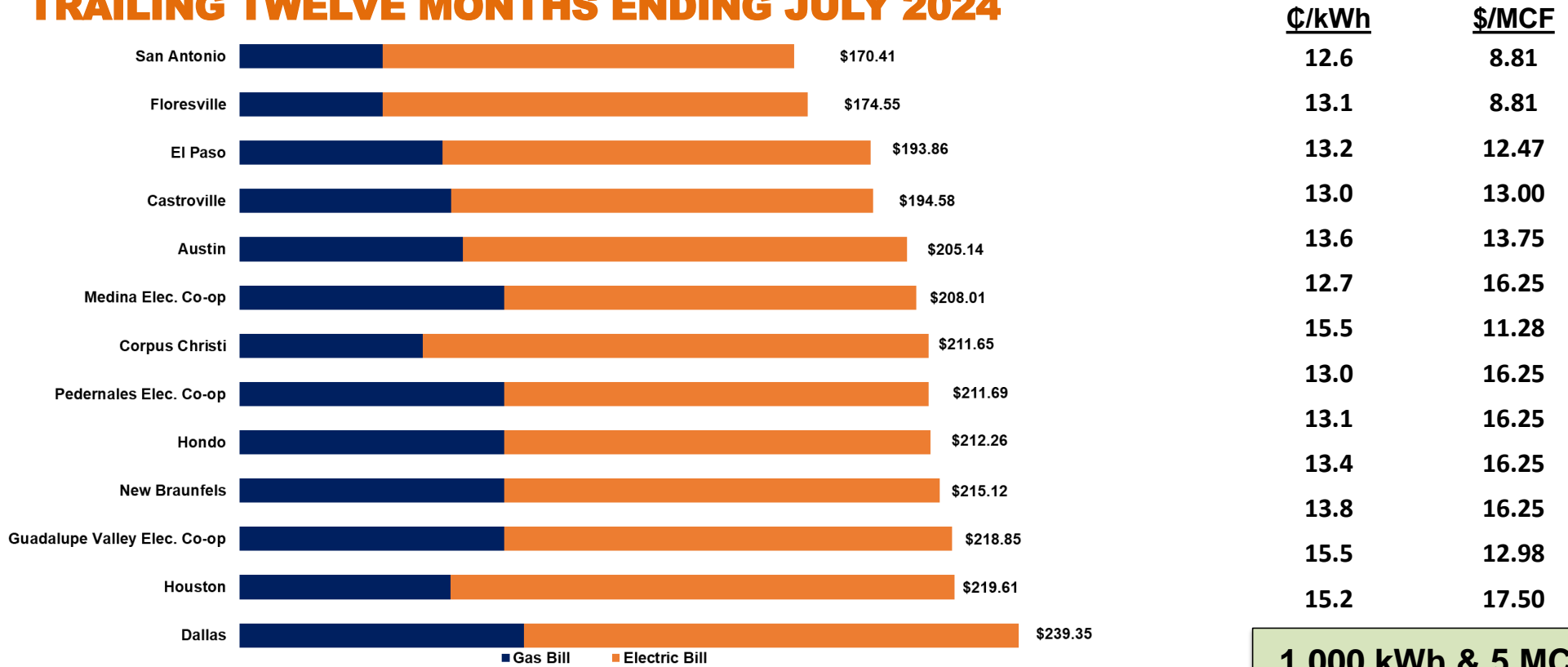
We continue to make progress in lowering past-due balances despite the limited number of disconnections during the second quarter due to weather conditions.



1. Data as of July 31, 2024

TEXAS & LOCAL CITIES COMBINED RESIDENTIAL BILL COMPARISON

TRAILING TWELVE MONTHS ENDING JULY 2024



1,000 kWh & 5 MCF

Note: Deregulated markets electric data from powertochoose.org (Term 12 mos.; 4&5 star rated REPs).
San Antonio is the only city that has a single electric & gas provider.



FY2025 ENTERPRISE SCORECARD



FY2025 ENTERPRISE SCORECARD

DRIVING ACTIONS TO DELIVER ON OUR MISSION

VISION 2027 OBJECTIVES

OPERATIONAL EVOLUTION

FINANCIAL STABILITY

CUSTOMER EXPERIENCE

TEAM CULTURE

COMMUNITY PARTNERSHIP & GROWTH

Strategic Execution - Forward Looking Progress Towards Vision 2027

Power Generation Plan		System Resiliency & Growth		EVOLVE: Enterprise Resource Planning		Customer Experience	
FY2025 Milestone	Status	FY2025 Milestone	Status	FY2025 Milestone	Status	FY2025 Milestone	Status
Execute Power Purchase Agreement(s) (PPA) pursuant to Storage Request for Proposal (RFP)	On Track	Commission Tejas Station and Westcreek Station gas supply projects	On Track	Finalize Enterprise Resource Planning (ERP) technology contract	Completed	Target outreach and messaging by customer preference	Completed
Start procurement for Peaking Project 1	On Track	Begin routing process to build San Antonio South Reliability Transmission Line, complete Howard Rd. substation site work expansion	On Track	Select system implementation partner	On Track	Create Customer Experience (CX) Championship Team	On Track
Notify and seek ERCOT response on intent to retire Braunig 1, 2 & 3	On Track	Complete ADMS hardware deployment, EMS functional acceptance testing and ADMS/GIS utility network final data conversion	At Risk	Establish comprehensive change management and communication strategy	On Track	Expand customer equity programs qualification and enrollment approach	Completed
Execute new acquisition integration plan	On Track					Enhance customer offerings and service offerings	On Track

