CPS ENERGY
MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES
HELD ON MARCH 30, 2026

The Regular Meeting of the Board of Trustees of CPS Energy for the month of March was held on Monday, March 30, 2026, 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 1:00 p.m.

Present were Board members:
Dr. Francine Romero, Chair
Dr. Willis Mackey, Vice Chair
Ms. Janie Gonzalez
Dr. Erika Gonzalez
Mayor Gina Ortiz Jones (arrived at 1:15 p.m.)

Also present were:
Mr. Rudy D. Garza, President & CEO
Ms. Shanna M. Ramirez, Chief Legal & Ethics Officer, General Counsel & Board Secretary
CPS Energy staff members

II. SAFETY MESSAGE, INVOCATION, AND PLEDGE OF ALLEGIANCE

A safety message, invocation, and the Pledge of Allegiance were delivered by Ms. Annamarie Rangel, Director Enterprise Risk Management and Solutions.

III. PUBLIC COMMENT

Ms. Henrietta LaGrange, community member, thanked all employees who work for CPS Energy and stated they are empowered women and men who are excellent workers.

Mr. Arthur Rakowitz, community member, expressed concerns about his property and electrical service issues.

Mr. Alan Montemayor, Sierra Club, spoke in support of a solar array at SAWS' H2Oaks facility. He also urged CPS Energy to emphasize decarbonization and expressed concern about growth.

Ms. Erica Alvarado, Public Citizen, expressed concern about any potential rate increase, any coordination with Immigration and Customs Enforcement, and CPS Energy security.

Ms. Isabella Briseno, Climate Justice San Antonio and teacher, spoke against rate increases, expressing concern about impact to low-income ratepayers. She also urged costs be passed to data centers.

Mr. Brian Lopez, Climate Justice San Antonio, stated gas prices have increased since the conflict with Iran began, and spoke against any potential rate increase.

Ms. Sharron Brown, community member, stated STEP is helpful, but churches cannot afford the difference between the program assistance and costs; she requested a meeting to discuss.

IV. CHAIR'S REMARKS

Chair Romero thanked everyone that provided public comment, and noted we are listening. She shared that the FORE REAP Golf Classic raised over $340,000 for customer assistance, and she appreciated all the work to make the event happen. She then noted the dates for our tree giveaway events, and shared information about rebates. Finally, she noted that safe digging starts with our community and urged individuals to call 811 before they dig.

V. CEO RECOGNITION & REMARKS

Mr. Rudy D. Garza, President & CEO, recognized the CEO Core Value Award Honorees from the fourth quarter. He noted that our core values define who we are as an organization, and these individuals exemplify them and consistently go above and beyond. He highlighted Mr. Jason Alaniz, Tech Revenue Assurance & Meter Quality, for the exceptional commitment to safety by directing CPR and coordinating with emergency responders and CPS Energy crews to assist a customer with a downed power line. He saved a customer's life.

He also asked Mr. Justin Mooney, President of our Local 500 IBEW, and Mr. Joey Davila, National Association of Public Employees, to be recognized for their positive relationship with management and all that they do to assist employees.

He then provided a summary of the agenda and highlighted certain items.

VI. EXECUTIVE SESSION

At approximately 1:30 p.m., Chair Romero announced the Board would go into Executive Session, and Ms. Shanna M. Ramirez, Chief Legal & Ethics Officer, General Counsel & Board Secretary, 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 a number of posted items, including the following:

A. Real Property Matter (§551.072)

The Board reconvened in open session at 2:18 p.m. The quorum was re-established, and all members were present. Ms. Ramirez reported that only the matters cited above, and no others were discussed, and no votes were taken in this Executive Session.

VII. CONSENT AGENDA

Mayor Jones requested Consent Agenda Item C be pulled for discussion.

