



**CPS ENERGY BOARD OF TRUSTEES MEETING
TO BE HELD ON MARCH 31, 2025, AT 1:00 PM
LOCATION: CPS ENERGY BOARD ROOM (500 MCCULLOUGH AVE)**

At any time during the Board Meeting, the Board may go into an executive session as permitted by the Texas Open Meetings Act, (Chapter 551 of the Texas Government Code) regarding any item on this agenda.

AGENDA

| ITEM | TOPIC | ACTION | PRESENTER/ SPONSOR |
|-------------------------------------|---|---------------|-------------------------------|
| 1 | CALL TO ORDER | Execute | Dr. Francine Romero |
| 2 | SAFETY MESSAGE, INVOCATION & PLEDGE OF ALLEGIANCE | Execute | Mr. David Ramirez |
| 3 | PUBLIC COMMENT Pre-Registration is from Wednesday, March 26, 2025, 5:00 PM – Friday, March 28, 2025, 1:00 PM. Dial (210) 353-4662 or email PublicCommentRegistration@CPSEnergy.com | Discuss | Dr. Francine Romero |
| UPDATE ON CHAIR’S PRIORITIES | | | |
| 4 | CHAIR’S REMARKS | Discuss | Dr. Francine Romero |
| 5 | CEO RECOGNITION & REMARKS | Discuss | Mr. Rudy Garza |
| CONSENT AGENDA | | | |
| 6 | APPROVAL OF CONSENT ITEMS: A. Payment to the City of San Antonio for February 2025 B. Minutes from the February Regular Board Meeting, held on February 24, 2025 | Vote | Dr. Francine Romero |
| REGULAR AGENDA | | | |
| 7 | PROCUREMENT REQUEST FOR APPROVAL: NEW ELECTRIC AND GAS INFRASTRUCTURE INSTALLATION SERVICES (Mr. LeeRoy Perez) | Vote | Dr. Francine Romero |
| 8 | PROCUREMENT REQUEST FOR APPROVAL: SPRUCE TO PAWNEE TO TANGO LIVE LINE 345KV TRANSMISSION LINE REBUILD (Mr. LeeRoy Perez) | Vote | Dr. Francine Romero |

| | | | |
|--|---|---------|---------------------|
| 9 | PROCUREMENT REQUEST FOR APPROVAL: JOINT TRENCH GAS AND ELECTRIC INSTALLATION SERVICES (Mr. LeeRoy Perez) | Vote | Dr. Francine Romero |
| 10 | FY2025 YEAR-END PERFORMANCE RECAP | Discuss | Mr. Cory Kuchinsky |
| CONVENE TO EXECUTIVE SESSION | | | |
| 11 | EXECUTIVE SESSION A. Attorney-Client Matters (§551.071) B. Real Property (§551.072) C. Personnel Matters (§551.074) | Discuss | Dr. Francine Romero |
| RECONVENE TO OPEN SESSION | | | |
| 12 | ADJOURNMENT | Execute | Dr. Francine Romero |
| <p>If the Board meeting has not adjourned by 3:25 PM, the presiding officer may entertain a motion to continue the meeting, postpone the remaining items to the next Board meeting date, or recess and reconvene the meeting at a specified date and time.</p> | | | |
| Known absences: None | | | |

CPS Energy Board of Trustees Meeting March 31, 2025

Approval of Payment to the City of San Antonio for February 2025

The New Series Bond Ordinance that took effect February 1, 1997 provides for a total cash payment to the City of San Antonio (City) in an amount not to exceed 14% of gross revenue as calculated pursuant to such Ordinance, less the value of other services provided to the City, with the percentage (within the 14% limitation) to be determined by the governing body of the City. The cash transfer to the City for the month of February 2025 is based on actual gross revenue per the New Series Bond Ordinance of \$274,815,101.10, less applicable exclusions. The revenue for the month of February 2025 is calculated as follows:

| | |
|---|-------------------------|
| Gross revenue per CPS Energy financial statements | |
| Electric revenue | \$281,977,131.27 |
| Gas revenue | 38,911,189.12 |
| Interest and other income | 6,550,274.44 |
| Gross revenue per CPS Energy financial statements | <u>327,438,594.83</u> |
| Excluded revenue | |
| School and hospital revenue per City Ordinance 55022 | (7,979,941.44) |
| LVG revenue per City Ordinance 100709 | (21,895.96) |
| Fuel cost component of off-system nonfirm energy sales per City Ordinance 61794 and revenue for wholesale special contracts | (43,086,563.44) |
| Noncash and other income, GASB 31 investment market value change, miscellaneous interest income, gas billing adjustment and unbilled revenue | <u>(1,535,092.89)</u> |
| Total excluded revenue | <u>(52,623,493.73)</u> |
| Gross revenue per New Series Bond Ordinance subject to 14% payment to the City | <u>\$274,815,101.10</u> |
| City payment per Bond Ordinance for February 2025 based upon February 2025 revenue | \$38,474,114.15 |
| City payment per memorandum of understanding (MOU) regarding wholesale special contracts | 748,133.89 |
| City Payment reduction per gas customer billing adjustment MOU | (12,500.00) |
| Annual True up/ (down) per gas customer MOU | 6,252.95 |
| City payment per Bond Ordinance plus adjustments for memorandums of understanding | 39,216,000.99 A |
| Utility services provided to the City for February 2025 | (3,056,425.56) |
| Reduction for January 2025 accounting adjustment | <u>(298,296.17)</u> |
| Net amount to be paid from February 2025 revenue to the City in March 2025 | <u>\$35,861,279.26</u> |

**CPS Energy Board of Trustees Meeting
March 31, 2025**

Comparison of City payment per Bond Ordinance (plus adjustments for memorandums of understanding) vs. Budget before deduction for utility services provided to the City:

(Dollars in thousands)

| February 2025 | Actual | Budget | Variance | |
|-----------------|----------|----------|-----------|-------|
| Current Month A | \$39,216 | \$41,657 | (\$2,441) | -5.9% |
| Year-to-Date | \$39,216 | \$41,657 | (\$2,441) | -5.9% |

Approval of the following resolution is requested:

"BE IT RESOLVED by the CPS Energy Board of Trustees that payment to the City of San Antonio in the amount of \$35,861,279.26 representing 14% of applicable system gross revenues for the month of February 2025, such payment being net of City utility services (\$3,056,425.56), and a reduction for January 2025 accounting adjustment (\$298,296.17), is hereby approved."

Draft for review and approval
at the March 31, 2025 meeting

**CPS ENERGY
MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES
HELD ON FEBRUARY 24, 2025**

The Regular Meeting of the Board of Trustees of CPS Energy for the month of February was held on Monday, February 24, 2025, in the Board Room on the First Floor of the CPS Energy headquarters located at 500 McCullough, San Antonio, Texas.

I. CALL TO ORDER

Chair Romero called the meeting to order at 2:13 p.m.

Present were Board members:

Dr. Francine Romero, Chair
Dr. Willis Mackey, Vice Chair (arrived at 3:16 p.m.)
Ms. Janie Gonzalez
Mr. John Steen
Mayor Ron Nirenberg (Absent)

Also present were:

Mr. Rudy Garza, President & CEO
Ms. Shanna M. Ramirez, Chief Legal & Ethics Officer, General Counsel & Board Secretary
Ms. Elaina Ball, Chief Strategy Officer
Mr. Benny Ethridge, Chief Energy Supply Officer
Mr. Cory Kuchinsky, Chief Financial Officer & Treasurer
Ms. DeAnna Hardwick, Chief Customer Strategy Officer
Ms. Lisa Lewis, Chief Administrative Officer
Mr. Richard Medina, Chief Energy Delivery Officer
City of San Antonio Officials
CPS Energy Staff Members
Interested Citizens

II. SAFETY MESSAGE, INVOCATION AND PLEDGE OF ALLEGIANCE

A safety message, invocation, and the Pledge of Allegiance were delivered by Ms. Jeanne Drehs, Business Management Strategist.

III. PUBLIC COMMENT

Ms. Henrietta LaGrange, community member, stated she is excited to welcome Dr. Romero as the Chair, and she conveyed her appreciation for the Trustees. She said she stops at every construction site, and feels CPS Energy is being successful, and believes Mr. Garza inspires the workforce.

IV. CHAIR'S REMARKS

Chair Romero thanked her fellow Trustees for trusting her with the Chair position. She noted that they may not always agree, but that is healthy. She remarked that she has learned from each of her

Draft for review and approval
at the March 31, 2025 meeting

colleagues, and that they are united in our Vision 2027 and Horizon 2050 plans going forward. She wants to continue these board meetings in the atmosphere of efficiency, transparency, and respect.

She then reminded everyone that CPS Energy is celebrating Black History Month. She pointed out that each year CPS Energy showcases employees, and this year we hosted a lunch with the regional chapter of the American Association of Blacks in Energy (AABE). She expressed her appreciation for Vice Chair Dr. Mackey who helped with the event, and Mr. Reggie Williams, the keynote speaker. There was brief video highlighting the AABE and contributions of CPS Energy employees.

V. CEO RECOGNITION & REMARKS

Mr. Rudy Garza, President & CEO, recognized our occupational health team of four registered nurses who support the organization. He shared that CPS Energy was a recent recipient of an employer award from the American Association of Occupational Health Nurses and, most recently, by the American Board of Occupational Health Nurses. The award selection committee made note of the energy and resources that CPS Energy dedicates to occupational health nurses and our credentialing. Our occupational health team is integral to safety.

Mr. Garza then provided an overview of the meeting. He emphasized that we have several procurement items, which are core business items that support the resiliency of our systems, including reclosers. He indicated that the final contract needed for the ERP program, Independent Verification & Validation Services, is on the agenda for approval. He communicated there will be an update on the Vision 2027 Generation Plan, and the same information will be presented to the Municipal Utility Committee tomorrow. Finally, Chair Romero will lay out her committee assignments.

VI. APPROVAL OF CONSENT ITEMS

On a motion by Trustee Steen, seconded by Trustee Gonzalez, and upon affirmative vote by all members present, the following items on the Consent Agenda were unanimously approved by those present:

- A. Approval of Payment to the City of San Antonio for January 2025 & Additional Transfer to the City of San Antonio for FY2025
- B. Minutes from the January Regular Board Meeting held on January 31, 2025

VII. COMMITTEE REPORTS

In the interest of time, Chair Romero accepted the submission of the following reports of Board Committees for the record in lieu of having them read during the meeting:

- A. Audit & Finance (A&F) Committee Meeting held on January 9, 2025. The report is attached as Attachment “A” to the meeting minutes.
- B. Employee Benefits Oversight Committee (EBOC) Meeting held on January 13, 2025. The report is attached as Attachment “B” to the meeting minutes.

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at the March 31, 2025 meeting

VIII. PROCUREMENT REQUEST FOR APPROVAL: 15KV & 38KV RECLOSERS

Mr. Richard Medina, Chief Energy Delivery Officer, told the Trustees that the procurement will support the Recloser Deployment Plan and the Community Energy Resiliency (CER) Program. The Board of Trustees asked questions and discussed the procurement. Trustee Gonzalez moved to approve the procurement, and it was seconded by Chair Romero. The motion was approved by a majority vote of those present, with Trustee Steen voting against the motion.

