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.

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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
Mr. Evan O'Mahoney, Chief Information 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 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 a brief video highlighting the AABE and the 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 that 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.

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 SERVICES[1]

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.

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

*The procurement package is attached as Attachment "C" to the meeting minutes.

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

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.

AUDIT & FINANCE COMMITTEE (A&F)

EXECUTIVE SUMMARY AND CHAIR REPORT FROM JANUARY 9, 2025 MEETING

PREPARED FOR CHAIR JANIE GONZALEZ

FOR REPORT AT THE FEBRUARY 24, 2025 BOARD OF TRUSTEES MEETING

The Audit & Finance Committee met on January 9, 2025. As part of the Audit & Finance Committee agenda, the Committee:

A. Approved meeting minutes from the prior meeting held on October 24, 2024.

B. Received a presentation from KPMG, external auditors, regarding governance in relation to the audit services provided. Also, the Committee approved the audit and non-audit services provided by KPMG.

C. Received the Audit Services Quarterly Report, including a review of project count, audit plan coverage, audit universe coverage, project feedback metrics, and the results of three completed projects. Provided an overview of the new Institute of Internal Auditors Global Internal Audit Standards (IIA Standards) and received an update on the status of the implemented the new IIA Standards. Provided a preview of FY2026 audit planning process, Audit Services FY2026 proposed budget, and an overview of upcoming Audit Services projects.

The next meeting of the Audit & Finance Committee will be held in April 2025.

EMPLOYEE BENEFITS OVERSIGHT COMMITTEE (EBOC)

EXECUTIVE SUMMARY AND CHAIR REPORT FROM THE JANUARY 13, 2025, MEETING

PREPARED FOR COMMITTEE CHAIR JANIE GONZALEZ

FOR REPORT AT THE FEBRUARY 24, 2025, BOARD OF TRUSTEES MEETING

The EBOC met on January 13, 2025. As part of the EBOC agenda, the Committee:

A. Approved meeting minutes from the prior meeting held on October 24, 2024.

B. Reviewed the Action Items list from the meeting held on October 24, 2024.

C. Reviewed the annual EBOC calendar and governance overview as part of a Benefit Plans Administrative & Financial Update.

D. Discussed the Administrative Committee (AC) governance and membership, noting the only change to the AC was Ms. Lizeth Oliver, Sr. Manager of Investment Management, was appointed AC Secretary.

The Committee also received presentations regarding:

E. A Benefit Trust Funding update that noted an increase in Benefit Trust funding requirements for FY2026 of $19.1 million over FY2025. The funding requirements were included in the FY2026 budget.

F. An Investment Performance Update, noting positive investment performance for the four Benefit Plans. The plans are expected to end the year with a strong performance.

G. Approved administrative changes to CPS Energy Pension Plan Funding Policy to conform to the Pension Review Board's recently recommended template, requiring no substantive changes to our policy.

H. Approved the updated asset allocation target within the Investment Policy, including a 5% asset allocation to investment-grade private credit.

I. Approved design changes to the CPS Energy Health Plan (Health Plan) post-retiree medical benefits. Current retiree plans will be replaced with new fully insured Medicare coordinated plans, with recommendations for specific Health Plan offerings and premiums to come.

The next meeting of the EBOC will be held in April 2025.

CPS Energy Board of Trustees Meeting
February 24, 2025
APPROVAL of PROCUREMENT ITEMS
Table of Contents

1.	**Item Description:**	**15KV & 38KV Reclosers**
	Purchase Category:	**Commodities & Material Goods**
	Supplier:	Anixter, Inc.
		KBS Electrical Distributors, Inc.
		Real Distributing Company LLC.
	Committee Presentation:	Operations Oversight Committee – November 4, 2024

2.	**Item Description:**	**Installation of Underground Residential Electric Distribution and Electric Cable Terminations**
	Purchase Category:	**General Services**
	Supplier:	Chain Electric Company
		Greenstone Electrical Services, LLC
		Trinity URD Electric, LLC

3.	**Item Description:**	**Active PO Funding Increase: Engineering Services for Electric Distribution Planning**
	Purchase Category:	**Professional Services**
	Supplier:	Black & Veatch Management Consulting, LLC.
		Burns & McDonnell Engineering Company, Inc.
		ICF Resources, LLC
		KBS Electrical Distributors, Inc.
		TRC Engineers, Inc.