Enterprise Measure Targets (yellow indicates Year End Target is At Risk and red indicates measure is Unrecoverable; details on FY2025 ENTERPRISE MEASURE RESULTS slide)

57.68 Average Customer Outage Duration	0.54 Gas Safety	90.5% Plant Availability	≥3.0 Fiscal Resiliency	699 Customer Perception	4.15 Living Mission & Values	1.12 Safety Performance	70% Strategically Investing in the Community
--	---------------------------	------------------------------------	----------------------------------	-----------------------------------	--	-----------------------------------	--

Milestones and measures are aligned with our Mission, Vision 2027, and Strategic Objectives.



THANK YOU



APPENDIX

GLOSSARY / DEFINITIONS



ACRONYM OR WORD	DEFINITION	ACRONYM OR WORD	DEFINITION
ADMS	Advanced Distribution Management System	Debt Service	In the Flow of Funds, the annual amount of principal and interest payments due to bond holders
ADP	Affordability Discount Program	DOE	Department of Education
Adjusted Debt Service Coverage Ratio (ADSC)	Measurement of available cash flow to pay current debt obligations	ECR	Engaged Customer Relationship
CCF	100 Cubic Feet of Gas	EIT	Enterprise Information Technology
CCL	Corpus Christi and Laredo (natural gas plants)	EMS	Emergency Management System
CIAC	Contribution in Aid of Construction	EPA	Environmental Protection Agency
CP	City Payment	EPC	Engineer, Procure, Construct
CY	Calendar Year	ERCOT	Electric Reliability Council of Texas
Days Cash on Hand (DCOH)	Represents the number of days a company can continue to pay its operating expenses with current cash available	ERP	Enterprise Resource Planning
Debt Capitalization Ratio	Measurement that shows the proportion of debt a company uses to finance its assets, relative to the amount of cash (equity) used for the same purpose	EV	Electric Vehicle

GLOSSARY / DEFINITIONS CONT'D.



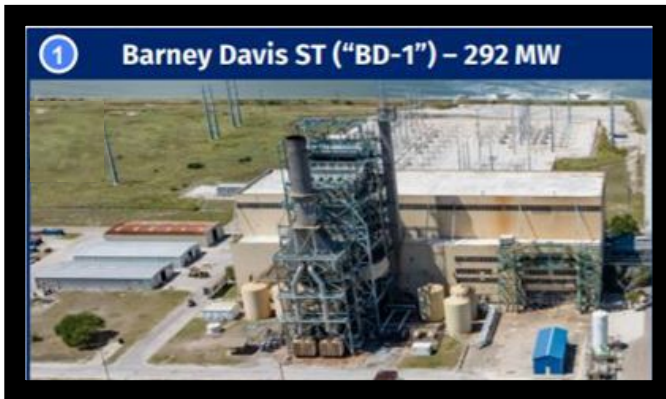
ACRONYM OR WORD	DEFINITION	ACRONYM OR WORD	DEFINITION
EVOLVE	Program for implementing ERP system	MCF	1000 Cubic Feet of Gas
FEMA	Federal Emergency Management Agency	MRA	Must Run Alternatives
FPL	Federal Poverty Level	MW	Megawatt
FY	Fiscal Year	NOE	Notice of Enforcement
GIS	Geographic Information System	NOV	Notice of Violation
GRIP	Grid Resilience and Innovation Partnerships	O&M	Normal costs incurred to keep business operations ongoing (Operating & Maintenance)
I&E	Instrumentation and Electrical	OER	Operational Efficiency Review
IEEE	Institute of Electrical and Electronics Engineers	OMS	Outage Management System
kWh	Kilowatt-hour	OPEB	Postemployment benefits other than pension benefits (Other Post-employment Benefits)
LE	Latest Estimate	OSHA	Occupational Safety and Health Administration
LTSA	Long- Term Service Agreement	PCA	Portfolio Commercial Availability

GLOSSARY / DEFINITIONS CONT'D.



ACRONYM OR WORD	DEFINITION	ACRONYM OR WORD	DEFINITION
PowerGADS	Power Generating Availability Data System	SAIFI	System Average Interruption Frequency Index
PPA	Power Purchase Agreement	SAP	Systems Applications and Products in Data Processing
R&R	A restricted cash account which may be used to fund construction costs (Repair & Replacement account)	SCADA	Supervisory Control and Data Acquisition
REP	Retail Electric Provider	STP	South Texas Project
RFP	Request for Proposal	TCEQ	Texas Commission on Environmental Quality
RFQ	Request for Quote	TCOS	Transmission Cost of Service
RIR	Recordable Incident Rate	UN	Utility Network
RMR	Reliability Must Run	Wholesale Revenue net Fuel	Revenues from market sales of incremental power produced less the cost of fuel to produce the power
S&P	Standard & Poor's	WRAP	Weatherization Repair Assistance Program
SAIDI	System Average Interruption Duration Index	YTD	Year-to-Date

