



## APPENDIX I – BYLAWS

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### 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 regarding CPS Energy’s rate structure and rate design options. The RAC will provide input to the CPS Energy Management and Board of Trustees on rate structure, rate design and generation planning issues but will not review or make recommendations concerning proposed rate increases

#### 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

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 individual nominated by a member of City Council or the Board of Trustees
- Any ratepayer, resident, property owner, business operator or member of a business or civic association representing business or citizens operating or living within the CPS Energy service area

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<sup>1</sup> An individual is in good standing if they have a consistent bill history with CPS Energy.



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 each San Antonio City Council member. Eleven (11) members will be nominated by CPS Energy. The overall membership of the RAC will reflect a diverse and balanced representation of the greater San Antonio area and chosen from any of the following:

- San Antonio city council districts within the CPS Energy service area
- Areas outside the San Antonio city limits but within the CPS Energy service area
- Each CPS Energy rate class
- Neighborhood associations
- Multi-family residential customers
- Major manufacturers, large businesses, small business, medical providers and land developers
- Professional planning, economic development, environmentalist, conservation and community advocate groups

Section 4 — Terms: RAC members will serve a two (2) year term. 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 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 select members of the RAC from the nominees who meet the requirements of this Article and 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 Chairpersons of the RAC. A RAC member may be terminated by written notice from the Chairpersons from the RAC 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, then the City Council member or CPS Energy who had previously nominated that position may nominate a replacement. Nominated individuals will be presented to the Board of Trustees, who may approve the individual(s) to serve out the term of the member creating the vacancy.

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

Section 1 — Selection and term of Chairpersons: The RAC will have two (2) chairpersons. One chairperson shall be selected by and from the members nominated by the City Council appointees. The other chairperson will be selected by and from the members nominated by CPS Energy. The Co-chairpersons will serve one year terms.

Section 2 — Chairperson Duties: Responsibilities 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 venues, and dates. The Co-Chairpersons shall also serve as the principal 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. 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 Chairpersons 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 Chairpersons. Any three members can request an item to be added to the agenda for a meeting agenda.

Section 5 – Quorum: More than half of the appointed membership must be present to constitute a quorum. A meeting may proceed without a quorum; however, no action may be taken without a quorum present.

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 Chairpersons may decide to proceed with resolution of a given issue through a vote. If the Chairpersons deems that a vote is necessary, issues to be voted on shall be decided by a simple majority of the RAC membership present provided there is a quorum.

#### ARTICLE V – SUBCOMMITTEES

Section 1 – Subcommittee formation: The RAC may create subcommittees, as needed, to further discuss matters in more detail. 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 when necessary by two-thirds majority of the RAC members vote after reading and consideration of the amendment at two consecutive meetings followed by approval of the Board of Trustees. Proposed amendments must be submitted to CPS Energy Management in writing to be sent out with regular RAC announcements.

#### CERTIFICATION

These bylaws, if approved by the CPS Energy Board of Trustees, will take effect immediately upon approval.