4.	**Item Description:**	**Active PO Funding Increase: Engineering Services for Transmission Planning and Operations Engineering**
	Purchase Category:	**Professional Services**
		Burns & McDonnell Engineering Company, Inc.
		DNV Energy USA, Inc.
		Hitachi Energy USA, Inc.

5.	**Item Description:**	**Independent Verification and Validation Services**
	Purchase Category:	**General Services**
	Supplier:	Gartner, Inc.

Committee Presentations:	Operations Oversight Committee – March 26, 2024 Audit & Finance Committee – April 15, 2024

Approval: Lewis, Lisa D — Digitally signed by Lewis, Lisa D Date: 2025.02.19 11:53:27 -06'00'

Lisa Lewis, Chief Administrative Officer

Approval: Rudy D. Garza — Digitally signed by Rudy D. Garza Date: 2025.02.19 13:01:36 -06'00'

Rudy Garza, President & CEO

CPS Energy Board of Trustees Meeting
February 24, 2025
Procurement Form 1

RESILIENCE/ RELIABILITY

ELECTRIC SYSTEM GROWTH

Item Description	**15KV & 38KV Reclosers**
Purchase Order Value	**$30,000,000**
Purchase Category	Commodity & Material Goods
Department	T&D Engineering & Grid Transformation
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 KBS Electrical Distributors, Inc., Real Distributing Company LLC., both local and small firms, and Anixter, Inc., a local firm, as the respondents who will provide the goods at the best value for CPS Energy based on the evaluation criteria set forth below.

This contract is for supply and delivery of electronic reclosers for installation in the overhead distribution system. This contract will allow CPS Energy to support the Recloser Deployment Plan and the Community Energy Resiliency (CER) Program which serve to enhance grid flexibility and resiliency of the overhead distribution system, improving service reliability for all CPS Energy customers. This contract will expire on February 28, 2030.

Subcontracting Opportunities

None at this time.

The solicitation method for this procurement was a Request for Proposal (RFP). An evaluation team considered the following weighted evaluation criteria and demonstrated their products ability to meet CPS Specification 687-07 to determine the best value to CPS Energy.

Evaluation Criteria	Points
Overall Cost	50
Experience, warranty, quality control, and contingencies	30
The ability to meet CPS Energy's requirements	10
Economic Development (local & small consideration)	10
TOTAL	**100**

