



Kathy Garcia

Vice President of Government Relations, Regulatory Affairs & Public Policy

Keeping People First!

October 26, 2020

Dear Ms. Belmares:

Thank you for recently taking my call. I am following up in writing to make it easier for you to share these thoughts with your colleagues.

Everyone on our CPS Energy team firmly believes that continuing to talk about San Antonio's environmental programs is critical for us all. CPS Energy also believes that the 10 years of regular meetings with the Environmental Stakeholders Group (ESG) has benefitted both organizations.

CPS Energy would like your coalition to consider withdrawing the petition effort, as we do not believe your colleagues, CPS Energy, San Antonio, and our shared goal of improving environmental stewardship are benefitted by pursuing adversarial paths. We want to continue talking and to improve our relationships.

In support of this goal, we were glad to have Dr. Cris Eugster, our Chief Operating Officer (COO), participate in your Community Forum on Climate & COVID Recovery for San Antonio event that was held virtually this past Saturday. We appreciated the opportunity to have Dr. Eugster share promising information about the preliminary results we received from our global **FlexPOWER Bundle** Request for Information.

Additionally, we are glad that the ESG has agreed to meet with CPS Energy soon. We look forward to that large group meeting, which is set for Thursday, 11/12/2020.

To focus more directly on our overall relationship, we were also glad to reach out, on a couple of occasions as our summer season was coming to an end, to Mr. Darby Riley, a member of your coalition. Mr. Riley helpfully directed us to you, and again I am glad we were able to talk a bit recently.

With my President & CEO's full support, I suggest that a small group of us meet to talk constructively and respectfully about where we have common interests and how we can work together to unify San Antonio. Here is how we propose approaching that meeting:

- The general structure:
 - It can be held from 6:00-8:00 pm.
 - We propose one of the following dates: 11/4/2020, 11/11/2020; or 11/18/2020.
 - If the time span and dates do not work for you, please suggest alternatives.
- CPS Energy will be represented by Dr. Cris Eugster; Mr. Rudy Garza, our Chief Customer Engagement Officer; and me, since I serve as the ESG's primary liaison.
- CPS Energy would be glad to host the meeting and handle all the administrative requirements.
- To again ensure everyone's safety, CPS Energy will use our standard virtual solution, WebEx.
- Since the meeting size will be very small, we expect no bandwidth issues. So, we plan to keep our cameras on for the entirety of the meeting.
- If you do not want this meeting recorded, we will accommodate your request.

We ask that your coalition also designate three people to attend the meeting and respectfully ask that you let us know in advance who they are. If you prefer a different number of attendees, you and I can talk about that at your convenience.

Our participants will come to the meeting prepared to share helpful information about the future of energy efficiency, renewables, storage technologies, fossil fuels, customer assistance programs, and the Rates Advisory Committee (RAC). We want to talk through this information in hopes of better brainstorming through your specific objections and objectives. We also would like to address how we might best maintain and enhance future conversations.

We agree that we have discussed many of these issues previously. Even so, we believe that it is always helpful to keep trying to improve relationships and enhance San Antonio's ability to find positive solutions. Further, we believe that a renewed, focused, open, and casual discussion could be fruitful and may help us all identify a way we can work together positively.

I truly hope to hear from you soon!

Most Sincerely,

Kathy

KSG

Copy: CPS Energy's Board of Trustees
Ms. Paula Gold-Williams
Dr. Cris Eugster
Mr. Rudy Garza