IX. PROCUREMENT REQUEST FOR APPROVAL: INSTALLATION OF UNDERGROUND RESIDENTIAL ELECTRIC DISTRIBUTION AND ELECTRIC CABLE TERMINATIONS

Mr. Richard Medina, Chief Energy Delivery Officer, imparted that the selected companies will be responsible for installation of underground residential electric distribution and electric cable terminations. Trustee Gonzalez moved to approve the procurement, and it was seconded by Trustee Steen. The motion was approved upon the unanimous vote of those present.

X. PROCUREMENT REQUEST FOR APPROVAL: ENGINEERING SERVICES FOR ELECTRIC DISTRIBUTION PLANNING

Mr. Richard Medina, Chief Energy Delivery Officer, relayed that the procurement is for grid modernization for firms to provide professional engineering services for distribution planning projects. The Board of Trustees discussed and asked questions. Trustee Steen moved to approve the procurement, and it was seconded by Trustee Gonzalez. The motion was approved upon the unanimous vote of those present.

XI. PROCUREMENT REQUEST FOR APPROVAL: ENGINEERING SERVICES FOR TRANSMISSION PLANNING AND OPERATIONS ENGINEERING

Mr. Richard Medina, Chief Energy Delivery Officer, noted that the procurement is to provide professional engineering services for complex transmission planning projects. Trustee Gonzalez moved to approve the procurement, and it was seconded by Trustee Steen. The Board of Trustees discussed the motion. The motion was approved upon the unanimous votes of those present.

XII. PROCUREMENT REQUEST FOR APPROVAL: INDEPENDENT VERIFICATION & VALIDATION SERVICES¹

Ms. Elaina Ball, Chief Strategy Officer, set forth that the Independent Verification & Validation (IV&V) vendor is essential for ERP Program success and risk mitigation. The vendor is independent of the ERP Transformation Team and will provide additional insight into the potential Enterprise Resource Planning (ERP) Transformation risks and roadblocks before they become serious threats.

Trustee Gonzalez moved to approve, and Vice Chair Dr. Mackey seconded. The Board discussed and asked questions about ERP and the procurement. The motion was approved by a 3-0-1 vote, with Chair Romero, Vice Chair Dr. Mackey, and Trustee Gonzalez voting in support, and Trustee Steen recusing himself from the discussion and vote.

¹ This item was originally postponed by Chair Romero. It was taken-up by the Board of Trustees following Item #13.

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at the March 31, 2025 meeting

XIII. VISION 2027 GENERATION PLAN UPDATE

Mr. Benny Ethridge, Chief Energy Supply Officer, presented on our Vision 2027 Generation Plan. He acknowledged that we have made significant progress towards achieving our Vision 2027 Generation Plan and are well-positioned to meet our community’s future energy needs. We have increased capacity for significantly less investment than planned.

The Board of Trustees discussed the presentation, and the Board asked several questions and discussed our Generation Plan and the evolving energy landscape.

XIV. BOARD COMMITTEE ASSIGNMENTS

Chair Romero introduced the Board Committee assignments. Vice Chair Dr. Mackey moved to approve, and Trustee Steen seconded the motion. On a 3-1 vote, with Trustee Gonzalez voting against, the following Board Committee assignments were approved:

| Committee | Members |
|-----------------------------|--|
| Audit & Finance | Dr. Francine Romero (Chair) Dr. Willis Mackey |
| Employee Benefits Oversight | Dr. Francine Romero (Chair) Dr. Willis Mackey |
| Operations Oversight | Mr. John Steen (Chair) Ms. Janie Gonzalez |
| Technology & Resilience | Ms. Janie Gonzalez (Chair) Dr. Willis Mackey |
| Personnel | Dr. Willis Mackey (Chair) Dr. Francine Romero |
| Nominations | Dr. Francine Romero (Chair) Mr. John Steen |
| Risk Management | Ms. Janie Gonzalez (Chair) All CPS Energy Board of Trustees Members |

Draft for review and approval
at the March 31, 2025 meeting

XV. EXECUTIVE SESSION

At approximately 3:40 p.m., Chair Romero announced the Board would go into Executive Session, and Ms. Ramirez announced that the required notice had been posted and that the Trustees, with only necessary parties in attendance, would convene into Executive Session, pursuant to the provisions of Chapter 551 of the Texas Government Code, for discussion of several posted items, including the following:²

- Attorney-Client Matters (§551.071)
- Attorney-Client Matters (§551.071) & Personnel Matters (§551.074)
- Security Personnel or Devices (§551.076)
- Attorney-Client Matters (§551.071) & Competitive Matters (§551.086)

The Board reconvened in open session at 4:42 p.m. The quorum was re-established, and four members were present. Ms. Ramirez reported that only the matters cited above, and no others were discussed, and no votes were taken in Executive Session.

XVI. ADJOURNMENT

There being no further business to come before the Board, upon a motion duly made by Vice Chair Dr. Mackey, seconded by Chair Romero and upon an affirmative vote by all members present, the meeting was unanimously adjourned at 4:43 p.m. by Chair Romero.

Shanna M. Ramirez
Secretary of the Board

² On the posted agenda, a discussion for Real Property under Section 551.072 was listed, but the discussion was deferred.



CPS Energy Board of Trustees Meeting
March 31, 2025
APPROVAL of PROCUREMENT ITEMS
Table of Contents

| | |
|---|--|
| <p>1. Item Description:</p> <p>Purchase Category:</p> <p>Supplier:</p> | New Electric and Gas Infrastructure Installation Services |
| | General Services |
| | Badeco, Inc. dba HB Utilities |
| | Benton-Georgia, LLC |
| | MasTec North America, Inc |
| | Mears Installation, LLC |
| | Wampole-Miller, Inc. dba Miller Bros |
| <p>2. Item Description:</p> <p>Purchase Category:</p> <p>Supplier:</p> | Spruce to Pawnee to Tango Live Line 345kV Transmission Line Rebuild |
| | General Services |
| | Quanta Infrastructure Solutions Group, LLC |
| <p>3. Item Description:</p> <p>Purchase Category:</p> <p>Supplier:</p> | Joint Trench Gas and Electric Installation Services |
| | General Services |
| | Greenstone Electrical Services, LLC |
| | Wampole-Miller, Inc. dba Miller Bros |

Approval: Lewis, Lisa D Digitally signed by Lewis, Lisa D
Date: 2025.03.10 12:29:19
-05'00'
 Lisa Lewis, Chief Administrative Officer

Approval: Hardwick, DeAnna Digitally signed by Hardwick,
DeAnna
Date: 2025.03.10 17:25:37 -05'00'
 DeAnna Hardwick, Acting President & CEO



CPS Energy Board of Trustees Meeting
March 31, 2025
Procurement Form 1



| | |
|--|--|
| Item Description | New Electric and Gas Infrastructure Installation Services |
| Purchase Order Value | \$171,000,000 |
| Purchase Category | General Services |
| Department | Energy Delivery Services |
| Vice President Construction & Maintenance Services | Jose Trevino |
| Chief Energy Delivery Officer | Richard Medina |

Detailed Description

CPS Energy staff recommend that a contract be awarded to Badeco, Inc. dba HB Utilities, a local, small firm and Benton-Georgia, LLC, MasTec North America, Inc, Mears Installation, LLC, and Wampole-Miller, Inc dba Miller Bros, all local firms, as the respondents who will provide the services at the best value for CPS Energy based on the evaluation criteria set forth below.

These contracts are for the installation of new electric and gas distribution lines within new subdivisions and apartment complexes, typically before the homes and apartments are constructed. These contracts help to meet the demand from builders and developers within the community. This contract will expire on March 31, 2028.

Subcontracting Opportunities

All large businesses awarded a contract have committed to subcontract a portion of the services to one or more small businesses.

The solicitation method for this procurement was a Request for Proposal (RFP). An evaluation team considered the following weighted evaluation criteria to determine the best value to CPS Energy.

| Evaluation Criteria | Points |
|---|---------------|
| Experience and qualifications to perform the Services | 35 |
| The overall cost | 20 |
| Safety records and training program | 20 |
| The ability to meet CPS Energy requirements | 15 |
| Economic development (Local and Small Business consideration) | 10 |
| The financial soundness of the Respondent | Pass/Fail |
| TOTAL | 100 |



CPS Energy Board of Trustees Meeting
March 31, 2025
Procurement Form 1



Recommended Respondent(s) & Award

| Respondent Name | SBA Classification & Details | Score | PO Value | PO # | Comments |
|-------------------------------------|------------------------------|-------|----------------------|---------|--|
| Benton-Georgia, LLC | Local | 92 | \$34,200,000 | 2224449 | |
| Mears Installation, LLC | Local | 91 | \$34,200,000 | 2224451 | |
| Badeco, Inc. dba HB Utilities | Local/Small | 90 | \$34,200,000 | 2224450 | Corporate headquarters located in the San Antonio Metropolitan Area |
| MasTec North America, Inc | Local | 90 | \$34,200,000 | 2224448 | |
| Wampole-Miller, Inc dba Miller Bros | Local | 88 | \$34,200,000 | 2224452 | |
| TOTAL | | | \$171,000,000 | | |

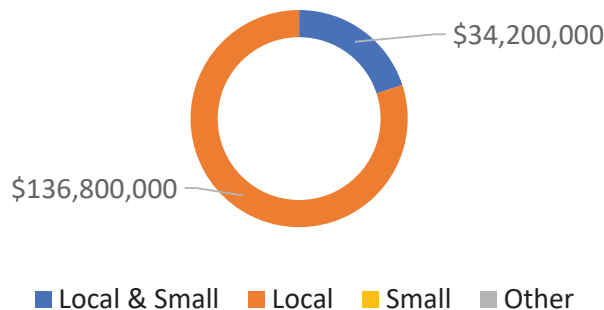
Four (4) additional respondents were not recommended for award: ASPS Holdings LLC dba Superior Pipeline Services; Bartek Construction Co; Future Infrastructure, LLC; and JAMCO Ventures, LLC.

Annual Funds Budgeted

| Corporate Annual Budget | Funding Method | Projected FY2026 PO Spend | % of FY2026 Annual Corp Budget | Projected FY2027 PO Spend | Projected FY2028 PO Spend | Projected FY2029 PO Spend |
|-------------------------|----------------|---------------------------|--------------------------------|---------------------------|---------------------------|---------------------------|
| \$1,501,000,000 | Capital | \$57,000,000 | 3.8% | \$57,000,000 | \$57,000,000 | \$0 |
| \$982,000,000 | Non-Fuel O&M | \$0 | 0% | \$0 | \$0 | \$0 |

Our current approved budget and latest estimates support these new purchase orders.