CPS Energy Board of Trustees Meeting
February 24, 2025
Procurement Form 1

RESILIENCE/ RELIABILITY

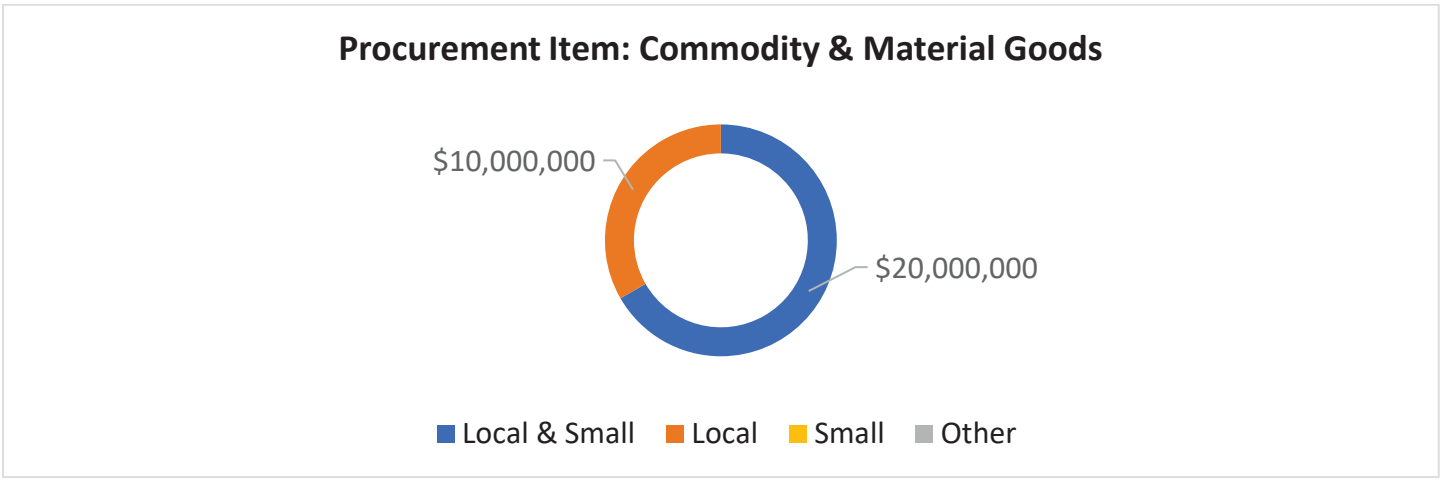
ELECTRIC SYSTEM GROWTH

Recommended Respondent(s) & Award					
Respondent Name	**SBA Classification & Details**	**Score**	**PO Value**	**PO #**	**Comments**
Anixter, Inc.	Local	90	$10,000,000	3077167	
KBS Electrical Distributors, Inc.	Local/Small	70	$10,000,000	3077165	
Real Distributing Company LLC.	Local/Small	69	$10,000,000	3077166	**Corporate headquarters located in San Antonio Metropolitan area**
		TOTAL	**$30,000,000**		

Two (2) additional respondents were not recommended for award: Noja Power LLC. and Techline, Inc.

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	$6,000,000	0.4%	$6,000,000	$6,000,000	$6,000,000
$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
February 24, 2025
Procurement Form 2

Item Description	Installation of Underground Residential Electric Distribution and Electric Cable Terminations
Purchase Order Value	**$24,000,000**
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, and Trinity URD Electric, LLC, both small, local firms, and Chain Electric Company, a local firm 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 underground residential electric distribution infrastructure and electric cable terminations. These contracts will allow CPS Energy to expand our infrastructure and provide capacity to serve new customers within our service territory. This contract will expire on April 30, 2028.

Subcontracting Opportunities

Chain Electric Company has 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**

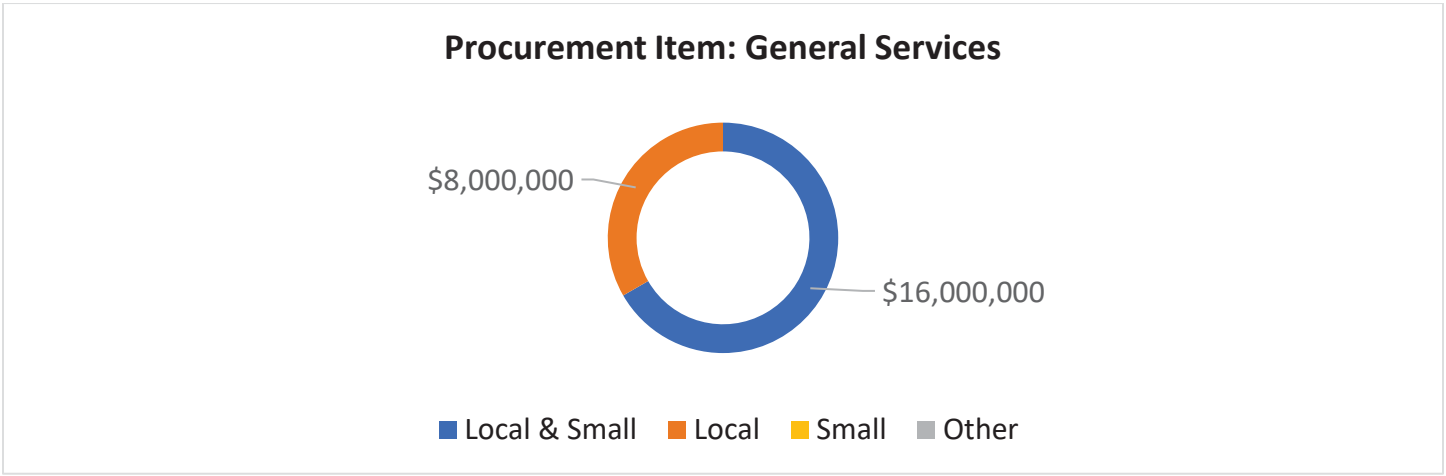
CPS Energy Board of Trustees Meeting
February 24, 2025
Procurement Form 2