CCL GENERATION ASSETS



FY2025 ENTERPRISE MEASURE RESULTS

AS OF JULY 31, 2024



Strategic Objective	Measure Name	Measure Frequency	FY/CY	Unit	Target Indicator	Historical Actuals		Current Year (FY2025 / CY2024)			Year-End Forecast	Latest Estimate
						FY2023	FY2024	YTD Target	YTD Actual	Year-End Target		
						CY2022	CY2023					
Operational Evolution	Average Customer Outage Duration (System Average Interruption Duration Index - SAIDI)	monthly	CY	#	↓	59.81	61.19	32.79	42.41	57.68	At Risk	67.30
	Plant Availability ¹ (Critical Months Equivalent Availability Factor - CMEAF)	monthly	CY	%	↑	88.9	94.4	90.5	91.9	90.5	On Track	90.8
	Gas Safety (Leaks Remaining at End of Year Per 1,000 Customers)	monthly	CY	#	↓	0.58	0.61	0.63	0.19	0.54	On Track	0.54
Financial Stability	Fiscal Resiliency ² (Index of Key Financial Measures)	monthly	FY	#	↑	3.13	3.71	2.87	3.00	≥3.0	On Track	3.13
Customer Experience	Customer Perception (Residential Engaged Customer Relationship – ECR)	quarterly	CY	#	↑	682	699	699	696	699	On Track	699
Team Culture	Living Mission & Values ³ (Gallup 12+ Index)	annually	FY	#	↑	N/A ⁴	4.12	4.15	-	4.15	On Track	-
	Safety Performance (Enterprise Recordable Incident Rate - RIR)	monthly	FY	#	↓	1.49	0.85	1.12	0.97	1.12	Unrecoverable	0.92
Community Partnership & Growth	Strategically Investing in the Community (Local Spend Percentage)	quarterly	FY	%	↑	73.97	74.78	70.00	72.76	70.00	On Track	70.00

¹ Critical month calculation includes January, February, June and July
² More information about this measure can be found on subsequent slides.
³ A dash (-) represents no data currently available due to measure being reported annually
⁴ N/A signifies no historical results in FY2023 because the measure was not tracked

FY2025 FISCAL RESILIENCY SCORE

AS OF JULY 31, 2024



Enterprise Measure	Component Name	Index Weight	Unit	Target Indicator	Historical Actuals		Current Year (FY2025 / CY2024)			Latest Estimate
					FY2023	FY2024	YTD Target	YTD Actual	Year-End Target	
					CY2022	CY2023				
Fiscal Resiliency	Adjusted Debt Service Coverage (ADSC)	33.0%	#	↑	1.89	2.21	1.57	1.86	1.60 - 1.99x	1.78
	Debt Capitalization	27.0%	%	↓	61.8	60.8	61.8	63.5	55% - 64%	63.8
	Days Cash on Hand (DCOH)	15.0%	#	↑	166	201	157	126	150 - 199	184
	Days Liquidity on Hand (DLOH)	15.0%	#	↑	305	432	419	281	200 - 274	414
	Non-Fuel Revenue w/OSS RnF	5.0%	\$	↑	1,460.5	1,784.1	828.4	948.9	-5.00% to +4.99%	1,885.6
	O&M	2.5%	\$	↓	688.7	787.6	442.8	465	+/- 2.01% to 5.00%	946.1
	Capital Budget (Gross of CIAC)	2.5%	\$	↓	788.3	1,004.6	445.7	1,222.0	+/- 2.01% to 10.00%	1,849.4
Fiscal Resiliency Weighted Index Score							2.87	3.00	≥3.0	3.13

The Fiscal Resiliency Score includes the new asset acquisitions made during the year.

FY2025 ENTERPRISE MEASURE - AT RISK

KEY OBSERVATIONS



Strategic Objective	Measure Name	Measure Frequency	FY/CY	Unit	Target Indicator	Historical Actuals		Current Year			Year End Forecast	Latest Estimate
						FY 2023	FY 2024	YTD Target	YTD Actual	Year-End Target		
						CY 2022	CY 2023					
Operational Evolution	Average Customer Outage Duration (System Average Interruption Duration Index - SAIDI)	monthly	CY	#	↓	59.81	61.19	32.79	42.41	57.68	At Risk	67.30
	<p style="text-align: center;">Key Observations:</p> <p>Drivers:</p> <ul style="list-style-type: none"> •The first quarter of 2024 was met with severe weather patterns, resulting in an ice event in January and record-setting rainfall throughout April. •Equipment failure and tree outages are also contributing to outage duration. •Previous reliability improvement efforts are showing a positive trend in the performance of priority circuits. •Two high SAIDI days in June and July were a result of storms; with equipment failure and trees were also major contributors. <p>Mitigations:</p> <ul style="list-style-type: none"> •Addressing poor-performing reliability circuits with enhanced inspections to identify maintenance and tree-trimming needs. •For substations, wildlife mitigation systems are being added as well as enhancing bi-annual inspections. •Continuing investments with Capex reliability programs. 											



