



MINUTES

Citizens Advisory Committee

In-Person and WebEx

May 11, 2022 | 11:30 a.m.

ATTENDANCE

<u>Member of CAC</u>	<u>Present</u>	<u>Absent</u>
Richard Farias		✓
Lawson Picasso	✓	
Diana Aguirre Martinez	✓	
Frank Gonzalez	✓	
Andy Castillo	✓	
Raquel Zapata	✓	
John Kelly		✓
Tom Corser	✓	
Allie Watters	✓	
Adelita Cantu	✓	
Mary Dennis		✓
Bill Day	✓	
Luisa Casso	✓	
MaryEllen Veliz		✓

Also Present were:

Melissa Carrillo Cox	Julia Carrillo Haynes	Justin Chamberlain	Velma Corona
Gonzalo Cortinas	Carla De La Chapa	Darlene Dorsey	Daniel Elias
Thomas Faucett	Gabriel Garcia	Ashely Glotzer	Manuel Gonzalez
DeAnna Hardwick	Jesse Hernandez	Andrew Higgins	Laura Jacobs
David Kee	Loretta Kerner	Adam Kiehne	Cory Kuchinsky
Kelly Kuhle	Louis Labatt	Lisa Lopez	Lori Lopez
Rick Luna	Denae Meyers	Touseef Mohammed	Robert Nathan
Karma Nilsson	Christine Patmon	Yvonne Pelayo	Unity Puente
Shanna Ramirez	Ricardo Renteria	David Rivela	Angela Rodriguez
Ricci Schooler	Prabha Somawardana	Marie Stoner	Melissa Sorola
Nancy Tabares	Domingo Villarreal	Christen Waggoner	

CALL MEETING TO ORDER, INVOCATION

The meeting was called to order at 11:37 a.m. by Chair Bill Day.

Invocation was made by Melissa Carrillo Cox.

Opening remarks were made by CPS Energy Interim President & CEO, Rudy Garza. Mr. Garza expressed his gratitude to the Committee for being part of the process and taking the necessary

steps for moving forward with a revised or renewed Energy Efficiency & Conservation Program. Mr. Garza also updated the Committee on CPS Energy's generation planning and how staff is working through various models to find what works best for balancing the future of the utility and a growing customer base. He also told the Committee he supports their continued dialogue regarding open meetings and encourages transparency.

APPROVAL OF MINUTES

The minutes of the CAC meetings held on March 9, 2022 & April 12, 2022 were approved as read. Motion by Diana Martinez seconded by Lawson Picasso.

STAFF UPDATE

Yvonne Pelayo informed the Committee that there will be a Rate Advisory Committee special meeting on May 17, from 3:00 p.m. - 6:00 p.m. The next regular Board of Trustees meeting will be held on Monday, May 23, at 1:00 p.m. On Tuesday, May 24, the Municipal Utilities Committee will convene at 10:00 a.m. The Rate Advisory Committee regular meeting will be held on May 26, from 3:00 p.m. - 6:00 p.m. The next CAC meeting will be held on June 8, and the Local Government Relations team will be hosting the 2022 Summer Suburban Cities Summit on Friday, May 20, at 11:30 a.m. For the latest information on the upcoming community events, please visit cpsenergy.com/events.

ENERGY EFFICIENCY & CONSERVATION PROGRAM UPDATE PART 3 / VOTE

Rick Luna, Director of Technology & Product Innovation, provided an update on the next steps in creating a new program for CPS Energy's Save for Tomorrow Energy Program or STEP, which will terminate on July 31, 2022. Mr. Luna requested the CAC provide a recommendation for a new program, and encouraged the Committee to provide feedback, which will be presented to the Board of Trustees at their meeting on May 23.

CPS Energy began reevaluating the STEP program three years ago, in August of 2019, when the original STEP goals were achieved. Over the past several years, the STEP program was extended twice and evaluated by two separate third-party entities. Since June of 2021, CPS Energy staff has also heavily engaged stakeholders including the Rate Advisory Committee (RAC), the CAC, and San Antonio City Council. The extensive engagement and independent assessment then resulted in the creation of three options for the Board of Trustees to consider when voting on whether or not to renew the program. Option 1 is approximately a \$50M/year program, which allows CPS Energy to reduce the impact on customer bills. Option 2 reflects the cost of the current STEP program at approximately \$70M/year, which would result in no customer bill impact. The third option, at approximately \$100M/year would allow CPS Energy to work with additional funding that can expand the possibility of revamping existing programs and have a more aggressive approach in the pursuit of those goals. Luna stated program goals for the various options were determined with stakeholder feedback emphasizing a focus on demand reduction, energy savings and a promotion of equity. Each option was presented in detail including program impact on demand reduction, energy savings, equity, cost, system benefits, emission reduction and average monthly bill.