On a motion by Vice Chair Dr. Mackey, and seconded by Trustee Dr. Gonzalez, the following items were unanimously approved:

A. Approval of Payment to the City of San Antonio for February 2026

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 2026 is based on actual gross revenue per the New Series Bond Ordinance of $291,519,705.05, less applicable exclusions. In accordance with the New Series Bond Ordinance Flow of Funds requirements, current month revenue did not meet the full obligation for City Payment by $11,911,363.54. This situation is a common occurrence for CPS Energy in the late winter and spring months due to the seasonal billing patterns. Under the previously approved agreement with the City, CPS Energy will advance to the City $11,911,363.54 **against future months' revenues for fiscal year 2027. The** revenue for the month of February 2026 is calculated as follows:

Gross revenue per CPS Energy financial statements	
Electric revenue	$279,465,089.11
Gas revenue	60,577,859.57
Other operating revenue	575,333.48
Interest and other income	5,222,577.16
Gross revenue per CPS Energy financial statements	345,840,859.32
Excluded revenue	
School and hospital revenue per City Ordinance 55022	(9,507,411.32)
LVG revenue per City Ordinance 100709	(239,499.00)
Fuel cost component of off-system nonfirm energy sales per City Ordinance 61794 and revenue for wholesale special contracts	(55,115,419.52)
Noncash and other income, GASB 31 investment market value change, miscellaneous interest income, gas billing adjustment and unbilled revenue	10,541,175.57
Total excluded revenue	(54,321,154.27)
Gross revenue per New Series Bond Ordinance subject to 14% payment to the City	$291,519,705.05
City payment per Bond Ordinance for February 2026 based upon February revenue	$40,812,758.71
City payment per memorandum of understanding (MOU) regarding wholesale special contracts	1,258,143.99
City Payment reduction per gas customer billing adjustment MOU	(12,500.00)
Prior year accounting adjustment	(10,203.12)
Annual true up/(down) per gas customer MOU	16,996.65

City payment per Bond Ordinance plus adjustments for MOU	42,065,196.23	**A**
Utility services provided to the City for February 2026	(3,347,362.99)	
Net amount to be paid from February 2026 revenue to the City in March 2026	$38,717,833.24	

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 2026	Actual	Budget	Variance	
Current Month **A**	$42,065	$40,105	$1,960	4.9%
Year-to-Date	$42,065	$40,105	$1,960	4.9%

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 $38,717,833.24 representing 14% of applicable system gross revenues for the month of February 2026, such payment being net of City utility services ($3,347,362.99), and a prior month accounting adjustment, and including the current month shortage, is hereby approved." The total amount to be recovered from future months' revenues for fiscal year 2027 is $11,911,363.54."

B. Minutes from the Regular Board Meeting, held on February 23, 2026

D. Procurement Item:

1. **Item Description:** Supply & Delivery of Operational Technology (OT) Transport Systems Network
   Category: General Services
   Supplier: Mobile Communications America, Inc.

The Board of Trustees then returned to Consent Agenda Item C, and Mayor Jones requested a brief presentation. Ms. Lisa Lewis, Chief Administrative Officer, provided an overview of the purchase and stated that the property is intended to be used for a new central service station. Mayor Jones asked about the selection process and inclusion of an environmental impact study in the process. Trustee Gonzalez also asked that environmental impact studies be considered in the future.

On a motion by Trustee Dr. Gonzalez, and seconded by Trustee Gonzalez, the following item was approved 4-1, with Mayor Jones voting against approval of the real estate purchase:

C. Approval of Real Property Purchase: New Central Service Station

VIII. COMMITTEE REPORTS

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

Board Committee Reports

A. Operations Oversight Committee (OOC) Meeting held on March 2, 2026. The report is attached as Attachment "A" to the meeting minutes.

Community Input Committee Reports

A. Community Input Committee (CIC) Meeting held on March 11, 2026. The report is attached as Attachment "B" to the meeting minutes.

Trustee Gonzalez asked about recommendations and questions from a CIC member. She noted she will provide the inquiry to Ms. Ramirez, and CPS Energy staff will follow up with Trustee Gonzalez.

IX. POWERING OUR COMMUNITY – BUDGET OVERVIEW

Mr. Cory Kuchinsky, Chief Financial Officer & Treasurer, presented an overview of the FY2027 budget. He noted that the recommended budget represents our financial strategy which meets our community's priorities and aligns with our strategic focus. He provided details on the proposed budget and requested approval from the Board of Trustees.

Vice Chair Dr. Mackey made a motion to approve the FY2027 budget, and Chair Romero seconded. The Board of Trustees discussed and asked questions regarding the proposed FY2027 budget, primarily focused on how the Board can receive monthly updates, how our staff can stay aligned with staff at the City of San Antonio, how the projected $50M shortfall may be closed, how this year's budget compared to last year's budget, how best to monitor the debt-to-capital ratio, and how to make investments towards cleaner energy.

