



MINUTES

Citizens Advisory Committee

Via WebEx

July 8, 2020 | 11:30 a.m.

ATTENDANCE

Member of CAC	Present	Absent
Juan Cano		✓
Michelle Lugalía-Hollon		✓
Diana Aguirre Martinez	✓	
Frank Gonzalez	✓	
Andy Castillo	✓	
Raquel Zapata	✓	
John Kelly	✓	
Joe Yakubik	✓	
Allie Watters		✓
David Walter - Chairman	✓	
Mary Dennis	✓	
Bill Day	✓	
Luisa Casso	✓	
MaryEllen Veliz	✓	
Dr. Adelita Cantu	✓	

Also in attendance:

Velma Corona	Melissa Cox	Guillermo De Hoyos
Paul Escamilla	Cris Eugster	KJ Feder
Kathleen Garcia	Luis Garcia	Rudy Garza
Paula Gold-Williams	DeAnna Hardwick	Andrew Higgins
Charles Hoopingarner	Cory Kuchinsky	Louis Labatt
John Leal	Kevin Matula	Kari Meyer
Robert Nathan	Christine Patmon	Yvonne Pelayo
Unity Puente	Zandra Pulis	David Rivela
Lynda Rodriguez	Carolyn Shellman	Melissa Sorola
Marie Stoner	Jonathan Tijerina	

CALL MEETING TO ORDER, INVOCATION

The WebEx meeting was called to order at 11:31 a.m. by Chairman David Walter.

David Walter presented an opening prayer.

APPROVAL OF MINUTES

The minutes of the CAC meeting held on June 10, 2020 were approved by unanimous consent.

PRESIDENT & CEO UPDATE

Paula Gold-Williams gave a brief update to the CAC on the status of our financial position, our employees and our customer outreach efforts. Paula noted we are up \$20 million for the quarter as opposed to being down that same amount as earlier predicted. She also reminded the CAC of all we are doing to help our customers: offering payment plans, sharing resources for bill assistance and making direct outbound calls.

Paula covered the following topics:

Financials:

- We had initially budgeted \$4M in net income for the year. Forecasted numbers, mid to high impact due to COVID-19 have been calculated. In March, the mid-impact forecast case was \$80M and the high impact forecast case was \$100M.
- Wholesale sales present an opportunity to mitigate a possible gap in revenues. For perspective, 85% of this is retail, 15% is wholesale market.
- Actuals for Feb.-April this year are positive by \$20M but have not seen full implications from customer nonpayment.
- Managing efficiencies, continuing cost containment measures, strong wholesale sales and reducing bad debt numbers will be important to close out strong at the end of the fiscal year.
- We continue to try to partner with customers to schedule payment plans. The biggest risk is bad debt which can be further impacted by service disconnections, still uncertain with COVID-19 numbers increasing. We are monitoring conversations within the industry and agencies for guidance on the proper timing of this.
- To assist, REAP and WARM programs are available but contain limited funds. Revenues are important to our bond holders, our bond rating, cost of capital and for the utility's operations and long-term financial health, but we are still able to handle this situation with care for our customers. Outbound customer care calls give us the opportunity to offer options, resources across San Antonio have had a 20% success rate.

Workforce: In mid-June, three confirmed cases were reported, now in the thirties. Contact tracing is performed and now 250 employees are in quarantine (as of this meeting). We are effectively maintaining operations with constant reorganizing of resources and requiring employees to practice social distance and proper PPE.

FlexPOWER Bundle: Plans to release the RFI for the **FlexPOWER Bundle** are underway which calls for 900 MW of solar along with battery storage and firming capacity requirements.

WHOLESALE DISTRIBUTION SERVICE TARIFF UPDATE & EV PILOTS BRIEFING

In preparation for Board of Trustees and City Council approval, Cory Kuchinsky, Interim Vice President, Strategic Pricing & ERM and Chad Hoopingarner, Sr. Director, Pricing & Cost Recovery gave an update on the Wholesale Distribution Service (WDS) Tariff and the Electric Vehicle pilots.

Tariffs provide options and flexibility to our customers and align with community goals while maintaining financial stability for the utility. These tariffs have been designed in response to changing customer expectations and evolving technologies.

- The WDS addresses large scale battery storage for customers to connect to our distribution system to sell power into our system. They will pay to access the system based on their location.

Next, the presentation focused on the Electric Vehicles Pilot. These proposed pilots will encourage and incentivize “off-peak” usage of our system to charge electric vehicles.

- Electric vehicles will charge at 4:00 a.m., for example when generation capacity is abundant via a time of use rate pricing plan. There are three (3) new proposed EV pilot rates for residential, small commercial and the CPS Energy Public Charging Network.
- This load optimizes existing assets and reduces capital investment and protects the air quality of our community.

In closing, Chad reiterated these new products align with community goals and CPS Energy's guiding pillars while supporting and maintaining financial responsibility.

STAFF UPDATE

John Leal, Director of Local Government Relations provided the staff update:

- Allie Watters was scheduled to have her baby July 4th, we haven't got word but send her our best wishes and Melissa Cox from Local Government Relations is scheduled to have her baby girl on July 20th.
- Michelle Lugalia-Hollon with District 2 is now joining the staff of Mayor Ron Nirenberg as his Director of Policy and is rolling off the CAC to focus on this position.
- Dr. Adelita Cantu (D7 appointee) was approved unanimously at our June's Board of Trustee Meeting.
- The Tezel Substation & Transmission Open House Video Broadcast will be next Wednesday, July 15th.
- Yesterday, we had our first Virtual **People First** Community Fair in District 2, featuring Councilmember Jada Andrews-Sullivan.
- Our annual Suburban City Summit will be a virtual meeting on August 7.
- Next CAC meeting will be on August 12 by WebEx.
- The next Board of Trustees meeting will be held on July 27 at 1:00 p.m. by telephone conference.

ADJOURNMENT

There being no further business to come before the committee the meeting was adjourned at 12:53 p.m. by unanimous consent.

Key Dates to Remember, Board of Trustee and Public meeting attendance

- Board of Trustee meeting, Wednesday, July 27, 2020 at 1:00 p.m. (by telephone conference)
- CAC meeting, Wednesday, August 12, 2020. (WebEx meeting)