



President & CEO's Report for January 30, 2023 Board of Trustees Meeting

Connecting. Listening. Engaging. Serving.

Rudy D. Garza
President & CEO

AGENDA



- **RATING AGENCY VISITS**
- **RELEASE OF ENTERPRISE RESOURCE PLANNING (ERP) REQUEST FOR PROPOSALS (RFP)**
- **ERCOT WHOLESALE ENERGY MARKET UPDATE**
- **DR. MARTIN LUTHER KING, JR. MARCH**
- **WEATHER UPDATE**
- **SAN ANTONIO BUSINESS JOURNAL (SABJ) BUSINESS OF THE YEAR HONOREE**
- **EMPLOYEE RECOGNITION**

RATING AGENCY VISITS

- S&P, Moody's and Fitch visited our Corporate Headquarters and toured plant facilities.
- Discussions included: Vision 2027 strategy, rate plan and rate affordability, increased community support, financial position, and new long-term generation planning.
- Ratings are sensitive to several factors:
 - Approval of planned rate adjustments, starting in FY2025,
 - Resolution of URI litigation,
 - Reducing high customer past due receivables, and
 - ERCOT market reform.

Current			
	Rating	Outlook	Comments
Fitch	AA-	Negative	<i>No change Reaffirmed</i>
S&P	AA-	Negative	<i>No change</i>
Moody's	Aa2	Stable	<i>No change</i>

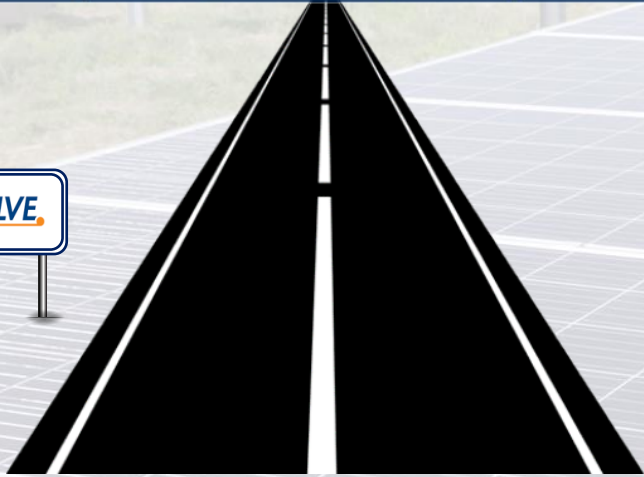
**Fitch reaffirmed our Credit Rating;
providing additional time to stabilize
our Rating Outlook.**



S&P Analysts tour the AVR Plant with our Director of Debt Management and Financial Advisors.

RELEASE OF ERP¹ RFP

FOUNDATIONAL TO OUR DIGITAL FUTURE



Our Digital Transformation is an integral part of our Vision 2027 to:

- **Accommodate projected community and customer growth,**
- **Deliver tailored experiences to our customers and workforce,**
- **Minimize risk, cost, and disruption to evolving business operations, and**
- **Improve the way we work to provide the best energy services and solutions possible for our customers and the community.**

Our future technology platforms will enable enhanced experiences for our customers and employees.

¹ Enterprise Resource Planning (ERP)

ERCOT WHOLESALE ENERGY MARKET

STATE LEADERS CONSIDERING CHANGES



- **The Public Utility Commission of Texas (PUC) has recommended to the Legislature that the ERCOT Wholesale Market needs to be changed to create an investment incentive for dispatchable generators.**
- **The PUC selected a policy called the Performance Credit Mechanism (PCM) which will pay generators retroactively for their reliability during times of high risk for the ERCOT grid.**
- **This policy recommendation, which the PUC adopted but said it would not implement yet, will now move to the Capitol with legislators expected to discuss this topic in great detail.**

ERCOT market design will be debated this legislative session.

DR. MARTIN LUTHER KING, JR. MARCH

TOGETHER WE CAN BE THE DREAM



- **105 Participants**
- **Hosted 33 students from community partner Students of Service**
- **We were a Freedom Marcher Sponsor**
- **First in-person march since March 2020**



CPS Energy employees, retirees, family, friends, & Students of Service participants during the 2023 MLK March.