Recommended Respondent(s) & Award					
Respondent Name	**SBA Classification & Details**	**Score**	**PO Value**	**PO #**	**Comments**
Greenstone Electrical Services, LLC	Local/Small	93	$8,000,000	2224896	**Company headquartered in the San Antonio Metropolitan Area**
Trinity URD Electric, LLC	Local/Small	90	$8,000,000	2224897	**Company headquartered in the San Antonio Metropolitan Area**
Chain Electric Company	Local	86	$8,000,000	2224898	
		TOTAL	**$24,000,000**		

Eight (8) additional respondents were not recommended for award: 5 Star Electric LLC; Bartek Construction Co.; FNT Services, LLC; HJD Capital Electric, Inc.; James Power Line Construction LLC; Mastec North America Inc.; Mears Installation LLC; and Zachry Underground & Utility Services, Inc.

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	$8,000,000	0.5%	$8,000,000	$8,000,000	$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.



CPS Energy Board of Trustees Meeting
February 24, 2025
Procurement Form 3

GRID MODERNIZATION | ELECTRIC SYSTEM GROWTH | RESILIENCE/ RELIABILITY

Item Description		Active PO Funding Increase: Engineering Services for Electric Distribution Planning
Original Cumulative Purchase Order Value	**(A)**	**$3,000,000**
Previously Added Funds	**(B)**	**$0**
Additional Funds Requested	**(C)**	**$7,500,000**
Projected Cumulative Purchase Order Value	**(D)**	**$10,500,000**
Purchase Category		Professional 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 additional purchase order funding be approved for an existing contract for engineering services for electric distribution planning. This contract was previously awarded to KBS Electrical Distributors, Inc., a local, small firm and Burns & McDonnell Engineering Company, Inc., Black & Veatch Management Consulting, LLC., and ICF Resources, LLC, all local firms, as the respondents who provided the services at the best value for CPS Energy based on the evaluation criteria set forth below.

Additional funding is required on these purchase orders due to unanticipated large load projects and distributed generation interconnection studies which were unaccounted for in the original contract. This contract is for engineering services for electric distribution planning and will allow CPS Energy to develop strategies and objectives for distribution automation and smart grid initiatives, support distributed generation interconnection projects, perform system modeling and planning, and develop roadmaps for the future distribution grid. This contract will expire on March 31, 2027.

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 Qualification (RFQ)[1]. 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	100
The financial soundness of the Respondent	Pass/Fail
TOTAL	**100**

[1] CPS Energy is unable to consider price or economic development as Evaluation Criteria for RFQ's.