Procurement Item: General Services





CPS Energy Board of Trustees Meeting

March 31, 2025

Procurement Form 2

RESILIENCE/
RELIABILITY

ELECTRIC
SYSTEM GROWTH

TCDS
REIMBURSEMENT

| | |
|--|--|
| Item Description | Spruce to Pawnee to Tango Live Line 345kV Transmission Line Rebuild |
| Purchase Order Value | \$150,000,000 |
| Purchase Category | General Services |
| Department | Energy Delivery Services |
| VP T&D Engineering & Grid Transformation | LeeRoy Perez |
| Chief Energy Delivery Officer | Richard Medina |

Detailed Description

CPS Energy staff recommend that a contract be awarded to Quanta Infrastructure Solutions Group, LLC as the respondent who will provide the services at the best value for CPS Energy based on the evaluation criteria set forth below.

This contract is for the procurement of live line, bare hand transmission construction services for the Spruce to Pawnee and Pawnee to Tango 345kV transmission lines. This contract will allow CPS Energy to keep critical lines energized while rebuilding the current line to a double circuit transmission line. This rebuild and additional circuit will provide an avenue for more power to travel in this critical circuit path that supports the electric grid and CPS Energy. This contract will expire on March 31, 2028.

Subcontracting Opportunities

Quanta Infrastructure Solutions Group, LLC has committed to subcontract a portion of the services to one or more local or small businesses.

The solicitation method for this procurement was a Request for Proposal. An evaluation team considered the following weighted evaluation criteria to determine the best value to CPS Energy.

| Evaluation Criteria | Points |
|---|------------|
| Experience and qualifications to perform the Services | 50 |
| Safety records and training program | 20 |
| The overall cost | 10 |
| The ability to meet CPS Energy’s requirements | 10 |
| Economic Development (Local and Small business consideration) | 10 |
| The financial soundness of the Respondent | Pass/Fail |
| TOTAL | 100 |



CPS Energy Board of Trustees Meeting
March 31, 2025
Procurement Form 2

RESILIENCE/
RELIABILITY

ELECTRIC
SYSTEM GROWTH

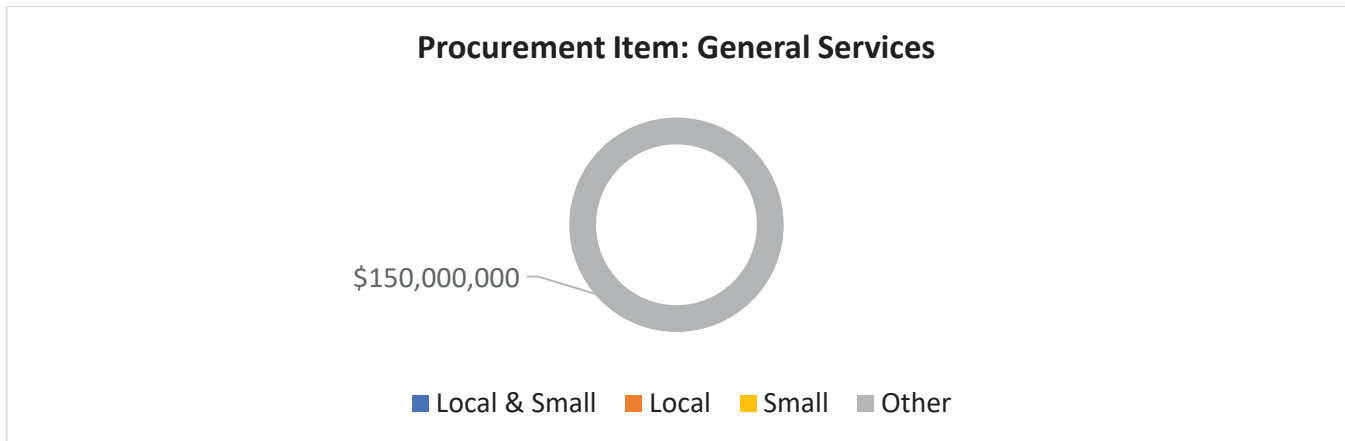
TCOS
REIMBURSEMENT

| Recommended Respondent(s) & Award | | | | | |
|--|------------------------------|-------|----------------------|---------|----------|
| Respondent Name | SBA Classification & Details | Score | PO Value | PO # | Comments |
| Quanta Infrastructure Solutions Group, LLC | | 63 | \$150,000,000 | 2224931 | |
| TOTAL | | | \$150,000,000 | | |

Two (2) additional respondents were not recommended for award: Pike Electric LLC and Utility Construction Services, LLC.

| Annual Funds Budgeted | | | | | | |
|-------------------------|----------------|---------------------------|--------------------------------|---------------------------|---------------------------|---------------------------|
| Corporate Annual Budget | Funding Method | Projected FY2026 PO Spend | % of FY2026 Annual Corp Budget | Projected FY2027 PO Spend | Projected FY2028 PO Spend | Projected FY2029 PO Spend |
| \$1,501,000,000 | Capital | \$65,000,000 | 4.3% | \$85,000,000 | \$0 | \$0 |
| \$982,000,000 | Non-Fuel O&M | \$0 | 0% | \$0 | \$0 | \$0 |

Our current approved budget and latest estimates support these new purchase orders.





CPS Energy Board of Trustees Meeting
March 31, 2025
Procurement Form 3



| | |
|--|--|
| Item Description | Joint Trench Gas and Electric Installation Services |
| Purchase Order Value | \$110,000,000 |
| Purchase Category | General Services |
| Department | Energy Delivery Services |
| VP Construction & Maintenance Services | Jose Trevino |
| Chief Energy Delivery Officer | Richard Medina |

Detailed Description

CPS Energy staff recommend that a contract be awarded to Greenstone Electrical Services, LLC, a local, small firm, and Mears Installation, LLC and Wampole-Miller, Inc. dba Miller Bros, both local firms, as the respondents who will provide the services at the best value for CPS Energy based on the evaluation criteria set forth below.

These contracts are for the installation of new gas and electric underground service from the main distribution lines, typically from the edge of the street to new residential homes. These contracts help to meet the demand from builders and developers within the community. This contract will expire on April 30, 2028.

Subcontracting Opportunities

Mears Installation, LLC and Wampole-Miller, Inc. dba Miller Bros have committed to subcontract a portion of the services to one or more small businesses.

The solicitation method for this procurement was a Request for Proposal. An evaluation team considered the following weighted evaluation criteria to determine the best value to CPS Energy.

| Evaluation Criteria | Points |
|---|---------------|
| Experience and qualifications to perform the Services | 35 |
| The overall cost | 20 |
| Safety records and training program | 20 |
| The ability to meet CPS Energy's requirements | 15 |
| Economic Development (Local and Small business consideration) | 10 |
| The financial soundness of the Respondent | Pass/Fail |
| TOTAL | 100 |



CPS Energy Board of Trustees Meeting
March 31, 2025
Procurement Form 3



Recommended Respondent(s) & Award

| Respondent Name | SBA Classification & Details | Score | PO Value | PO # | Comments |
|--------------------------------------|------------------------------|-------|----------------------|---------|---|
| Greenstone Electrical Services, LLC | Local/Small | 98 | \$37,000,000 | 2225250 | Company headquartered in the San Antonio Metropolitan Area |
| Mears Installation, LLC | Local | 93 | \$37,000,000 | 2225251 | |
| Wampole-Miller, Inc. dba Miller Bros | Local | 87 | \$36,000,000 | 2225252 | |
| TOTAL | | | \$110,000,000 | | |

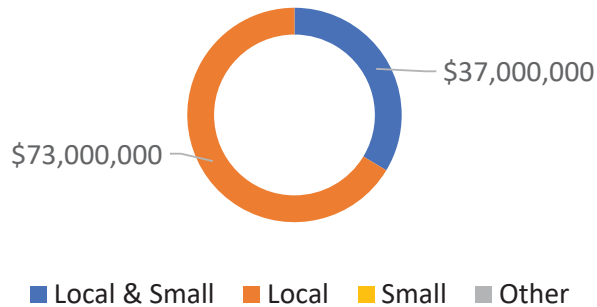
Five (5) additional respondents were not recommended for award: Badeco Inc.; Bartek Construction Co.; Benton-Georgia, LLC; Mastec North America Inc.; and Superior Pipeline Services.

Annual Funds Budgeted

| Corporate Annual Budget | Funding Method | Projected FY2026 PO Spend | % of FY2026 Annual Corp Budget | Projected FY2027 PO Spend | Projected FY2028 PO Spend | Projected FY2029 PO Spend |
|-------------------------|----------------|---------------------------|--------------------------------|---------------------------|---------------------------|---------------------------|
| \$1,501,000,000 | Capital | \$36,000,000 | 2.4% | \$37,000,000 | \$37,000,000 | \$0 |
| \$982,000,000 | Non-Fuel O&M | \$0 | 0% | \$0 | \$0 | \$0 |

Our current approved budget and latest estimates support these new purchase orders.

Procurement Item: General Services





PROCUREMENT REQUEST FOR APPROVAL

NEW ELECTRIC AND GAS INFRASTRUCTURE INSTALLATION SERVICES

PRESENTED BY:

LeeRoy Perez

VP T&D Engineering & Grid Transformation

March 31, 2025

Request for Approval



NEW CONTRACT / REBID

NEW ELECTRIC AND GAS INFRASTRUCTURE INSTALLATION SERVICES

- Selected companies will provide new electric and gas infrastructure for subdivisions which include the following scopes of work within our service territory:
 - Gas System Expansion – Installing new gas infrastructure to meet current and future customer needs
 - Electric System Expansion – Installing new primary infrastructure to meet future customer needs



New Subdivision Trenching





NEW CONTRACT / REBID

NEW ELECTRIC AND GAS INFRASTRUCTURE INSTALLATION SERVICES

- Current Contracts:
 - Value: \$131 million
 - Term: 3 years
 - Expiration: April 2025
- New Contract Details:
 - Value: \$171 million
 - Term: 3 years
 - # Bidders: 9 responded to solicitation (8 Local and 3 Small businesses)
 - # Awardees: 5 (5 Local and 1 Small business)





THANK YOU



APPENDIX



KEY DRIVERS FOR SUPPLY CHAIN

IDENTIFIERS FOR PROCUREMENT ITEMS



**SUPPLY CHAIN
CONSTRAINTS**



**GRID
MODERNIZATION**



**ELECTRIC SYSTEM
GROWTH**



**VISION 2027
GENERATION PLAN**



**GAS SYSTEM
GROWTH**



**ERP
TRANSFORMATION**



**TCOS
REIMBURSEMENT**



**REGULATORY
COMPLIANCE**



**RESILIENCE/
RELIABILITY**

GLOSSARY / DEFINITIONS



| ACRONYM OR WORD | DEFINITION | ACRONYM OR WORD | DEFINITION |
|-----------------|------------------------------|-----------------|------------|
| ERP | Enterprise Resource Planning | | |
| TCOS | Transmission Cost of Service | | |
| T&D | Transmission & Distribution | | |
| VP | Vice President | | |
| | | | |
| | | | |
| | | | |



PROCUREMENT REQUEST FOR APPROVAL

SPRUCE TO PAWNEE TO TANGO LIVE LINE 345KV TRANSMISSION LINE REBUILD

PRESENTED BY:

