

# **BYLAWS OF THE CPS ENERGY RATE ADVISORY COMMITTEE**

## **ARTICLE I — NAME AND PURPOSE**

Section 1 — Name: The name of the committee is the CPS Energy Rate Advisory Committee (RAC). The RAC is a special purpose advisory group to provide input to the CPS Energy Management and the CPS Energy Board of Trustees. The RAC is purely advisory in nature, not a policy making, or decision-making body.

Section 2 — Purpose: Members of the RAC will devote the necessary time and energy to learn about the utility business and the rate design function in order to understand and provide thoughtful input and perspectives to CPS Energy Management and Board of Trustees on rate structure, rate design, proposed rate increases and generation planning issues.

## **ARTICLE II – MEMBERSHIP**

Section 1 — Membership and role: Members of the RAC shall be appointed by the CPS Energy Board of Trustees. RAC members shall represent a broad constituency of the community, shall facilitate the flow of ideas and concerns from the community to CPS Energy Management and the Board of Trustees, and shall assist with communicating the flow of information from CPS Energy Management and Board of Trustees to the community. Members will be expected to attend meetings, be respectful of the comments and views of others, and provide thoughtful input on issues, representing, to the extent possible, community, not partisan, values and concerns.

Section 2 – Eligibility for membership: Membership of the RAC shall be open to the following individuals in good standing<sup>1</sup> through an application and appointment process:

- Any ratepayer, resident, property owner, or business owner who is a customer of CPS Energy and resides in or is located within the CPS Energy service territory, including representatives of business and civic associations that represent businesses or citizens operating or living within the CPS Energy service area.
- Individuals may be nominated by a member of the City Council or the Board of Trustees or may self-nominate through the application process.

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<sup>1</sup> “Good standing” means being current on bill payments with CPS Energy and having good payment history.

Section 3 — Composition: Membership of the RAC will consist of twenty-one (21) members all of whom must reside within the CPS Energy service area. Ten (10) members will be nominated by the San Antonio City Council, with each Council member nominating one (1) member who must reside in the Council member's district. Eleven (11) members will be nominated by the CPS Energy Board of Trustees. The overall membership of the RAC should reflect a diverse and balanced cross-section of customers from the CPS Energy service area. As an example, members may include representatives of the following:

- San Antonio city council districts
- Areas outside the San Antonio city limits, but within the CPS Energy service area
- CPS Energy rate classes
- Neighborhood associations
- Multi-family residential customers
- Major manufacturers, large and small businesses, the education community, the medical community, the construction and development community
- Professional planning, economic development, environmental, conservation and community advocate groups

Section 4 — Terms: RAC members will be appointed to serve a two (2) year term and RAC members will be eligible to serve no more than three (3) consecutive terms. The CPS Energy Board of Trustees may reconsider a member who serves a total of three consecutive terms for an additional term after leaving the RAC for at least one term.

Section 5 — Nomination procedures: Each City Council member may nominate one person from the Council member's district to serve as a RAC member. CPS Energy Management will also request nominations from community groups to ensure as much as possible that nominees are identified who meet the composition goals outlined in Section 3 of this Article. CPS Energy Board members may also identify nominees for consideration. CPS Energy Management shall be responsible for recommending an official slate of prospective RAC members to the Board of Trustees for consideration. The Board of Trustees will review nominees from the City Council and those recommended by Management and by Board members and will select members of the RAC who meet the requirements of this Article with the goal of honoring Council member nominations, if possible, while selecting a balanced group of members representing different customer segments. The Board may choose to select some, all, or none of the nominees.

Section 6 — Resignation, termination, and absences: Resignation from the RAC must be in writing and provided to the RAC Chair. A RAC member may be removed by written notice from the Chair due to three total absences from meetings in a year. A RAC member may also be removed for other reasons by a majority vote of the remaining RAC members.

Section 7 — Vacancies: If a vacancy occurs within the RAC, the City Council member, or the CPS Energy Board member who previously nominated that position may nominate a replacement. The Board will consider nominated replacements and may approve the individual to serve out the term of the member creating the vacancy. An individual appointed to serve out the remaining term of a vacating member may be re-appointed to serve three additional terms. However, after the third full term, that individual will need to be off the RAC for at least one term before being considered again for appointment, as required in ARTICLE II, Section 4.

#### ARTICLE III — SELECTION OF CHAIR AND VICE-CHAIR

Section 1 — Selection and term of Chair and Vice Chair: The RAC will have a Chair and a Vice Chair selected by the CPS Energy Board of Trustees. The Chair and Vice Chair will each serve one term and may be reappointed by the Board.

Section 2 — Chair and Vice Chair Duties: Responsibilities of the Chair include, but are not limited to, presiding over all RAC meetings; encouraging members to participate in discussions and to arrive at decisions in a timely and democratic manner; undertaking certain administrative duties, such as approving RAC agendas, draft minutes, proposed meeting dates and venues, etc. The Vice Chair shall assist the Chair in these functions, as needed, and shall preside over RAC meetings when the Chair is absent. The Chair and Vice Chair shall also serve as the primary spokespersons for the RAC, maintain communication with CPS Energy Management, and report on the RAC's progress to the Board of Trustees.

#### ARTICLE IV — MEETINGS OF MEMBERS

Section 1 — Regular meetings: A regular meeting will be held at least once a quarter during the CPS Energy fiscal year, or as otherwise directed by the CPS Energy Board. The date, time and location of the meeting will be identified in the notice.

Section 2 — Special meetings: Special meetings of the RAC shall be called at the request of the Chair, or a majority of the RAC.

Section 3 — Notice of meetings: Notice of each meeting shall be given to each voting member, by written notice, delivered personally, electronically, or by mail, not less than one week prior to the meeting. Meeting notices and agendas will be posted on CPS Energy’s website, not less than one week prior to the meeting.

Section 4 – Meeting Agenda: CPS Energy Management shall draft meeting agendas for review and approval by the Chair. Any three members can request an item to be added to the agenda for a meeting.

Section 5 — Quorum: Eleven members must be present to constitute a quorum. In the absence of a quorum, no meeting can be held and if a quorum is lost during a meeting, the meeting must conclude.

Section 6 – Decision Making: There shall be an effort extended to achieve a consensus of members present for all issues that require decision making. It is particularly desirable for an issue to be resolved through consensus, but the Chair may decide to proceed with resolution of a given issue through a vote. If the Chair deems that a vote is necessary, issues to be voted on shall be decided by a 60% super majority (13) of the RAC.

#### ARTICLE V — SUBCOMMITTEES

Section 1 — Subcommittee formation: The RAC may create and charge subcommittees (functioning as working groups), as needed, to further study matters in more detail. Subcommittees may seek assistance from CPS Energy Management consistent with, and no greater than, the scope of their charges. Any issues resulting from request for assistance will be resolved by consulting with the RAC Chair. If so charged by the RAC, subcommittees shall make recommendations to the RAC, which will in turn make decisions regarding the recommendations of the subcommittee.

#### ARTICLE VI — AMENDMENTS

Section 1 — Amendments: These bylaws may be amended at any time by the Board of Trustees.

#### CERTIFICATION

These bylaws were approved by the CPS Energy Board of Trustees on April 22, 2021 and are effective as of that date.