There was a roll call vote, and the FY2027 Budget was approved 4-1, with Trustee Gonzalez voting against approval of the budget.

X. ENERGIZING PROGRESS TOGETHER - GENERATION PLAN REFRESH

Mr. David Kee, Director, Energy Market Policy, provided an update on the generation plan refresh process. He shared an overview of what has changed in demand, our recommended path forward, and our community engagement efforts.

The Board of Trustees discussed the presentation. The discussion primarily focused on timing of the plans, details of the forecasting and assumptions, impacts of the political climate and global conflicts, details on load growth and complexities of data centers, how we are communicating and planning, costs of the plan, frequency at which we will do modeling and revisit assumptions, and the role of the CIC in providing feedback to the Board.

XI. EXECUTIVE SESSION

At approximately 3:49 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 a number of posted items, including the following:

A. Attorney Client Matter (§551.071)
B. Security Personnel or Devices (§551.076) & Critical Infrastructure (§551.0761)
C. Competitive Matter (§551.086) – Power Generation
D. Competitive Matter (§551.086) – Purchased Power

The Board reconvened in open session at 4:59 p.m., with Mayor Jones having left the meeting at 4:30 p.m., during Executive Session. Once the quorum was re-established, and all remaining members were present. Ms. Ramirez reported that only the matters cited above, and no others were discussed. The competitively sensitive matter for purchased power, as posted on the agenda, was approved in Executive Session. Ms. Ramirez also noted that the item related to security and critical infrastructure was deferred until the next meeting.

XII. ADJOURNMENT

Chair Romero asked Ms. Ramirez to review the requested action items. 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 5:02 p.m. by Chair Romero.

Shanna M. Ramirez
Secretary of the Board

OPERATIONS OVERSIGHT COMMITTEE (OOC) MEETING

EXECUTIVE SUMMARY AND CHAIR REPORT FROM THE MARCH 2, 2026, MEETING
PREPARED FOR BOARD CHAIR, DR. FRANCINE ROMERO
FOR REPORT AT THE MARCH 30, 2026, BOARD OF TRUSTEES MEETING

The Operations Oversight Committee met on March 2, 2026. As part of the agenda, the Committee:

A. Reviewed the Committee Governance Charter.

B. Received a Modernizing Contracting: Introducing Blanket Purchase Agreements update that included:
   a. a current state of procurement practice and purchase orders;
   b. an overview of the future state of procurement using Blanket Purchase Agreements (BPAs);
   c. a review of outcomes from a BPA pilot conducted on small-scale products ahead of ERP;
   d. a review of an upcoming BPA procurement;
   e. a summary of governance process impacts and guardrails under the BPA model.

C. Received a Procurement Preview that included:
   a. a new contract/rebid for Real Estate Appraisal and Expert Testimony;
   b. an active PO Funding Increase request for Miscellaneous Transmission Hardware;
   c. a BPA PO Release for Geotechnical Engineering Services for Howard-San Miguel Transmission Line Project;
   d. a new contract/rebid for Engineering Services for CPS Energy Dams; and
   e. a new contract/rebid for Large Electrical Motor Maintenance Services.

D. Received a Gas Compliance Update that included:
   a. an overview of our Natural Gas System;
   b. a summary of our Gas Compliance Program components;
   c. an overview of a Texas Railroad Commission (RRC) Audit; and
   d. results from the FY2026 Regulatory Audit and corrective measures approved by the RRC.

E. Received a SCADA: Control and Monitoring Technologies Update that included:

   a. an overview of current Control and Monitoring Technologies;

   b. an update on Transmission and Distribution (T&D) projects, such as current and future state of our Energy Management Systems (EMS) and Advanced Distribution Management Systems (ADMS) projects; and

   c. next steps of SCADA Transformation Projects projected to go-live Q2 and Q4 of CY2026.

F. Received a Resiliency Plan Overview that included:

   a. an update of how the plan reflects current initiatives and aligns with Horizon 2050;

   b. a summary of the development process; and

   c. next steps toward publication.

G. Received a Facilities & Real Estate Master Plan Update that included:

   a. an overview of customer growth and current Customer Walk-In and Operations Campus locations;

   b. an update of Transition Cost Improvements;

   c. an overview of projects to align the next 25+ years of operation; and

   d. activities associated with possible real estate transactions.