Chair Bill Day called for a vote on the continuation of the Energy Efficiency & Conservation Program.

Motion was made by Tom Corser in support of Option 3, seconded by Diana Aguirre.

In favor: Diana Aguirre Martinez, Andy Castillo, Raquel Zapata, Thomas Corser, Allie Watters, Bill Day, Luisa Casso

Opposed: Lawson Picasso, Frank Gonzalez, Adelita Cantu

Abstentions: None

Passed 7-3 with 4 absent

FLEXPOWER BUNDLESM UPDATE

Kevin Pollo, VP Energy Supply & Market Operations gave an update on the *FlexPower BundleSM*. Mr. Pollo stated that CPS Energy has a diverse generation portfolio made up of nuclear, coal, gas, solar, storage, and wind. He stated that one of the major benefits of fuel diversity is cost, which has allowed CPS Energy to achieve some of the lowest customer bills in Texas. Additionally, fuel diversity has driven down carbon intensity and led to lower emissions, which also helps CPS Energy meet the goals outlined in the City of San Antonio's Climate Action Adaption Plan (CAAP). Pollo highlighted the three aging powerplants, representing 3,000 megawatts of generation, are at the center of discussion for the *FlexPower BundleSM*. Pollo provided the example that for every 200 homes it takes one megawatt of power on a hot Texas day. So, approximately 600,000 houses are currently served by 3,000 megawatts of generation. Specific to the three Braunig Gas Power Plants, the goal is to replace these units in the first phase *FlexPower BundleSM*, with the following stage focusing on Sommers Gas Plants and Spruce Coal Plants. With the pending retirement of the Braunig units, CPS Energy will seek an integrated mix of solar, battery storage and firming generation. Firming capacity projects will likely consist of natural gas because represents the most viable option due to it being the most reliable, affordable, and environmentally responsible resource. CPS Energy will continue to proactively look at different options as new technologies are created. Pollo said the generation discussion would continue with RAC, CAC, and other committees to keep them informed, and will present to the CPS Energy Board of Trustees in December of 2022.

DISCUSSION: OPEN MEETINGS, AT-LARGE POSITIONS

Chair Day provided a recap regarding the At-Large positions. Day mentioned that there were over 40 applicants for the two open positions, which was narrowed down to five who were interviewed by the full Committee. CPS Energy staff compiled the votes from the Committee and the top two applicants that were selected were Andra Clapsaddle and Steve Bonnette. Chair Day stated that there is a possibility of a third candidate being added due to a current member of the CAC who has not met the attendance requirements of the bylaws being asked to resign. He asked the Committee for approval to extend an invitation to the candidate who received the third highest votes, after that process has reached completion.

Bill Day, Chair called for a vote to consider Andra Clapsaddle and Steve Bonnette for the two open At-Large positions, and for staff to contact Bob Zapata for a future position.

Motion was made by Diana Aguirre Martinez, seconded by Allie Watters.

In favor: Lawson Picasso, Diana Aguirre Martinez, Frank Gonzalez, Andy Castillo, Raquel Zapata, Adelita Cantu, Thomas Corser, Allie Watters, Bill Day, Luisa Casso

Opposed: None

Abstentions: None

Passed unanimously 10 with 4 absent

Chair Day spoke briefly on the standing conversation of transitioning to open meetings. He proposed that the meetings be recorded and made available to the public on the CPS Energy website the same way the minutes and agenda are made available. He stated that an email would be sent to the committee with more information on the proposal before the next meeting.

CITIZENS ADVISORY COMMITTEE ROUNDTABLE

Chair Bill Day asked each member to make announcements or comments at this time.

ADJOURNMENT

There being no further business to come before the committee the meeting was adjourned at 1:30 p.m.