FY2025 ENTERPRISE MEASURE - UNRECOVERABLE

KEY OBSERVATIONS

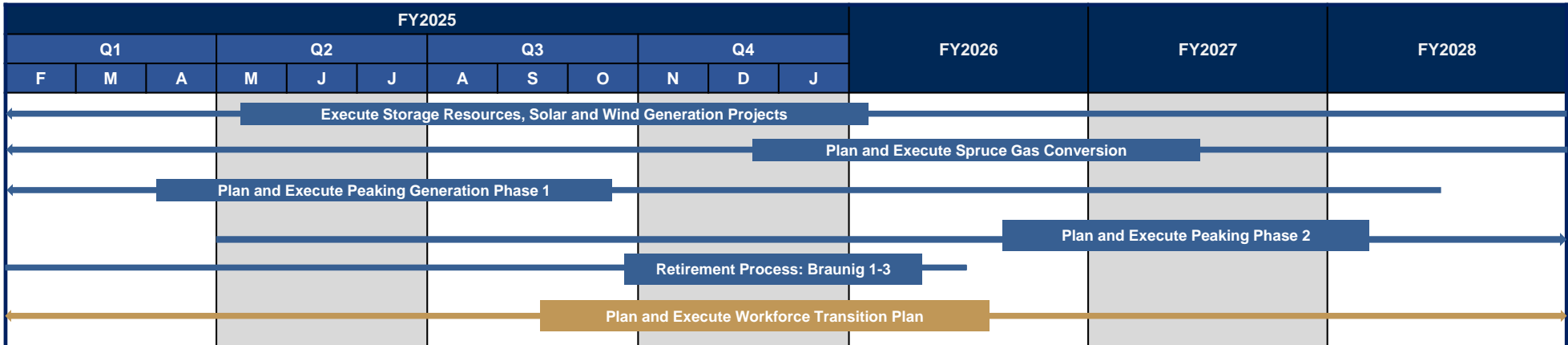
Strategic Objective	Measure Name	Measure Frequency	FY/CY	Unit	Target Indicator	Historical Actuals		Current Year			Year End Forecast	Latest Estimate
						FY 2023	FY 2024	YTD Target	YTD Actual	Year-End Target		
						CY 2022	CY 2023					
Team Culture	Safety Performance (Enterprise Recordable Incident Rate - RIR)	monthly	FY	#	↓	1.49	0.85	1.12	0.97	1.12	Unrecoverable	0.92
	<p align="center">Key Observations:</p> <p>Drivers: 16 Recordable Incidents 1 fatality</p> <p>Mitigations: Incorporate high & low energy sources into Safety Tailboards EDS Overhead Department performing procedure review Enhance medical surveillance program Finalize ergonomics contract to address soft tissue injuries</p>											

POWER GENERATION PLAN



Goal: Transition power generation portfolio to reduce emissions while providing reliable and affordable energy to meet growing community needs

FY2025 Milestones	Status	Updates
Execute PPA pursuant to Storage RFP	On Track	<ul style="list-style-type: none"> Executed two contracts totaling 350 MW of 4-hour storage capacity Actively negotiating multiple contracts totaling an additional 130 MW of 4-hour storage capacity. The remaining contracts are planned to be executed in Q3 of FY25.
Start procurement for Peaking Project 1	On Track	<ul style="list-style-type: none"> RFP for power transformers is completed and the selection process is in progress. Engineer, procure, and construction (EPC) – commercial agreement in development Working with Facilities to possibly procure a new site for the project.
Notify and seek ERCOT response to intent to retire Braunig 1, 2 & 3	On Track	<ul style="list-style-type: none"> Notified ERCOT of intent to retire Braunig 1-3 in March 2024 (completed FY24 Q1) Submitted Reliability Must Run (RMR) related cost estimates to ERCOT – includes pre-RMR outage costs and lost opportunity costs in preparation for ERCOT Board approval
Execute new acquisition integration plan	On Track	<ul style="list-style-type: none"> Finalizing the execution of Phase 1 Transition Plan focusing on People, Processes, and Technology integration.

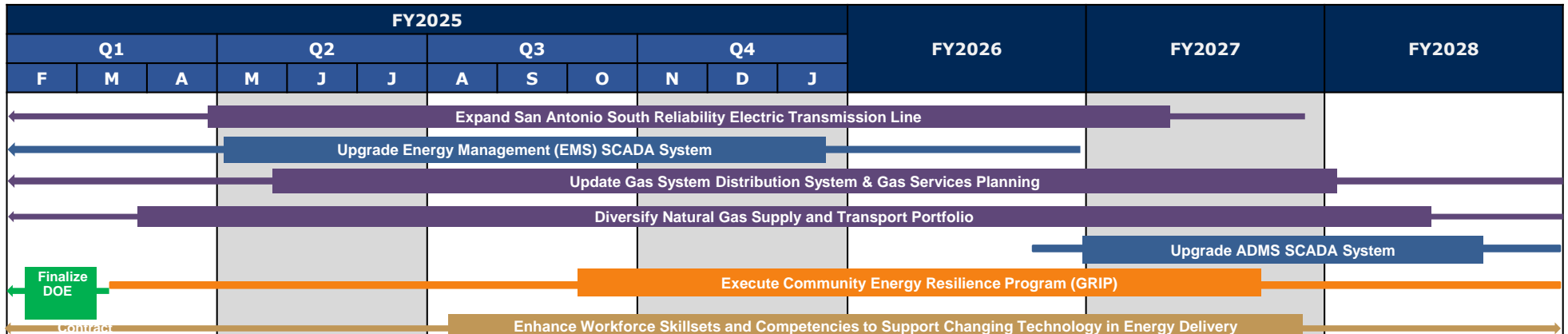




SYSTEM RESILIENCY & GROWTH

Goal: Support safe and responsible growth through enhancing resilient, safe, responsive and modern electric and gas services