WEATHER UPDATE

WINTER WEATHER ALERTS

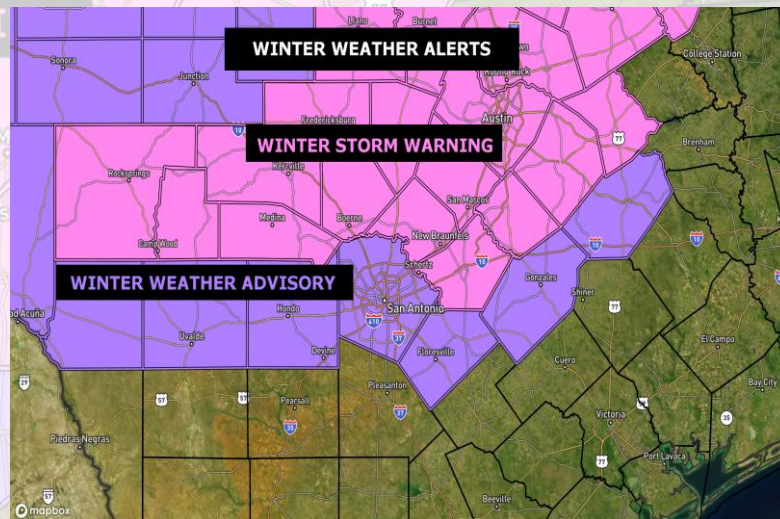


This Week's Weather

- Light rain, even scattered showers, occurring on Monday
- By 4:00pm, rain is expected to transition to freezing rain in northern Bexar county
- From Tuesday at midnight through Wednesday afternoon there is a freezing rain threat for San Antonio
- Temperatures expected to remain in the 30s through Thursday morning
- Wind chills in the 20s from Monday through Wednesday
- Precipitation ending by Thursday midday; clearing in the afternoon
- Sunny skies on Friday
- Gradual warm up late in the week

Weekend Weather

- High clouds moving overhead on Saturday but overall, a nice day
- Cold front moves in on Sunday, but no rain is expected
- Cold mornings and cool afternoons



A Winter Weather Advisory is in effect for Bexar county for the potential for ice accumulations up to a tenth of an inch. Advisory is in effect until Wednesday at 12:00pm.

SABJ BUSINESS OF THE YEAR NOMINEE



**We were recognized as a San Antonio Business Journal
(SABJ) Business of the Year Nominee!**

EMPLOYEE RECOGNITION - CORPORATE COMMUNICATIONS & MARKETING TEAM



1ST ROW: Melissa Sorola, Kelly Kuhle, Christine Patmon, Unity Puente, Daniel Segura, Adrian Garcia, Kristy Leinneweber, JoAnn Gutierrez
2ND ROW: Carroll Elter, Darlene Dorsey, Alexa Saavedra, Kate Cooper, Vincent McDonald, Su Yim, Dana Sotoodeh, Milady Nazir
3RD ROW: Barbara Burris, Brian Sanchez, Ann Dow, Dominique Ramos, Samuel Taylor, Pam Maris, Frank Jimenez, Gary Chavez

EMPLOYEE RECOGNITION - CORPORATE COMMUNICATIONS & MARKETING TEAM



LATEST UPDATES:

- **American Public Power Association (APPA) Excellence in Public Power Communications Award – Web/Social**
- **Launched Winter Campaign**
- **Continued efforts to increase awareness and engagement for Generation Planning**
- **Thought Leadership Stories and Community Connections**
- **Over 20 Company Awards for 2022**
- **Increased Community Public Input**

Let's Prepare!

We Are Prepared and We Want You to Be Prepared Too!

We believe in year-round Reliability! We want our community to know what we did to prepare for extreme weather. We made improvements in three key areas: weatherization, infrastructure, and communications.