LeeRoy Perez

VP T&D Engineering & Grid Transformation

March 31, 2025

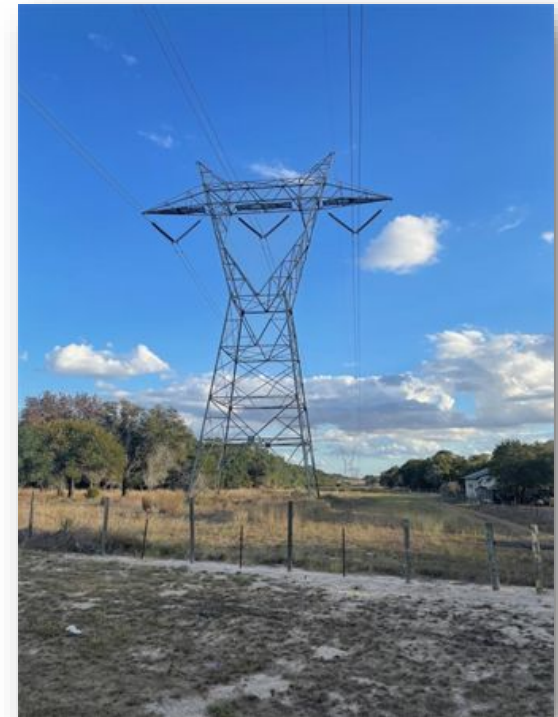
Request for Approval



NEW CONTRACT

SPRUCE TO PAWNEE TO TANGO LIVE LINE 345KV TRANSMISSION LINE REBUILD

- This is an ERCOT endorsed project critical to the reliability of the ERCOT system. Completion has been accelerated at ERCOT's request.
- Selected company will rebuild an existing 58-mile long 345kV transmission line from the Spruce Power Plant to the Pawnee Station to the Tango Station in South Texas.
- The transmission line will be reconstructed from a single circuit to a double circuit while it remains at full energization due to the line being deemed a reliability risk.



Current Spruce to Pawnee 345kV Line





NEW CONTRACT

345-KV LIVE-LINE CONSTRUCTION SERVICES

- Current Contracts: Not Applicable
- New Contract Details:
 - Value: \$150 million
 - Term: 3 years
 - # Bidders: 3 (1 Local business)
 - # Awardees: 1





THANK YOU



APPENDIX



KEY DRIVERS FOR SUPPLY CHAIN

IDENTIFIERS FOR PROCUREMENT ITEMS



**SUPPLY CHAIN
CONSTRAINTS**



**GRID
MODERNIZATION**



**ELECTRIC SYSTEM
GROWTH**



**VISION 2027
GENERATION PLAN**



**GAS SYSTEM
GROWTH**



**ERP
TRANSFORMATION**



**TCOS
REIMBURSEMENT**



**REGULATORY
COMPLIANCE**



**RESILIENCE/
RELIABILITY**

GLOSSARY / DEFINITIONS



| ACRONYM OR WORD | DEFINITION | ACRONYM OR WORD | DEFINITION |
|-----------------|---------------------------------------|-----------------|------------|
| ERCOT | Electric Reliability Council of Texas | | |
| ERP | Enterprise Resource Planning | | |
| kV | Kilovolt | | |
| TCOS | Transmission Cost of Service | | |
| T&D | Transmission & Distribution | | |
| VP | Vice President | | |
| | | | |



PROCUREMENT REQUEST FOR APPROVAL

JOINT TRENCH GAS AND ELECTRIC INSTALLATION SERVICES

PRESENTED BY:

LeeRoy Perez

VP T&D Engineering & Grid Transformation

March 31, 2025

Request for Approval

NEW CONTRACT / REBID



JOINT TRENCH GAS AND ELECTRIC INSTALLATION SERVICES

- Selected companies will provide electric and gas construction services which include the following scopes of work within our service territory:
 - Installation of electrical conduit and gas service lines for new underground electric and gas infrastructure for subdivisions and apartments.
 - Provide resources in the event of emergent work during storms or other extreme conditions, as required.



Installation of Residential Services



NEW CONTRACT / REBID



JOINT TRENCH GAS AND ELECTRIC INSTALLATION SERVICES

- Current Contracts:
 - Value: \$82.5 million
 - Term: 3 years
 - Expiration: April 2025
- New Contract Details:
 - Value: \$110 million
 - Term: 3 years
 - # Bidders: 8 responded to solicitation (7 Local and 3 Small businesses)
 - # Awardees: 3 (3 Local and 1 Small business)





THANK YOU



APPENDIX



KEY DRIVERS FOR SUPPLY CHAIN

IDENTIFIERS FOR PROCUREMENT ITEMS



**SUPPLY CHAIN
CONSTRAINTS**



**GRID
MODERNIZATION**



**ELECTRIC SYSTEM
GROWTH**



**VISION 2027
GENERATION PLAN**



**GAS SYSTEM
GROWTH**



**ERP
TRANSFORMATION**



**TCOS
REIMBURSEMENT**



**REGULATORY
COMPLIANCE**



**RESILIENCE/
RELIABILITY**

GLOSSARY / DEFINITIONS



| ACRONYM OR WORD | DEFINITION | ACRONYM OR WORD | DEFINITION |
|-----------------|------------------------------|-----------------|------------|
| ERP | Enterprise Resource Planning | | |
| TCOS | Transmission Cost of Service | | |
| T&D | Transmission & Distribution | | |
| VP | Vice President | | |
| | | | |
| | | | |
| | | | |



FY2025 YEAR-END PERFORMANCE RECAP

PRESENTED BY:
Cory Kuchinsky, CPA
Chief Financial Officer (CFO) & Treasurer

MARCH 31, 2025
Informational Update

AGENDA



- Financial Performance
- Past-Due Accounts Update
- FY2025 Enterprise Scorecard Recap

Our objective is to provide you with an update on our preliminary and unaudited financial performance, past-due receivables, and enterprise scorecard year-end results.

FINANCIAL PERFORMANCE

YEAR-END 2025 RECAP



We are in line with FY2025 objectives:

- Wholesale revenues performed well because of the Corpus Christi & Laredo (CCL) acquisition
 - Outperformed plan by \$251M - about one-third (1/3) of the total CCL investment
- O&M costs were higher due to emergency-related work, gas leak repair-related materials & expenses, and the expected costs from the CCL acquisition
- Capital costs were above plan due to transmission-related investments
- Since the peak in October 2022, past-due receivables have decreased overall by 35%
- Fiscal Resiliency score exceeded the target of 3.0

FLOW OF FUNDS

PRELIM RESULTS ACTUAL VS. PLAN



| Description | FY2025 | | |
|--|------------|------------|--|
| | Plan | Actuals | Variance: (Under Plan) Over Plan |
| Revenues, net of unbilled ¹ | \$ 3,286.0 | \$ 3,643.6 | \$ 357.6 |
| Less: fuel & regulatory expense | 1,166.8 | 1,249.1 | 82.3 |
| Less: Operation & maintenance | 891.1 | 932.2 | 41.1 |
| Revenues, net of Operating Expenses | 1,228.1 | 1,462.3 | 234.2 |
| Less: Debt service | 482.3 | 519.2 | 36.9 |
| 6% Gross Revenue to R&R | 197.2 | 218.6 | 21.4 |
| Less: city payment (CP) per flow of funds | 425.3 | 456.4 | 31.1 |
| Remaining to R&R | 123.3 | 268.1 | 144.8 |
| Total R&R fund additions | \$ 320.5 | \$ 486.7 | \$ 166.2 |
| Gross CCL Capital ² | | \$ 779.4 | \$ 779.4 |
| Gross Non-Transmission Capital | \$ 836.4 | 820.2 | (16.2) |
| Gross Transmission Capital | 101.0 | 150.1 | 49.1 |
| Total Gross Capital | \$ 937.4 | \$ 1,749.7 | \$ 812.3 |

Highlights:

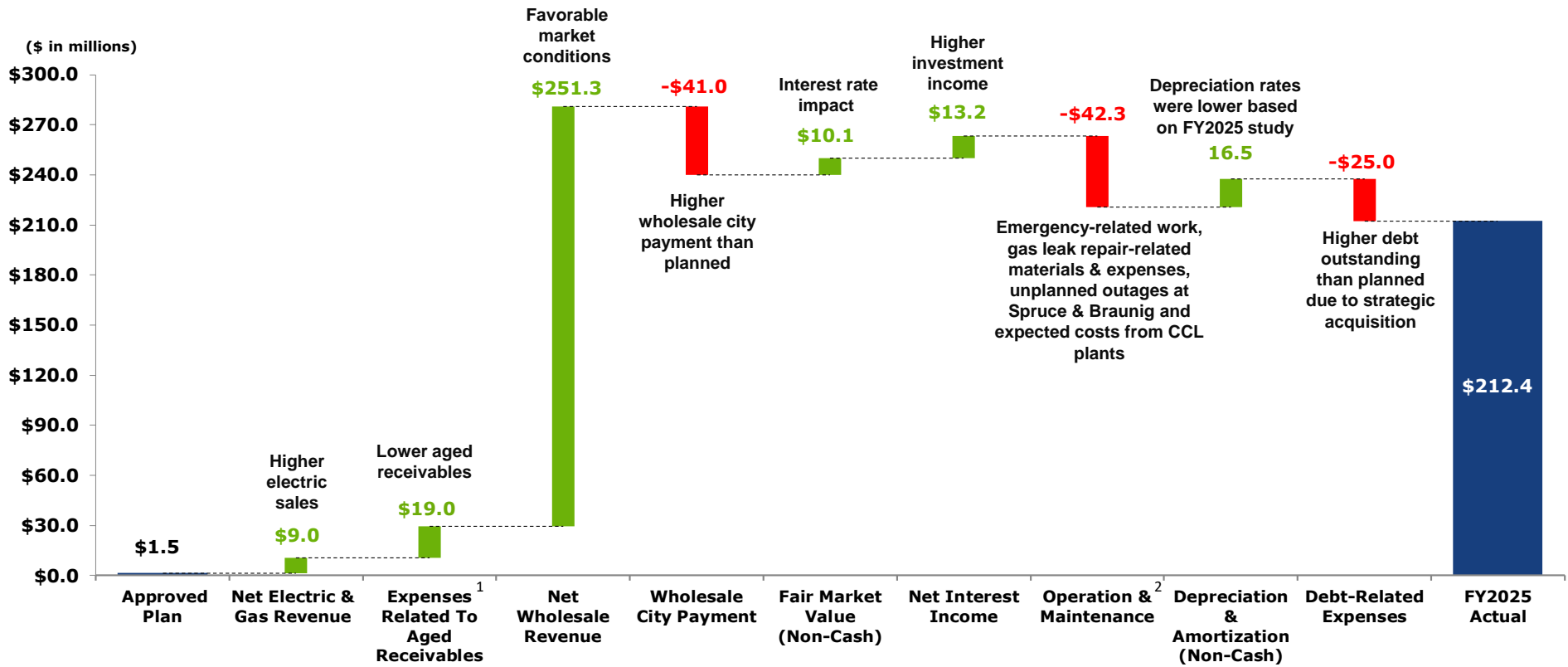
- **Total Revenues & Contribution**
 - Higher local sales and additional wholesale revenue from the CCL acquisition increased revenues, and total R&R contributions exceeded plan
- **Operation & Maintenance**
 - Over plan primarily due to emergency-related work, gas leak repair-related materials and expenses, unplanned outages at Spruce and Braunig, and the expected costs from the CCL plants
- **Debt Service**
 - Debt-related expenses were over plan due to the expected interest payments related to the CCL acquisition
- **Capital**
 - Transmission capital was over plan primarily due to carryover cost for Howard Rd. Switchyard and Elm Creek Reactor from FY2024 to FY2025, acceleration of project timing for ERCOT/South San Reliability, and large load customer projects

¹ January YTD bad debt expense of \$1.0M vs \$20.0M for plan which is \$19.0M under plan.