FY2025 Milestones	Status	Updates
Commission Tejas Station and Westcreek Station gas supply projects	On Track	<ul style="list-style-type: none"> Tejas Station: Commissioned 7/23 Westcreek Station: Enterprise Texas construction delayed to 9/9; CPS Energy construction 9/10-10/14 and commissioning 10/15
Begin routing process to build San Antonio South Reliability Transmission Line, complete Howard Rd. substation site work expansion	On Track	<ul style="list-style-type: none"> Howard to San Miguel routing underway, we are preparing our Certificate of Convenience & Necessity (CCN) application to submit to the PUC in the next two months Routing Howard to Leon Creek began with Howard Rd site work to finish in October
Complete Advanced Distribution Management System (ADMS) hardware deployment, Emergency Management System (EMS) functional acceptance testing and ADMS/Geographic Information System (GIS) utility network final data conversion	At Risk	<ul style="list-style-type: none"> SCADA Transformation on track for ADMS and GIS Utility Network (UN) Phase 1 EMS Project Milestone delayed 1 month due to overall hardware deployment Completion of Functional Acceptance Testing for EMS SCADA Project delayed to February 2025 To mitigate milestones at risk, the project team will monitor the schedule and/or look for opportunities to get the effort on track

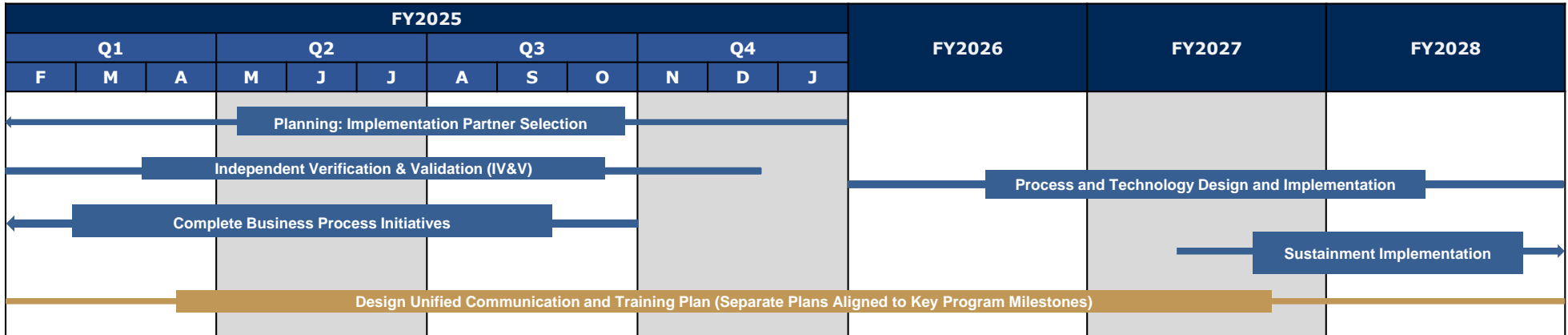


EVOLVE: ENTERPRISE RESOURCE PLANNING



Goal: Provide technology foundation that supports operational evolution through enhanced experiences for customers and employees

FY2025 Milestones	Status	Updates
Finalize ERP technology contract	Completed	<ul style="list-style-type: none"> Oracle America, Inc. selected as the technology vendor with approved 10-year term contract valued at \$70 million Program budget of \$304M supports this technology contract
Select system implementation partner	On Track	<ul style="list-style-type: none"> Diverse Supplier Vendor Fair held on June 25, 2024 Proposals solicited for Implementation Partner through IT Services partner ecosystem process on July 25, 2024; vendor selection and contracting to be completed by Q4
Establish comprehensive change management and communication strategy	On Track	<ul style="list-style-type: none"> PricewaterhouseCoopers (PwC) selected as partner to support the creation of a Change Management & Communication Strategy by Q4





CUSTOMER EXPERIENCE

Goal: Enhance CPS Energy's reputation, satisfaction and revenue through better employee engagement and positive customer experiences

FY2025 Milestones	Status	Updates
Target outreach and messaging by customer preference	Completed	<ul style="list-style-type: none"> Providing targeted on-going information to Bexar County for customers needing assistance
Create Customer Experience (CX) Championship Team ¹	On Track	<ul style="list-style-type: none"> Issued Request for Proposal (RFP) for Customer Experience Strategic Consultant
Expand customer equity programs qualification and enrollment approach	Completed	<ul style="list-style-type: none"> The Affordability Discount Program (ADP) received Board & Council approval to increase the Federal Poverty Level (FPL) income qualifier from 125% to 150% from 6/1/24 – 6/1/26
Enhance customer offerings and service offerings	On Track	<ul style="list-style-type: none"> Added Weatherization Repair Assistance Program (WRAP) to help customers with small home repairs to improve energy efficiency. Funded by the City of San Antonio and other government sources

FY2025												FY2026	FY2027	FY2028
Q1			Q2			Q3			Q4					
F	M	A	M	J	J	A	S	O	N	D	J			
← Complete Residential and Commercial Segmentation and mapping of Customer Journey														
← Identify Requirements in Evolve for CX Improvements														
← Establish a Customer Experience (CX) Championship Team and define CX and set CS goals and metrics														
← Increase Employee, Stakeholder and Community Communication														
← Enhance New Products / Services / Rates														

¹ New milestone added

FY2025 ENTERPRISE MEASURE SUMMARY

AS OF JULY 31, 2024

Unrecoverable		At Risk		On Track		Total Enterprise Measures
1	12.5%	1	12.5%	6	75.0%	8

FY2025 ENTERPRISE MEASURE OUTLIERS	
At Risk	Average Customer Outage Duration (System Average Interruption Duration Index – SAIDI)
Unrecoverable	Safety Performance (Enterprise Recordable Incident Rate)

SAIDI continues to be At Risk of achieving its year-end target. Mitigations are in place to impact positive performance

Safety Performance (RIR) changed from ‘On Track’ to ‘Unrecoverable’.