CPS Energy Board of Trustees Meeting
February 24, 2025
Procurement Form 3

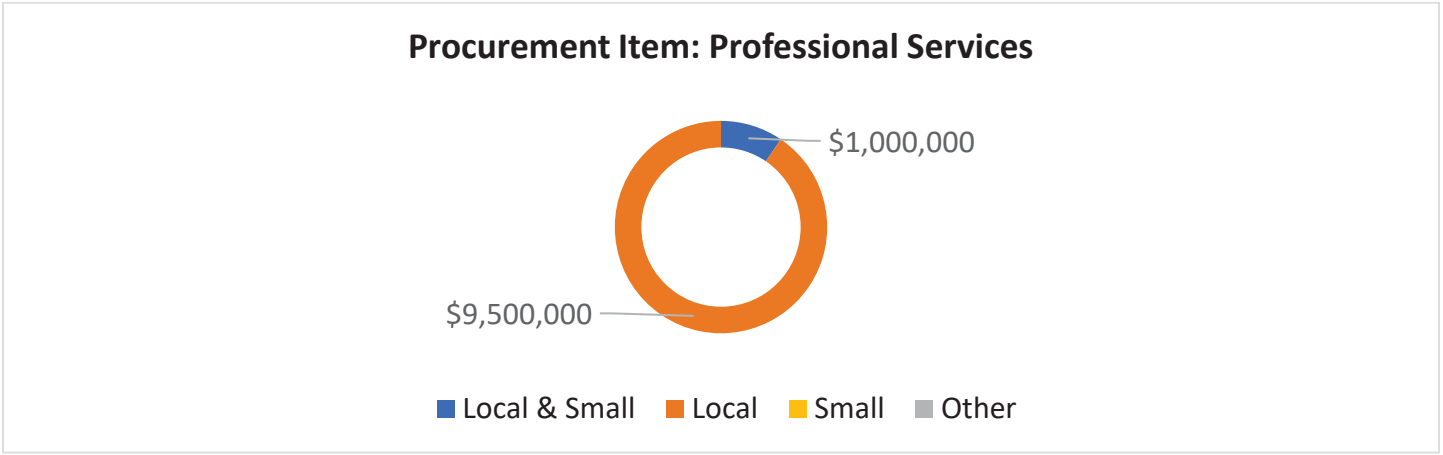
GRID MODERNIZATION | ELECTRIC SYSTEM GROWTH | RESILIENCE/ RELIABILITY

Recommended Respondent(s) & Award					
Vendor Name	**SBA Classification & Details**	**Original PO Value**	**Previously Added or Reallocated Funds**	**Additional Funds Requested**	**PO#**
Burns & McDonnell Engineering Company, Inc.	Local	$1,100,000	$0	$2,700,000	2216707
Black & Veatch Management Consulting, LLC.	Local	$1,000,000	$0	$2,700,000	2216708
TRC Engineers, Inc.	Local	$300,000	$0	$700,000	2217464
KBS Electrical Distributors, Inc.	Local/Small	$300,000	$0	$700,000	2216709
ICF Resources, LLC	Local	$300,000	$0	$700,000	2216710
		(A)	**(B)**	**(C)**	
	Totals	**$3,000,000**	**$0**	**$7,500,000**	
	Projected Cumulative Purchase Order Value (D)			**$10,500,000**	

Eleven (11) additional respondents were not recommended for award: EN Engineering, LLC; Electric Power Engineers, Inc.; Enercon Services, Inc.; Schneider Engineering, LLC; Ulteig Engineers, Inc.; HDR Inc.; Commonwealth Associates, Inc.; Esta International Inc.; Select Power Systems, LLC; Schneider Electric; and K&A Engineering Consulting, P.C.

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	$0	0%	$0	$0	$0
$982,000,000	Non-Fuel O&M	$4,000,000	0.41%	$4,000,000	$1,500,000	$0

Our current approved budget and latest estimates support this additional purchase order increase.



CPS Energy Board of Trustees Meeting
February 24, 2025
Procurement Form 4

ELECTRIC SYSTEM GROWTH | RESILIENCE/ RELIABILITY

Item Description		Active PO Funding Increase: Engineering Services for Transmission Planning and Operations Engineering
Original Cumulative Purchase Order Value	**(A)**	**$3,000,000**
Previously Added Funds	**(B)**	**$0**
Additional Funds Requested	**(C)**	**$6,000,000**
Projected Cumulative Purchase Order Value	**(D)**	**$9,000,000**
Purchase Category		Professional 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 additional purchase order funding be approved for an existing contract for engineering services for electric transmission planning. This contract was previously awarded to Burns & McDonnell Engineering Company, Inc., a local firm, and DNV Energy USA, Inc. and Hitachi Energy USA, Inc., as the respondents who provided the services at the best value for CPS Energy based on the evaluation criteria set forth below.

Additional funding is required on these purchase orders due to unanticipated large load support projects and transmission interconnection studies, which were not accounted for with the original contract.
This contract is for providing services for complex electric transmission planning projects including: interconnection studies for new generation and large load customers, NERC compliance and for ERCOT and PUCT project approvals, and grid modernization and reliability projects to prepare for extreme weather and the changing electric grid landscape. These contracts will expire on February 5, 2027.

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 Qualification (RFQ)[2]. 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	100
The financial soundness of the Respondent	Pass/Fail
TOTAL	**100**

[2] CPS Energy is unable to consider price or economic development as Evaluation Criteria for RFQ's.