² The \$785M initial purchase price is comprised of \$779.4M of capital; the remaining \$5.6M consists of working capital and a congestion revenue rights portfolio.

FY2025 FULL-YEAR NET INCOME

PLAN TO ACTUAL WALK-FORWARD



¹ 'Net electric & gas revenue' is net of gross revenue (billed & unbilled), net TCOS revenues, fuel & reg, & core business city payment.

² O&M and debt-related costs due to CCL acquisition were considered during due diligence process. Variances compared to the approved FY2025 plan were expected this fiscal year.



KEY FINANCIAL METRICS

PRELIM RESULTS VS. PLAN

| | <u>Year-end Results</u> | <u>Plan</u> |
|---|-------------------------|-------------------|
| Adjusted Debt Service Coverage Ratio (Higher is better) | 1.94 | 1.60- 1.99 |
| Debt Capitalization Ratio (Lower is Better) | 61.8% | 55% - 64% |
| Days Cash On Hand (Higher is Better) | 182 | 150 - 199 |
| Days Liquidity On Hand (Higher is Better) | 450 | >=275 |
| Fiscal Resiliency Score (Higher is Better) | 3.15 | >=3.00 |

Our year-end financial metrics came in line with the plan.



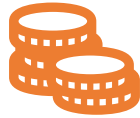
FY2025 BY THE NUMBERS¹

RESULTS



1,710 MW

**Purchase of
CCL Plants**



\$251M

**In Wholesale
Revenue Above Plan**



**Proactively
Maintained Strong
Credit Ratings**



27 Miles

Cable Rehabilitation



\$22M

**In Assistance
to Customers**



35,856

**New Electric and
Gas Meter Sets**



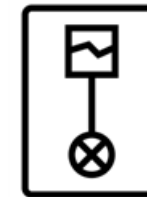
1,477

Gas Leak Repair



5,835MW

**New Peak
Summer Demand**



160

Reclosers Installed



1K

**Miles of
Vegetation
Management**



92

**Large
Pad Mount
Transformers
Installed**



1,251

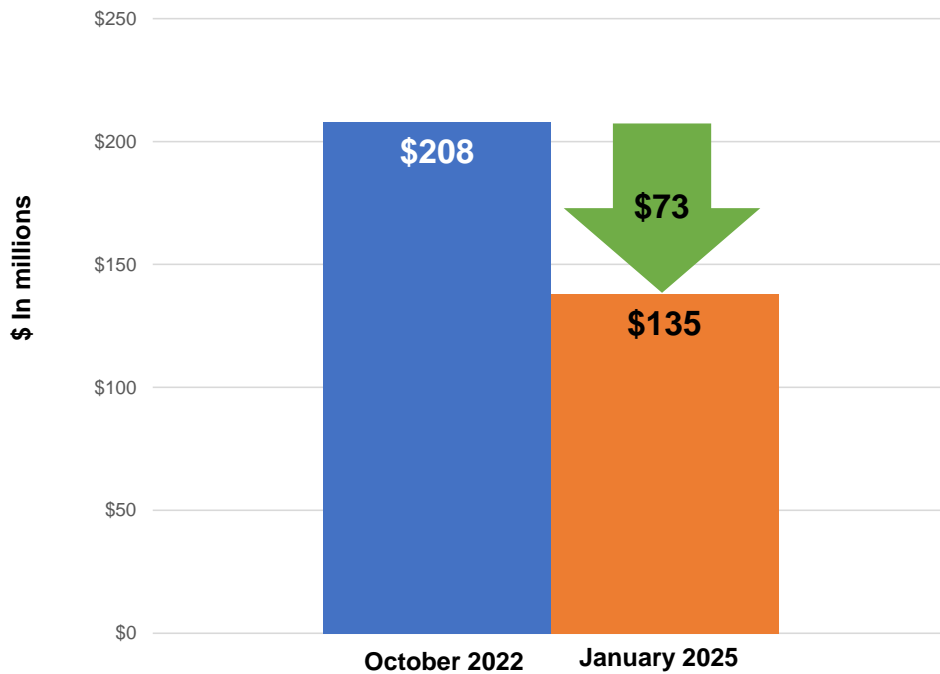
Poles Attached

¹ As of 1/31/2025



PAST-DUE CUSTOMER BALANCE

REDUCING OUR RISK PROFILE

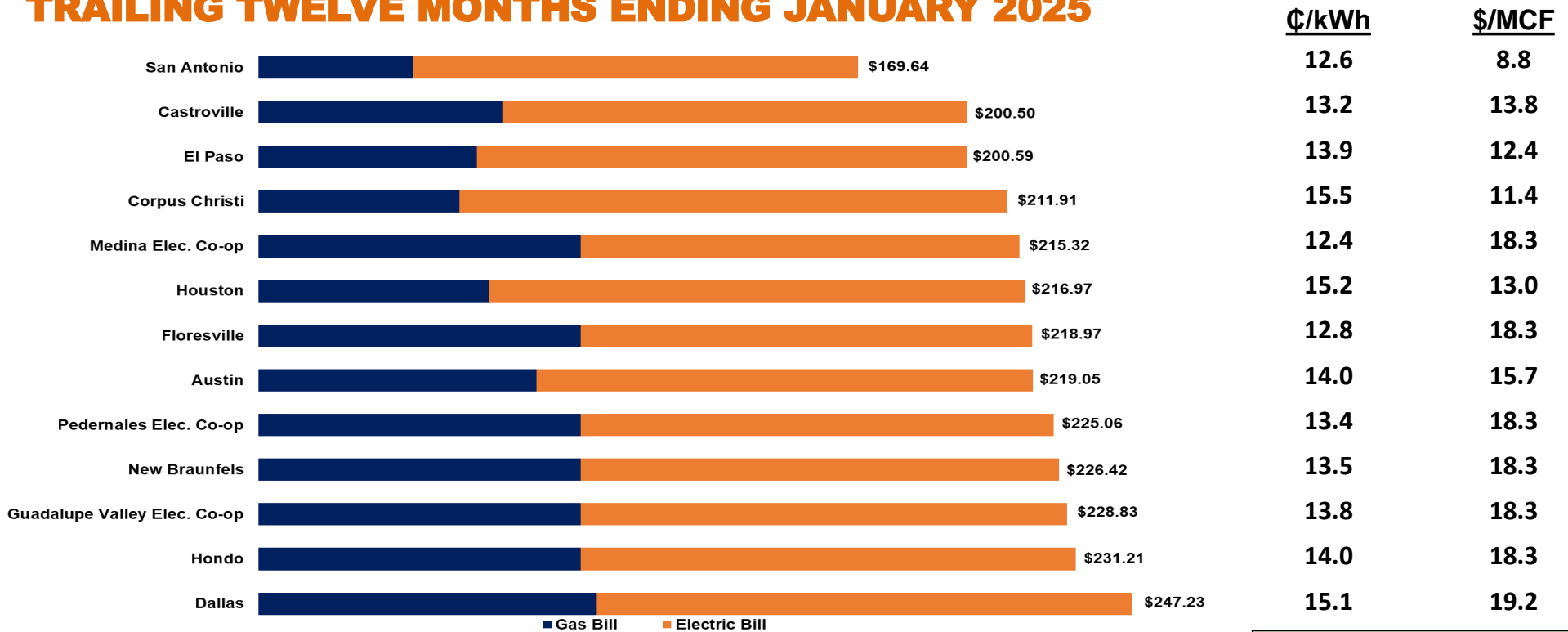


- Total past-due balance has decreased by 35%
- The proportion of the total past-due balance on payment plans has increased by 35%
- Our success rate with payment plans has increased to 80%

The composition of the past-due receivables has a reduced risk profile.

TEXAS & LOCAL CITIES COMBINED RESIDENTIAL BILL COMPARISON

TRAILING TWELVE MONTHS ENDING JANUARY 2025



1,000 kWh & 5 MCF

Note: Deregulated markets electric data from powertochoose.org (Term 12 mos.; 4&5 star rated REPs).
San Antonio & Castroville are the only cities that have a single electric & gas provider.



FY2025 ENTERPRISE SCORECARD



FY2025 ENTERPRISE SCORECARD

DRIVING ACTIONS TO DELIVER ON OUR MISSION

VISION 2027 OBJECTIVES



OPERATIONAL EVOLUTION

FINANCIAL STABILITY

CUSTOMER EXPERIENCE

TEAM CULTURE

COMMUNITY PARTNERSHIP & GROWTH

Strategic Execution - Forward Looking Progress Towards Vision 2027

| Power Generation Plan | | System Resiliency & Growth | | EVOLVE: Enterprise Resource Planning | | Customer Experience | |
|--|-----------|--|-----------|--|-----------|---|-----------|
| Milestone | Status | Milestone | Status | Milestone | Status | Milestone | Status |
| Execute Power Purchase Agreement(s) (PPA) pursuant to Storage Request for Proposal (RFP) | Completed | Commission Tejas and Westcreek station gas supply projects | Completed | Finalize Enterprise Resource Planning (ERP) technology contract | Completed | Target outreach and messaging by customer preference | Completed |
| Start procurement for Peaking Project 1 | Completed | Begin routing process to build San Antonio South Reliability Transmission Line, complete Howard Rd substation site work expansion | Completed | Select system implementation partner | Completed | Create Customer Experience (CX) Championship Team ^{1,4} | On Track |
| Notify and seek ERCOT response on intent to retire Braunig 1, 2, and 3 | Completed | Complete ADMS hardware deployment, EMS functional acceptance testing and ADMS/GIS utility network final data conversion ^{1,3} | At Risk | Establish comprehensive change management and communication strategy | Completed | Target completion in FY2026 | |
| Execute new acquisition integration plan ^{1,2} | On Track | | | | | Expand customer equity programs qualification and enrollment approach | Completed |
| Target completion in FY2026 | | Target completion in FY2026 | | | | Enhance customer offerings and service offerings | Completed |

Enterprise Measure Targets (red highlight indicates Year-End target was Not Achieved; details on FY2025 ENTERPRISE MEASURE RESULTS slide)

| | | | | | | | |
|--|--------------------|------------------------------------|---------------------------|-----------------------------------|---------------------------------|-----------------------------------|---|
| 57.68 Average Customer Outage Duration | 0.54 Gas Safety | 90.5% Plant Availability | ≥3.0 Fiscal Resiliency | 699 Customer Perception | 4.15 Living Mission & Values | 1.12 Safety Performance | 70% Strategically Investing in the Community |
|--|--------------------|------------------------------------|---------------------------|-----------------------------------|---------------------------------|-----------------------------------|---|

Milestones and measures are aligned with our Mission, Vision 2027, and Strategic Objectives.