[Learn More About CPS Energy's Winter Preparedness](#)

Prepare for winter weather before temperatures drop

- Don't wait for an emergency or power outage, make a family emergency plan now. If you have medical equipment that requires electricity or medicines that need refrigeration, check with your doctor when making your plan. You can find your risks at [cpeasytips.com](#)
- Add Contact Emergency Contact information through CPS Energy's Manage My Account (MMA) portal or by calling Customer Service at 210-355-4222.
- Also register through MMA to receive energy alerts from CPS Energy. Find out more by visiting: [cpeasytips.com/alerts](#)
- Follow CPS Energy on social media: Facebook, Twitter, Instagram, and LinkedIn. Also, look for our posts on Twitter.
- Sign up for local alerts through the [City of San Antonio](#). [Stay Informed](#), [Get Alerts](#).
- Create an emergency kit for your family. Be sure to include flashlights, water, and canned and dried foods that don't require refrigeration in your emergency kit. [Be Prepared!](#) is a good source for emergency kit information and supply lists.
- Locate your electrical breaker box and main breaker switches. Watch our "Check Your Breakers" video at: [cpeasytips.com/breakers](#)
- Locate your gas and water shutoff valves and know how to use them.
- Fully charge all electronic devices and device battery chargers. Be sure you have a car charger for your cell phone.
- Avoid using a generator during power outages unless you are sure it meets needed safety and correctly. Find generator safety tips at [cpeasytips.com/generatorsafety](#)
- Review your property insurance and have insurance and other critical documents stored in a safe, accessible location.
- Have essential business and important contact information available.
- Learn more about [City of San Antonio & Bexar County Weather Centers](#) and other helpful tips.

During Winter Weather

- Have one [cpeasytip](#), camp stove, charcoal grill, gasoline heater, or propane heater indoors. These items can start accidental fires, cause carbon monoxide, and cause deadly carbon monoxide poisoning.
- If food is expired, go to a designated community shelter if you can safely do so. Stay indoors and off the roads when possible.
- Be extra cautious when outdoors in cold weather! Covered power lines can be hidden by snow, trees, or other debris. Always assume a downed power line is live. If you see a downed power line, stay away and call us immediately at 210-355-4222 or 911.
- Monitor available communication channels for emergency communications.
- Contact energy if requested.
- Use towels to block drafts around doors and windows.
- Use the view CPS Energy Outage Center to track power outage details, report an outage, and view outage tips. It's located at [cpeasytips.com/outagecenter](#). You can also report outages by calling 210-355-HELP (4357).
- If your neighbors have power and you don't, check your breakers.
- Unplug unnecessary electric appliances and electronics. Use surge protectors to protect electronic equipment and small appliances that must remain plugged in.
- If your power goes out, turn off your heating unit. Once power is restored, wait a few minutes before restarting the heater.
- After a power outage has been restored, wait a few minutes before using your heater or large appliances.
- Keep heaters and refrigerators closed when your power is out.
- During an outage, close off unheated rooms to conserve and retain heat.
- Stay warm by changing in layers of loose-fitting clothing instead of a single heavy layer.
- If you have multiple mobile phones in the household, keep one phone on for emergency updates and turn the others off to preserve battery life.
- Keep power on your mobile phone in case of emergency. Some battery-saving tips include: turning down the screen light, turning off Bluetooth and closing unused applications.

Helpful Links

- [City of San Antonio & Bexar County Weather Centers](#)
- [Contact Safety](#)
- [Generator Safety](#)
- [Energy Conservation Levels](#)
- [Outage Center](#)
- [CPS Energy's Winter Preparedness](#)
- [CPS Energy's Winter Preparedness](#)
- [Sign Up for CPS Energy Alerts](#)

cps ENERGY

POWERING OUR COMMUNITY'S FUTURE

Stakeholder Engagement and Public Input Report

DECEMBER 2022

STAY INVOLVED & CONNECTED



Board of Trustees Meetings

- Meetings are typically held at 1:00 pm on the last Monday of every month

Rate Advisory Committee (RAC)

- cpsenergy.com/rac

Customer Assistance Programs

- cpsenergy.com/assistance

Rate Information & Bill Estimator

- cpsenergy.com/newrates

Community Fairs & more

- cpsenergy.com/events

Social Media



CPSEnergy



@cpsenergy



CPS Energy



[cps_energy](https://www.instagram.com/cps_energy)



CPS Energy



CPS Energy

**To receive communications & alerts via text, phone, or email,
make sure to update your information
using Manage My Account or call 210-353-2222.**



Thank You