ELECTRIC SALES BY CUSTOMER SEGMENT – JULY FY2025*



Customer Sector	Sales vs. Budget	% of Total Load	% Impact on Total Usage
Residential	1.0%	48.8%	0.5%
Churches & Services	7.6%	6.1%	0.5%
Manufacturing	9.0%	1.7%	0.2%
Retail	5.4%	4.8%	0.3%
Educational Services	6.9%	4.2%	0.3%
Hotel & Food Services	3.6%	4.2%	0.2%
Other**	1.3%	30.2%	0.2%
Total System		100.0%	2.2%

*Billed July actual performance to Plan.

**Other sector includes other commercial sectors, data centers, food & wood product manufacturing, municipals, lighting, etc.

ELECTRIC SALES

BY CUSTOMER SEGMENT – YTD FY2025*



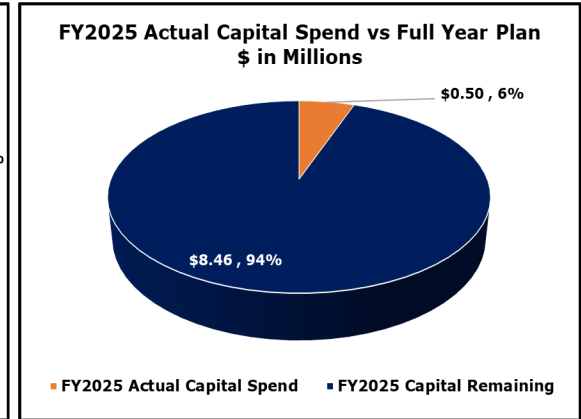
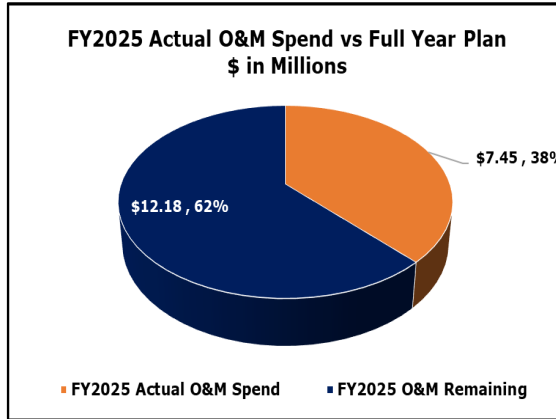
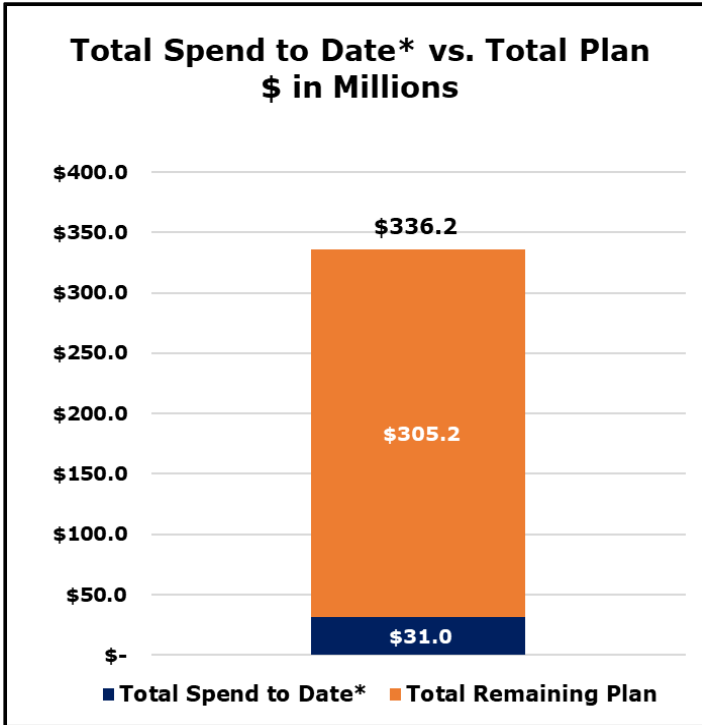
Customer Sector	Sales vs. Budget	% of Total Load	% Impact on Total Usage
Residential	0.0%	43.4%	0.0%
Churches & Services	2.9%	6.4%	0.2%
Manufacturing	2.4%	2.2%	0.1%
Retail	2.4%	5.0%	0.1%
Educational Services	3.1%	4.8%	0.2%
Hotel & Food Services	2.7%	4.3%	0.1%
Other**	-0.1%	33.9%	0.0%
Total System		100.0%	0.7%

*Billed July actual YTD performance to Plan.