¹ Multi-Year Milestone ² On-going status details to be found in the Appendix: Power Generation ³ On-going status details to be found in the Appendix: System Resiliency & Growth ⁴ On-going status details to be found in the Appendix: Customer Experience

FY2025 ENTERPRISE MEASURE RESULTS

AS OF JANUARY 31, 2025



| Strategic Objective | Measure Name | Measure Frequency | FY/CY | Unit | Target Indicator | Historical Actuals | | Current Year (FY2025 / CY2024) | | Year-End Result |
|--------------------------------|---|-------------------|-------|------|------------------|--------------------|--------|--------------------------------|-----------------|-----------------|
| | | | | | | FY2023 | FY2024 | Year-End Actual | Year-End Target | |
| | | | | | | CY2022 | CY2023 | | | |
| Operational Evolution | Average Customer Outage Duration (System Average Interruption Duration Index - SAIDI) | Monthly | CY | # | ↓ | 59.81 | 61.19 | 61.80 | 57.68 | Not Achieved |
| | Plant Availability ¹ (Critical Months Equivalent Availability Factor - CMEAF) | Monthly | CY | % | ↑ | 88.9 | 94.4 | 89.5 | 90.5 | Not Achieved |
| | Gas Safety (Leaks Remaining at End of Year Per 1,000 Customers) | Monthly | CY | # | ↓ | 0.58 | 0.61 | 0.23 | 0.54 | Achieved |
| Financial Stability | Fiscal Resiliency ² (Index of Key Financial Measures) | Monthly | FY | # | ↑ | 3.13 | 3.71 | 3.15 | ≥3.0 | Achieved |
| Customer Experience | Customer Perception (Residential Engaged Customer Relationship – ECR) | Quarterly | CY | # | ↑ | 682 | 699 | 687 | 699 | Not Achieved |
| Team Culture | Living Mission & Values (Gallup 12+ Index) | Annually | FY | # | ↑ | NT ³ | 4.12 | 4.15 | 4.15 | Achieved |
| | Safety Performance (Enterprise Recordable Incident Rate - RIR) | Monthly | FY | # | ↓ | 1.49 | 0.85 | 1.19 | 1.12 | Not Achieved |
| Community Partnership & Growth | Strategically Investing in the Community (Local Spend Percentage) | Quarterly | FY | % | ↑ | 73.97 | 74.78 | 74.58 | 70.00 | Achieved |

¹ Critical month calculation includes January, February, and June through September; ² More information about this measure can be found in the Monthly Financial update; ³ NT signifies no historical results in FY2023 because measure was not tracked



THANK YOU



APPENDIX

GLOSSARY / DEFINITIONS



| ACRONYM OR WORD | DEFINITION | ACRONYM OR WORD | DEFINITION |
|---|---|-----------------|--|
| ADMS | Advanced Distribution Management System | Debt Service | In the Flow of Funds, the annual amount of principal and interest payments due to bond holders |
| ADP | Affordability Discount Program | DLOH | Days Liquidity on Hand |
| Adjusted Debt Service Coverage Ratio (ADSC) | Measurement of available cash flow to pay current debt obligations | ECR | Engaged Customer Relationship |
| CapEx | Capital Expenditure | EIT | Enterprise Information Technology |
| CCF | 100 Cubic Feet of Gas | EMS | Emergency Management System |
| CCL | Corpus Christi and Laredo (natural gas plants) | EPC | Engineer, Procure, Construct |
| CMEAF | Critical Months Equivalent Availability Factor | ERCOT | Electric Reliability Council of Texas |
| CP | City Payment | ERP | Enterprise Resource Planning |
| CY | Calendar Year | EVOLVE | Program for implementing ERP system |
| Days Cash on Hand (DCOH) | Represents the number of days a company can continue to pay its operating expenses with current cash available | FPL | Federal Poverty Level |
| Debt Capitalization Ratio | Measurement that shows the proportion of debt a company uses to finance its assets, relative to the amount of cash (equity) used for the same purpose | FY | Fiscal Year |

GLOSSARY / DEFINITIONS CONT'D.



| ACRONYM OR WORD | DEFINITION | ACRONYM OR WORD | DEFINITION |
|-----------------|---|-----------------|---|
| GIS | Geographic Information System | SAIDI | System Average Interruption Duration Index |
| GRIP | Grid Resilience and Innovation Partnerships | SAIFI | System Average Interruption Frequency Index |
| kWh | Kilowatt-hour | SCADA | Supervisory Control and Data Acquisition |
| MCF | 1000 Cubic Feet of Gas | STP | South Texas Project |
| MW | Megawatt | TCOS | Transmission Cost of Service |
| O&M | Normal costs incurred to keep business operations ongoing (Operating & Maintenance) | UN | Utility Network |
| PPA | Power Purchase Agreement | WRAP | Weatherization Repair Assistance Program |
| R&R | A restricted cash account which may be used to fund construction costs (Repair & Replacement account) | YTD | Year-to-Date |
| RFP | Request for Proposal | | |
| RIR | Recordable Incident Rate | | |
| RMR | Reliability Must Run | | |

ELECTRIC SALES

BY CUSTOMER SEGMENT – JANUARY FY2025*



| Customer Sector | Sales vs. Budget | % of Total Load | % Impact on Total Usage |
|-----------------------|------------------|-----------------|-------------------------|
| Residential | -5.8% | 44.7% | -2.6% |
| Churches & Services | 9.5% | 5.6% | 0.5% |
| Manufacturing | -2.2% | 1.9% | 0.0% |
| Retail | -1.1% | 4.8% | -0.1% |
| Educational Services | 0.9% | 4.1% | 0.0% |
| Hotel & Food Services | -0.2% | 3.9% | 0.0% |
| Other** | -5.5% | 35.0% | -1.9% |
| Total System | | 100.0% | -4.1% |

*Billed January actual performance to plan.

**Other sector includes other commercial sectors, data centers, food & wood product manufacturing, lighting, etc.



ELECTRIC SALES

BY CUSTOMER SEGMENT – YEAR-END FY2025*

| Customer Sector | Sales vs. Budget | % of Total Load | % Impact on Total Usage |
|-----------------------|------------------|-----------------|-------------------------|
| Residential | 0.1% | 44.1% | 0.1% |
| Churches & Services | 5.1% | 6.2% | 0.3% |
| Manufacturing | 3.7% | 2.0% | 0.1% |
| Retail | 2.4% | 5.1% | 0.0% |
| Educational Services | 3.5% | 4.8% | 0.1% |
| Hotel & Food Services | 2.0% | 4.3% | 0.1% |
| Other** | -0.6% | 33.5% | 0.0% |
| Total System | | 100.0% | 0.7% |

*Billed January actual year-end performance to plan.

**Other sector includes other commercial sectors, data centers, food & wood product manufacturing, lighting, etc.

NET INCOME

PRELIM RESULTS VS. PLAN



| (\$ in millions) Description | FY2025 | | |
|---|----------------|-----------------|--|
| | Plan | Actuals | Variance: (Under Plan) Over Plan |
| Revenue available for nonfuel expenses | | | |
| Electric | \$ 2,967.4 | \$ 3,360.0 | \$ 392.6 |
| Gas | 260.8 | 215.9 | (44.9) |
| Total operating revenue | 3,228.2 | 3,575.9 | 347.7 |
| Less: | | | |
| Electric fuel, distribution gas and regulatory | 1,173.5 | 1,251.8 | 78.3 |
| Payments to the City of San Antonio | 425.3 | 456.4 | 31.1 |
| Net operating revenue | 1,629.4 | 1,867.7 | 238.3 |
| Nonoperating revenue | 80.3 | 103.6 | 23.3 |
| Total revenue available for nonfuel expenses | 1,709.7 | 1,971.3 | 261.6 |
| Nonfuel expenses | | | |
| Operation & maintenance | 889.7 | 932.0 | 42.3 |
| Depreciation, amortization & decommissioning | 557.5 | 540.9 | (16.6) |
| Interest & debt-related | 261.0 | 286.0 | 25.0 |
| Total nonfuel expenses | 1,708.2 | 1,758.9 | 50.7 |
| Net Income (Loss) | \$ 1.5 | \$ 212.4 | \$ 210.9 |

Highlights:

- **Operating Revenue**
 - Higher local sales and additional wholesale revenue from the CCL acquisition increased revenues and total R&R contributions exceeded plan
- **Non-Operating Revenue**
 - Primarily driven by higher investment income and fair market value
- **Operation & Maintenance**
 - Over plan due to emergency-related work, gas leak repair-related materials & expenses, unplanned outages at Spruce & Braunig, and expected costs from CCL plants
- **Interest & debt-related**
 - Driven by higher debt outstanding than planned due to strategic acquisition of CCL plants
- **Net Income**
 - Ended up over plan due to higher wholesale performance because of the CCL acquisition

Non-cash items such as investment fair value adjustments do not impact financial metrics such as ADSC or DCOH. These items only impact net income and by extension the equity portion of the debt / capitalization metric.

Full-Year bad debt expense of \$1.0M vs \$20.0M for plan which was \$19.0M under plan.

Full-Year Interest and debt-related expense actuals include STP defined benefit plan funding obligations of +\$6.5M.

FY2025 FISCAL RESILIENCY SCORE

AS OF JANUARY 31, 2025



| Enterprise Measure | Component Name | Index Weight | Unit | Target Indicator | Historical Actuals | | Current Year (FY2025 / CY2024) | | |
|---|---------------------------------------|--------------|------|------------------|--------------------|---------|--------------------------------|-----------------|---------------------|
| | | | | | FY2023 | FY2024 | Year-End Target | Year-End Actual | Year-End Target |
| | | | | | CY2022 | CY2023 | | | |
| Fiscal Resiliency | Adjusted Debt Service Coverage (ADSC) | 33.0% | # | ↑ | 1.89 | 2.21 | 1.67 | 1.94 | 1.60 - 1.99x |
| | Debt Capitalization | 27.0% | % | ↓ | 61.8 | 60.8 | 61.7 | 61.8 | 55% - 64% |
| | Days Cash on Hand (DCOH) | 15.0% | # | ↑ | 166 | 201 | 188 | 182 | 150 - 199 |
| | Days Liquidity on Hand (DLOH) | 15.0% | # | ↑ | 305 | 432 | 397 | 450 | 200 - 274 |
| | Non-Fuel Revenue w/OSS RnF | 5.0% | \$ | ↑ | 1,460.5 | 1,784.1 | 1,666.2 | 1,936.5 | -5.00% to +4.99% |
| | O&M | 2.5% | \$ | ↓ | 688.7 | 787.6 | 889.7 | 932.0 | +/- 2.01% to 5.00% |
| | Capital Budget (Gross of CIAC) | 2.5% | \$ | ↓ | 788.3 | 1,004.6 | 937.4 | 1749.7 | +/- 2.01% to 10.00% |
| Fiscal Resiliency Weighted Index Score | | | | | | | 3.20 | 3.15 | ≥3.0 |

The Fiscal Resiliency Score includes the new asset acquisitions and ended up >=3.0.