CPS Energy Board of Trustees Meeting
February 24, 2025
Procurement Form 4

ELECTRIC SYSTEM GROWTH | RESILIENCE/ RELIABILITY

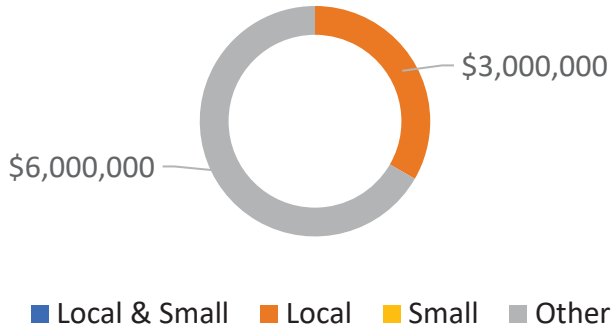
Recommended Respondent(s) & Award					
Vendor Name	**SBA Classification & Details**	**Original PO Value**	**Previously Added or Reallocated Funds**	**Additional Funds Requested**	**PO#**
Burns & McDonnell Engineering Company, Inc.	Local	$1,000,000	$0	$2,000,000	2216713
DNV Energy USA, Inc.		$1,000,000	$0	$2,000,000	2216714
Hitachi Energy USA, Inc.		$1,000,000	$0	$2,000,000	2216715
		(A)	**(B)**	**(C)**	
	Totals	**$3,000,000**	**$0**	**$6,000,000**	
	Projected Cumulative Purchase Order Value (D)			**$9,000,000**	

Thirteen (13) additional respondents were not recommended for award: Electric Power Engineers, Inc.; Power Engineers, Inc.; Quanta Technology, LLC; Siemens Energy co FAPCO, LLC; Commonwealth Associates, Inc.; Power Systems Consultants, Inc.; TRC Engineers, Inc.; ICF Resources LLC; Ulteig Engineers, Inc.; Schneider Engineering, LLC; Prime Partners Engineering; Entrust Solutions Group; and Select Power Systems, 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	$0	0%	$0	$0	$0
$982,000,000	Non-Fuel O&M	$3,000,000	0.3%	$3,000,000	$0	$0

Our current approved budget and latest estimates support this additional purchase order increase.

Procurement Item: Professional Services



CPS Energy Board of Trustees Meeting
February 24, 2025
Procurement Form 5

Item Description	Independent Verification and Validation Services
Purchase Order Value	**$20,000,000**
Purchase Category	General Services
Department	Enterprise Risk Management and Solutions
Director Enterprise Risk Management and Solutions	Annamarie L Rangel
Chief Strategy Officer	Elaina Ball

Detailed Description

CPS Energy staff recommend that a contract be awarded to Gartner, Inc. as the respondent who will provide the goods or services at the best value for CPS Energy based on the evaluation criteria set forth below.

This contract is for Independent Verification and Validation (IV&V) services. This contract will allow CPS Energy to perform continuous and on-going IV&V assessments for the cloud ERP transformation with a focus on the change management strategy, metrics, and activities to include training and communication plans. This contract will expire on February 1, 2029

Subcontracting Opportunities

Gartner, Inc. 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 Proposals. An evaluation team considered the following weighted evaluation criteria to determine the best value to CPS Energy.

Evaluation Criteria	Points
Overall Cost	30
Services to be Provided	20
Change Management	15
Methodology & Quality of the Proposal	10
General Qualifications	10
Economic Development	10
Key Personnel	5
TOTAL	**100**

CPS Energy Board of Trustees Meeting
February 24, 2025
Procurement Form 5

Recommended Respondent(s) & Award					
Respondent Name	**SBA Classification & Details**	**Score**	**PO Value**	**PO #**	**Comments**
Gartner, Inc.		73	$20,000,000	2225097	
		TOTAL	$20,000,000		

Five (5) additional respondents were not recommended for award: Hitachi Energy USA Inc.; PA Consulting Group, Inc.; Public Consulting Group LLC; RSM US LLP; and E Source Companies LLC dba E Source.

Annual Funds Budgeted						
Corporate Annual Budget	Funding Method	Projected FY2026 PO Spend	% of FY2025 Annual Corp Budget	Projected FY2027 PO Spend	Projected FY2028 PO Spend	Projected FY2029 PO Spend
$1,501,000,000	Capital	$5,500,000	0.4%	$5,500,000	$5,500,000	$3,500,000
$982,000,000	Non-Fuel O&M	$0	0%	$0	$0	$0

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