**Other sector includes other commercial sectors, data centers, food & wood product manufacturing, municipals, lighting, etc.

EVOLVE FINANCIAL SUMMARY

AS OF JULY 31, 2024



FY2025 O&M & Capital Spend			
\$ in Millions	Actual Spend	Full Year Plan	Variance
O&M	\$7.45	\$19.63	(\$12.18)
Capital	\$0.50	\$8.96	(\$8.46)
Total	\$7.95	\$28.59	(\$20.64)

* Includes FY2021-FY2024 Actuals and FY2025 YTD Actuals

Oracle has been selected as the ERP vendor. Evolve initiatives continue to move forward.

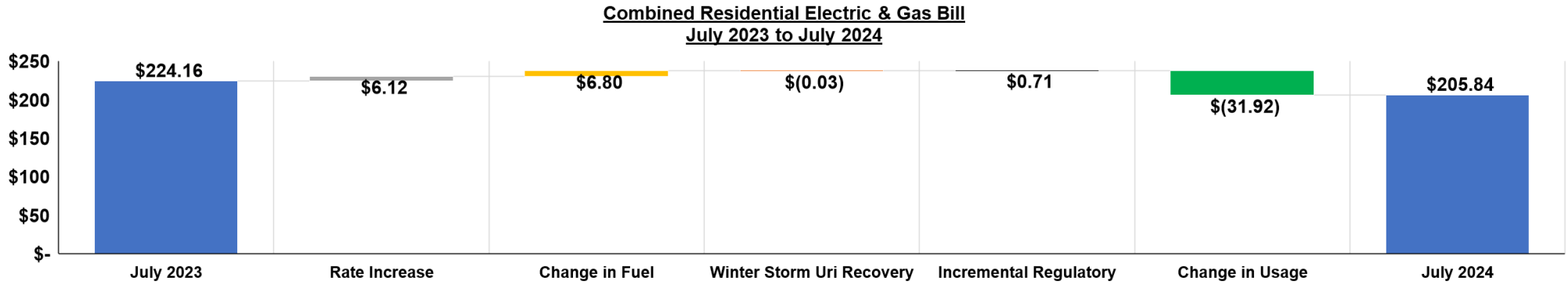
(1) Visuals do not include any adjustments for contingencies.
 (2) Visuals include all EVOLVE initiatives. ERP is the largest effort within EVOLVE.
 (3) Total estimate informed by current known variables, to be refined based on future organizational, technology and market conditions.



BILL COMPARISON

RESIDENTIAL BILL IMPACT

JULY FY2025 VS. JULY FY2024

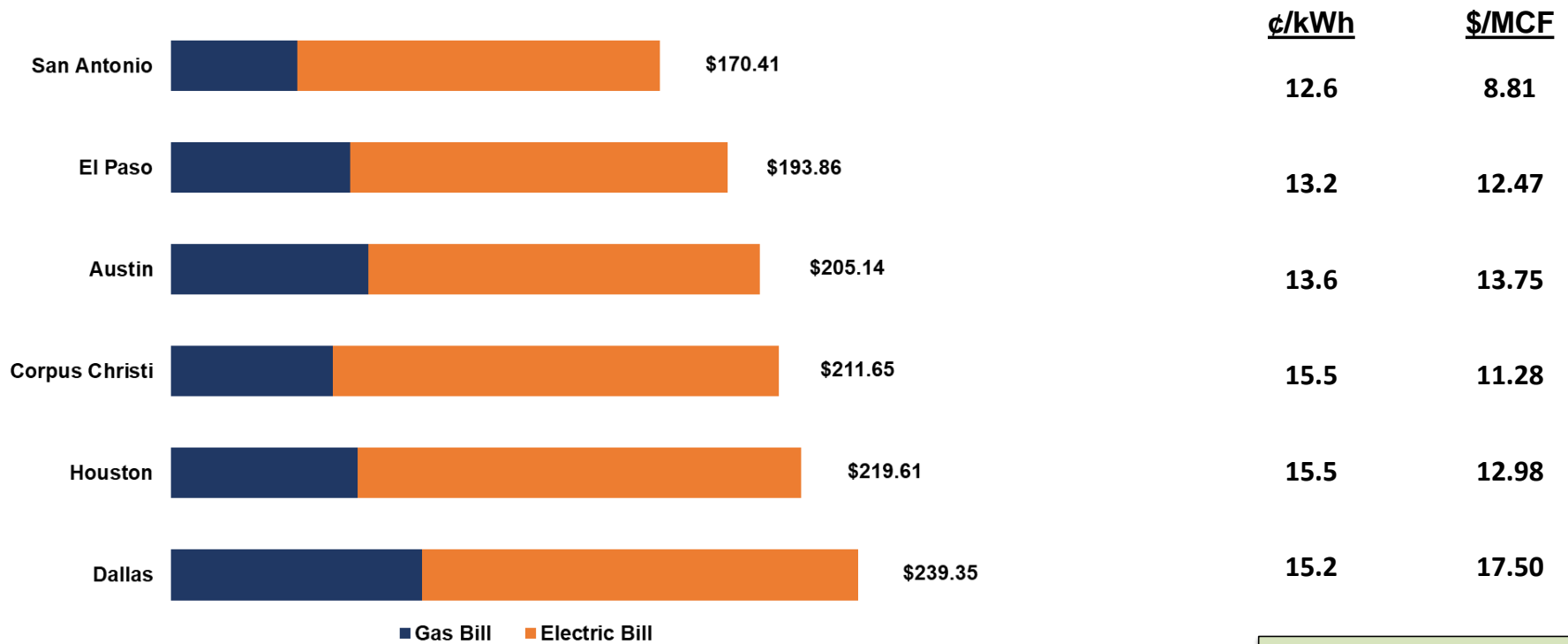


AVERAGE RESIDENTIAL USAGE			
	July 2023	July 2024	Variance
Electric (kWh)	1,639	1,396	-243
Gas (CCF)	10	9	-1

Bills are lower year-over-year primarily due to lower electric usage.