YEAR-OVER-YEAR CHANGE IN RESIDENTIAL BILL

Combined Residential Electric & Gas Bill
January 2024 to January 2025



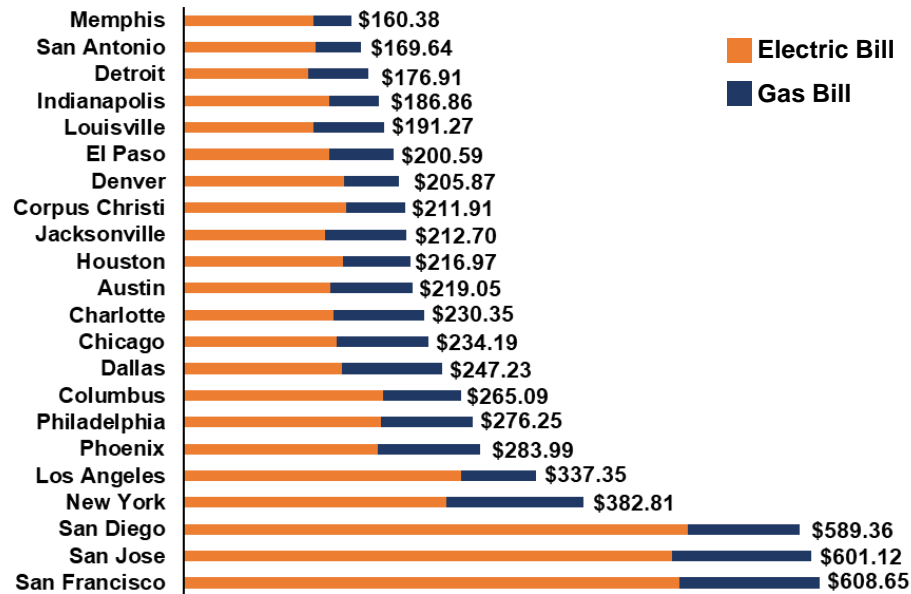
| AVERAGE RESIDENTIAL USAGE | | | |
|---------------------------|--------------|--------------|----------|
| | January 2024 | January 2025 | Variance |
| Electric (kWh) | 980 | 984 | 4 |
| Gas (CCF) | 60 | 56 | -4 |

Bills are lower on a year-over-year basis due to lower fuel costs.



MAJOR CITIES RESIDENTIAL BILL COMPARISON TRAILING TWELVE MONTHS ENDING JANUARY 2025

Average Residential Bill @1,000 kWh & 5 MCF

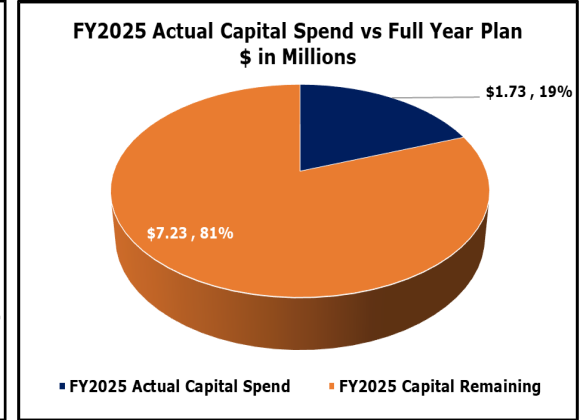
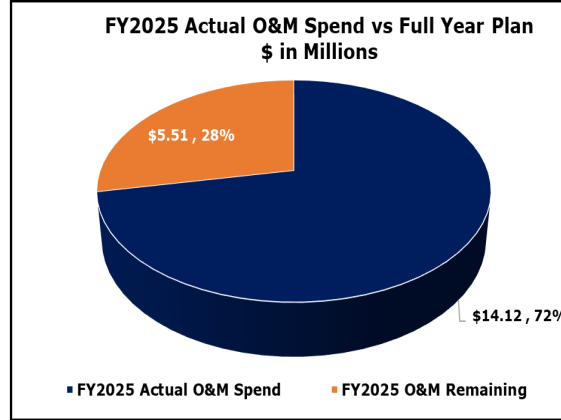
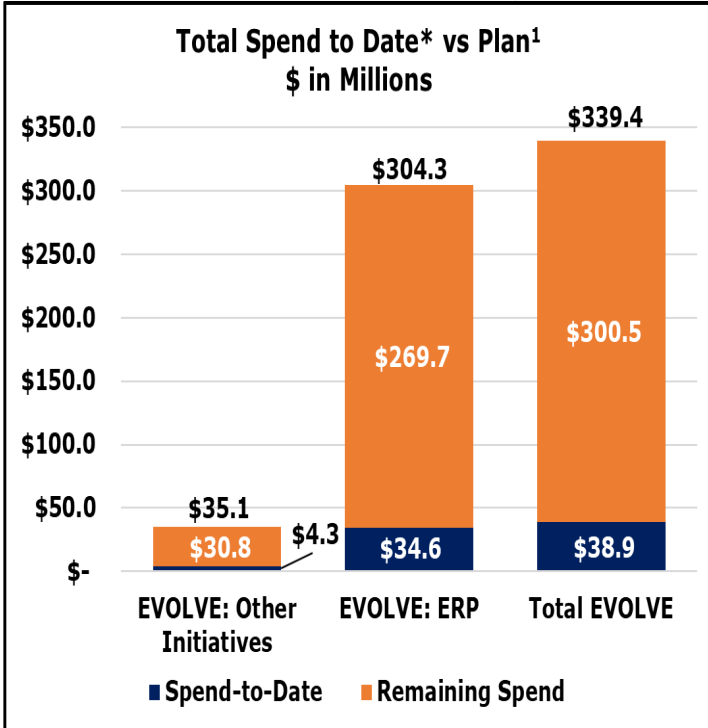


| Largest Cities @1,000 kWh & 5 MCF | | | | | |
|-----------------------------------|-------|--------|---------------|----------|------------|
| City | ¢/kWh | \$/MCF | Electric Bill | Gas Bill | Total Bill |
| Memphis | 12.4 | 7.28 | \$123.98 | \$36.40 | \$160.38 |
| San Antonio | 12.6 | 8.76 | \$125.82 | \$43.82 | \$169.64 |
| Detroit | 11.8 | 11.69 | \$118.45 | \$58.46 | \$176.91 |
| Indianapolis | 13.9 | 9.66 | \$138.57 | \$48.29 | \$186.86 |
| Louisville | 12.4 | 13.39 | \$124.34 | \$66.93 | \$191.27 |
| El Paso | 13.9 | 12.36 | \$138.81 | \$61.78 | \$200.59 |
| Denver | 15.3 | 10.57 | \$153.00 | \$52.87 | \$205.87 |
| Corpus Christi | 15.5 | 11.39 | \$154.95 | \$56.96 | \$211.91 |
| Jacksonville | 13.5 | 15.48 | \$135.29 | \$77.41 | \$212.70 |
| Houston | 15.2 | 13.03 | \$151.82 | \$65.15 | \$216.97 |
| Austin | 14.0 | 15.72 | \$140.44 | \$78.61 | \$219.05 |
| Charlotte | 14.3 | 17.49 | \$142.91 | \$87.44 | \$230.35 |
| Chicago | 14.6 | 17.59 | \$146.25 | \$87.94 | \$234.19 |
| Dallas | 15.1 | 19.17 | \$151.40 | \$95.83 | \$247.23 |
| Columbus | 19.1 | 14.88 | \$190.70 | \$74.39 | \$265.09 |
| Philadelphia | 18.9 | 17.46 | \$188.93 | \$87.32 | \$276.25 |
| Phoenix | 18.6 | 19.65 | \$185.75 | \$98.24 | \$283.99 |
| Los Angeles | 26.6 | 14.36 | \$265.56 | \$71.79 | \$337.35 |
| New York | 25.2 | 26.25 | \$251.55 | \$131.26 | \$382.81 |
| San Diego | 48.2 | 21.47 | \$482.02 | \$107.34 | \$589.36 |
| San Jose | 46.7 | 26.84 | \$466.91 | \$134.21 | \$601.12 |
| San Francisco | 47.5 | 26.75 | \$474.91 | \$133.74 | \$608.65 |

Note: Based on an average of 1,000 kWh/month & 5 MCF/month; Bills reflect 12-month average pricing from February 2024 through January 2025 in all markets.

EVOLVE FINANCIAL SUMMARY

AS OF JANUARY 31, 2025



| FY2025 O&M & Capital Spend | | | |
|----------------------------|--------------|----------------|-----------|
| \$ in Millions | Actual Spend | Full Year Plan | Variance |
| O&M | \$14.12 | \$19.63 | (\$5.51) |
| Capital | \$1.73 | \$8.96 | (\$7.23) |
| Total | \$15.85 | \$28.59 | (\$12.74) |

* Includes FY2021-FY2024 Actuals and FY2025 Actuals thru Period 12

¹ Plan is based on EIT's total estimated costs for EVOLVE of \$339M and ERP of \$304M through FY2029. Total EVOLVE Plan will change once FY2030 is added.

Accenture was approved as our implementation partner in January 2025.

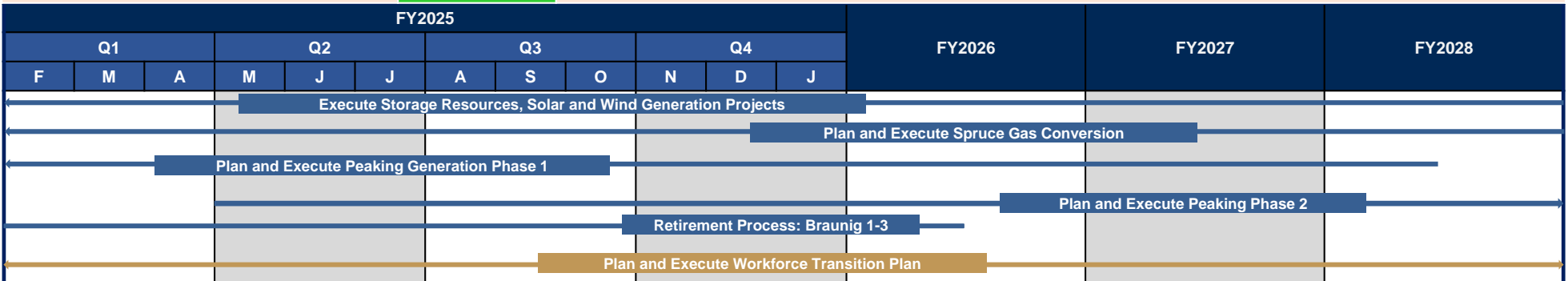
(1) Visuals do not include any adjustments for contingencies.
 (2) Visuals include all EVOLVE initiatives. ERP is the largest effort within EVOLVE.
 (3) Total estimate informed by current known variables, to be refined based on future organizational, technology and market conditions.
 (4) Independent verification & validation partner approval is planned in the first quarter of FY2026.