The next meeting of the Operations Oversight Committee Meeting is planned for May 4, 2026.

Attachment "B" to the March 11, 2026
Regular Board Meeting

Community Input Committee (CIC)
Committee Report

EXECUTIVE SUMMARY AND CHAIR REPORT FROM THE MARCH 11, 2026, MEETING
PREPARED FOR COMMITTEE CHAIR, MR. STEVE BONNETTE
FOR REPORT AT THE MARCH 30, 2026, BOARD OF TRUSTEES MEETING

The Community Input Committee met on March 11, 2026. The meeting was open to the public, livestreamed, and a recording of the video has been posted on the CIC website. As part of the agenda, the committee:

A. Received a presentation on CPS Energy's responsible management of large load growth from Ben Jordan, Sr. Director of Integrated Planning, and Rick Luna, Director of Strategic Pricing and Cost Recovery. The presentation explained CPS Energy's large load requests over 40MW, including from data centers, the expected timeline and process for interconnection, the financial impact of these customers, and the policies that protect residential customers from paying the costs of this growth.

B. Received an update on CPS Energy's generation planning from Kevin Pollo, Sr. Director of Asset Management. The presentation provided ongoing information about energy demand growth from residential and commercial customers, and CPS Energy's continued strategy to meet that demand through a blended approach to power generation that balances reliability, affordability, and cleaner energy.

The next regular CIC meeting is scheduled for May 13, 2026.

CPS Energy Board of Trustees Meeting
March 30, 2026
APPROVAL of PROCUREMENT ITEMS
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1.	**Item Description:**	**Supply & Delivery of Operational Technology (OT) Transport Systems Network**
	Purchase Category:	**General Services**
	Supplier:	Mobile Communications America, Inc.
	Committee Presentations:	Operations Oversight Committee – November 13, 2025 Audit & Finance Committee – January 12, 2026

Approval: Lewis, Lisa D — Digitally signed by Lewis, Lisa D Date: 2026.03.19 10:08:56 -05'00'

Lisa D. Lewis, Chief Administrative Officer

Approval: Garza, Rudy D. — Digitally signed by Garza, Rudy D. Date: 2026.03.19 10:16:42 -05'00'

Rudy D. Garza, President & CEO

CPS Energy Board of Trustees Meeting
March 30, 2026
Procurement Form 1

Item Description	**Supply & Delivery of Operational Technology (OT) Transport Systems Network**
Purchase Order Value	**$38,000,000**
Purchase Category	General Services
Department	Transport Services
Chief Information Officer	Evan O'Mahoney

Detailed Description

CPS Energy staff recommend that a contract be awarded to Mobile Communications America, Inc., a local firm, 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 the purchase of communications hardware, software, and supporting services for the implementation of the transport communications network. This contract will allow CPS Energy to replace aging infrastructure while modernizing its transport network to support current and planned grid operations. This contract will expire on April 30, 2031.

Subcontracting Opportunities

Mobile Communications America, 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 two-step process. First, a Request for Qualifications (RFQ) was issued to identify qualified companies. 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	67
Safety records and training program	20
Experience, warranty, quality control, and contingencies relating to the supply of Goods or Software	13
The financial soundness of the Respondent	Pass/Fail
TOTAL	**100**

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Procurement Form 1

A Request for Proposals (RFP) was then issued to the short-listed respondents. An evaluation team considered the following weighted evaluation criteria to determine the best value to CPS Energy.

Evaluation Criteria	Points
The overall cost	75
Legal and compliance requirements	5
Economic Development (Local and Small business consideration)	20
TOTAL	**100**

Recommended Respondent(s) & Award

Respondent Name	SBA Classification & Details	Score	PO Value	PO #	Comments
Mobile Communications America, Inc.	Local	86	$38,000,000	2232433	
		TOTAL	**$38,000,000**		

Annual Funds Budgeted

Corporate Annual Budget	Funding Method	Projected FY2027 PO Spend	% of FY2027 Annual Corp Budget	Projected FY2028 PO Spend	Projected FY2029 PO Spend	Projected FY2030 PO Spend
$1,664,388,329	Capital	$5,000,000	0.3%	$6,000,000	$8,300,000	$8,300,000
$1,061,000,000	Non-Fuel O&M	$0	0%	$0	$0	$0

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