TEXAS CITIES COMBINED RESIDENTIAL BILL COMPARISON TRAILING TWELVE MONTHS ENDING JULY 2024



1,000 kWh & 5 MCF

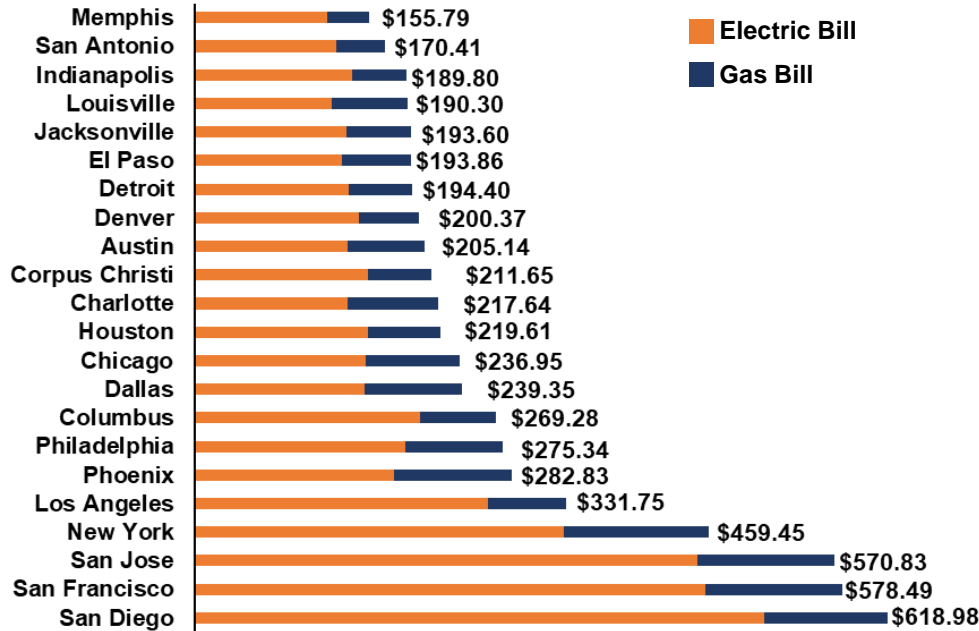
Note: Deregulated markets electric data from powertochoose.org (Term 12 mos.; 4&5 star rated REPs). San Antonio is the only city that has a single electric & gas provider.



TOP 20 & TX CITIES RESIDENTIAL BILL COMPARISON

TRAILING TWELVE MONTHS ENDING JULY 2024

Average Residential Bill @1,000 kWh & 5 MCF



Largest Cities @1,000 kWh & 5 MCF					
City	¢/kWh	\$/MCF	Electric Bill	Gas Bill	Total Bill
Memphis	11.9	7.37	\$118.94	\$36.85	\$155.79
San Antonio	12.6	8.81	\$126.38	\$44.03	\$170.41
Indianapolis	14.1	9.81	\$140.77	\$49.03	\$189.80
Louisville	12.3	13.47	\$122.93	\$67.37	\$190.30
Jacksonville	13.6	11.49	\$136.15	\$57.45	\$193.60
El Paso	13.2	12.47	\$131.52	\$62.34	\$193.86
Detroit	13.8	11.23	\$138.26	\$56.14	\$194.40
Denver	14.7	10.76	\$146.57	\$53.80	\$200.37
Austin	13.6	13.75	\$136.41	\$68.73	\$205.14
Corpus Christi	15.5	11.28	\$155.27	\$56.38	\$211.65
Charlotte	13.6	16.24	\$136.42	\$81.22	\$217.64
Houston	15.5	12.98	\$154.72	\$64.89	\$219.61
Chicago	15.3	16.88	\$152.57	\$84.38	\$236.95
Dallas	15.2	17.50	\$151.86	\$87.49	\$239.35
Columbus	20.1	13.58	\$201.38	\$67.90	\$269.28
Philadelphia	18.8	17.41	\$188.31	\$87.03	\$275.34
Phoenix	17.8	21.01	\$177.77	\$105.06	\$282.83
Los Angeles	26.2	14.02	\$261.65	\$70.10	\$331.75
New York	33.0	25.85	\$330.18	\$129.27	\$459.45
San Jose	44.9	24.45	\$448.58	\$122.25	\$570.83
San Francisco	45.6	24.45	\$456.23	\$122.26	\$578.49
San Diego	50.9	22.09	\$508.54	\$110.44	\$618.98

Note: Based on an average of 1,000 kWh/month & 5 MCF/month; Bills reflect 12-month average pricing from August 2023 through July 2024 in all markets.