POWER GENERATION PLAN

Goal: Transition power generation portfolio to reduce emissions while providing reliable and affordable energy to meet growing community needs

| FY2025 Milestones | Status | Updates |
|--|-----------|--|
| Execute PPA pursuant to Storage RFP | Completed | <ul style="list-style-type: none"> Executed contracts for a total capacity of 470 MW of 4-hour storage capacity for FY2025 |
| Start procurement for Peaking Project 1 | Completed | <ul style="list-style-type: none"> Generator Step Up (GSU) specifications complete (138kV and 345kV) Engine/Generator/Original Equipment Manufacturer (OEM) equipment specifications complete and RFP documents submitted to procurement Engineering, Procurement, and Construction (EPC) specifications complete and lack only site-specific requirements Separate 345kV GSU procurement in progress - better lead time assumed |
| Notify and seek ERCOT response to intent to retire Braunig 1, 2, and 3 | Completed | <ul style="list-style-type: none"> Finalizing Braunig 3 Reliability Must Run (RMR) contract with ERCOT Attended ERCOT Board meeting and addressed questions Finalizing Braunig 3 RMR outage planning and scheduling |
| Execute new acquisition integration plan ¹ | On Track | <ul style="list-style-type: none"> Wave 2 execution is ongoing, focusing on "new ways of working" Training plans are being executed for CCL plant operators and maintenance staff Site/system/equipment assessments and planning activities are being completed FY2026 performance metrics and budget have been developed Continued work on the 5-year plan |



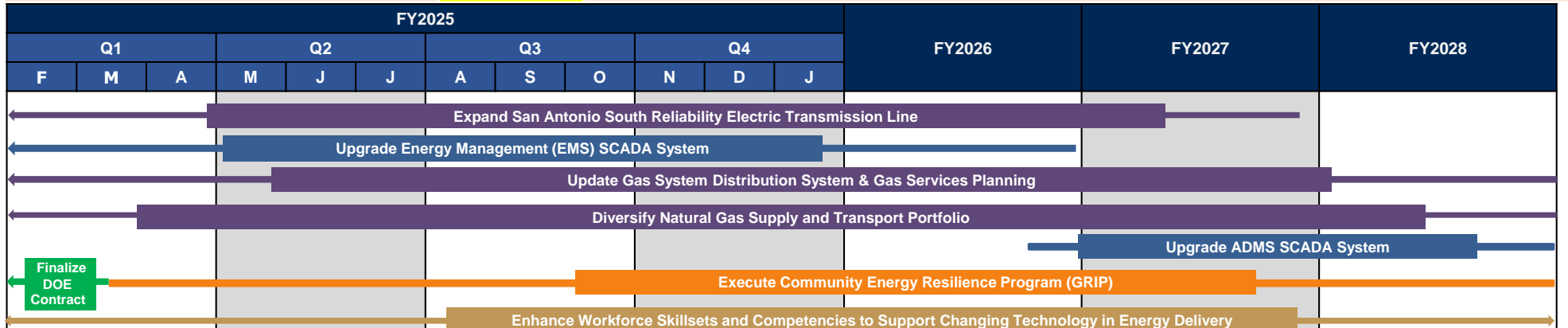
¹ Multi-Year Milestone



SYSTEM RESILIENCY & GROWTH

Goal: Support safe and responsible growth through enhancing resilient, safe, responsive and modern electric and gas services

| FY2025 Milestones | Status | Updates |
|---|-----------|--|
| Commission Tejas Station and Westcreek station gas supply projects | Completed | <ul style="list-style-type: none"> Tejas Station: Commissioned 7/23/2024 Westcreek: Commissioned in Q4 of FY2025 |
| Begin routing process to build San Antonio South Reliability Transmission Line, complete Howard Rd substation site work expansion | Completed | <ul style="list-style-type: none"> Howard to San Miguel routing underway, Certificate of Convenience & Necessity (CCN) application submitted to PUC on 10/4/2024 Routing Howard to Leon Creek nearing completion and received Board approval on 11/18/2024 The Howard Rd station site work was completed on 11/22/2024 |
| Complete Advanced Distribution Management System (ADMS) hardware deployment, Emergency Management System (EMS) functional acceptance testing, and ADMS/Geographic Information System (GIS) utility network final data conversion ¹ | At Risk | <ul style="list-style-type: none"> SCADA Transformation on track for ADMS and GIS Utility Network (UN) Phase 1 EMS Project Milestone delayed 2 months due to overall hardware deployment Completion of Functional Acceptance Testing for EMS SCADA Project delayed to end of March 2025 To mitigate milestone at risk, project team will monitor schedule and/or look for opportunities to get the effort on track in other testing phases in FY2026 |



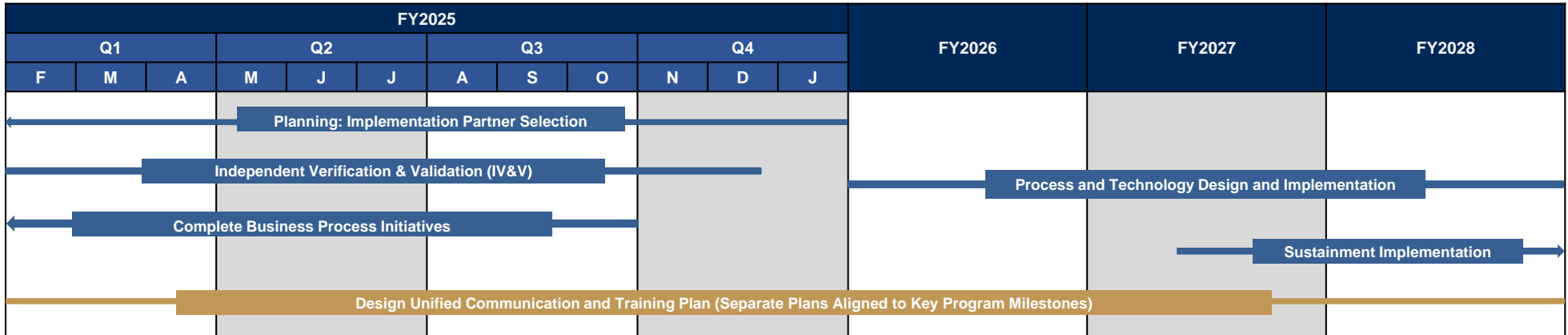
¹ Multi-Year Milestone

EVOLVE: ENTERPRISE RESOURCE PLANNING



Goal: Provide a technology foundation that supports operational evolution through enhanced experiences for customers and employees

| FY2025 Milestones | Status | Updates |
|--|-----------|---|
| Finalize ERP technology contract | Completed | <ul style="list-style-type: none"> Oracle America, Inc. selected as the technology vendor with approved 10-year term contract valued at \$70 million Program budget of \$304M supports this technology contract |
| Select system implementation partner | Completed | <ul style="list-style-type: none"> Bid package for implementation partner issued in July Conducted comprehensive evaluation, due diligence, and negotiation process Funding allocation via IT Services Framework to support the implementation services was approved by the Board of Trustees on 1/31/2025 |
| Establish a comprehensive change management and communication strategy | Completed | <ul style="list-style-type: none"> Change management vendor onboarded in September Workshops completed resulting in high-level business outcomes Successfully completed in December FY2025 |



CUSTOMER EXPERIENCE



Goal: Enhance CPS Energy's reputation, satisfaction and revenue through better employee engagement and positive customer experiences

| FY2025 Milestones | Status | Updates |
|---|-----------|---|
| Target outreach and messaging by customer preference | Completed | <ul style="list-style-type: none"> Providing targeted on-going information to Bexar County for customers needing assistance |
| Create Customer Experience (CX) Championship Team ¹ | On Track | <ul style="list-style-type: none"> Customer Experience Strategic Consultant selected and onboarded Project kick off planned for Q1 FY2026 |
| Expand customer equity programs qualification and enrollment approach | Completed | <ul style="list-style-type: none"> The Affordability Discount Program (ADP) received Board & Council approval to increase the Federal Poverty Level (FPL) income qualifier from 125% to 150% from 6/1/24 – 6/1/26 |
| Enhance customer offerings and service offerings | Completed | <ul style="list-style-type: none"> WRAP supported 550+ homes with over \$700k in funding for its first year Formalized partnerships with 4 organization to strengthen program accessibility Expanded outreach efforts, increasing engagements as well as the number of cases handled |

| FY2025 | | | | | | | | | | | | FY2026 | FY2027 | FY2028 |
|---|---|---|----|---|---|----|---|---|----|---|---|--------|--------|--------|
| Q1 | | | Q2 | | | Q3 | | | Q4 | | | | | |
| F | M | A | M | J | J | A | S | O | N | D | J | | | |
| ← Complete Residential and Commercial Segmentation and mapping of Customer Journey | | | | | | | | | | | | | | |
| ← Identify Requirements in Evolve for CX Improvements | | | | | | | | | | | | | | |
| ← Establish a Customer Experience (CX) Championship Team and define CX and set CS goals and metrics | | | | | | | | | | | | | | |
| ← Increase Employee, Stakeholder and Community Communication | | | | | | | | | | | | | | |
| ← Enhance New Products / Services / Rates | | | | | | | | | | | | | | |

¹ Multi-Year Milestone

END OF YEAR MEASURE UPDATE

YEAR-END TARGET NOT ACHIEVED



Average Customer Outage Duration (System Average Interruption Duration Index - SAIDI)

- Final performance was impacted by:
 - Severe weather patterns, including an ice event in January and record-setting rainfall throughout April 2024
 - 10 Storm days (over 10K customers affected)
 - Two qualifying as Major Event days
 - Equipment failure and tree outages
- Continue to address poor-performing reliability circuits with enhanced inspections to identify maintenance and tree-trimming needs
- Continue to use drone technology to support inspection programs
- Continue investments with CapEx reliability programs

END OF YEAR MEASURE UPDATE

YEAR-END TARGET NOT ACHIEVED



Plant Availability (Critical Months Equivalent Availability Factor - CMEAF)

• Drivers:

- Spruce 2 boiler tube leaks - 25% driver
- Spruce 1 induced draft fan shaft crack and broken coupling repairs - 16% driver
- Sommers 2 condensate pump magnetic coupling failure. Motor repaired offsite and reinstalled - 12% driver

• Mitigations:

- Unit Perspective (Spruce 2) – Replacing/upgrading boiler tube assemblies, enhancing boiler instrumentation for increased monitoring, and evaluating operational adjustments to prevent localized overheating
- Fleet Perspective – Reprioritization of overhaul services to enhance outage planning and execution
- Continued investments in CapEx reliability programs

END OF YEAR MEASURE UPDATE

YEAR-END TARGET NOT ACHIEVED



Customer Perception (Residential Engaged Customer Relationship - ECR)

- Adjustments to communications focus created solid recovery in the areas of decline from the third-quarter, but it was insufficient to meet our year-end target
- Continue to focus on awareness and engagement of Horizon 2050 by emphasizing our long-term commitment to a reliable, affordable, and clean energy future
- Continue to focus on communicating the value we provide to our community through evergreen messaging campaigns highlighting safety & reliability and ongoing updates related to the availability of our assistance and support programs



Safety Performance (Enterprise Recordable Incident Rate - RIR)

- Final results were impacted by one fatality and 39 recordable incidents
- Continue to incorporate high energy (controlling the uncontrollable) into Safety Tailboards, identifying energy sources through safety observations, and continue to enhance medical surveillance programs