

City of San Antonio



Minutes

Municipal Utilities

San Antonio, Texas 78205

2021 – 2023 Committee Members

Mario Bravo, Dist. 1 | Dr. Adriana Rocha Garcia, Dist. 4

Melissa Cabello Havrda, Dist. 6 | Ana Sandoval, Dist. 7

Chair John Courage, Dist. 9

Tuesday, October 26, 2021

10:00 AM

City Hall

Deputy City Clerk Aurora Perkins took the Roll Call noting a quorum with the following Municipal Utilities Committee Members present:

PRESENT: 5 – Bravo, Rocha Garcia, Cabello Havrda, Sandoval, and Courage

Public Comment

None.

Written Comment

None.

1. Approval of the August 24, 2021 and September 29, 2021 Municipal Utilities Committee Meeting Minutes.

Councilmember Cabello Havrda moved to approve the August 24, 2021 and September 29, 2021 Municipal Utilities Committee Meeting Minutes. Councilmember Rocha Garcia seconded the motion. The motion passed unanimously.

2. **Discussion by the Municipal Utilities Committee (MUC) on the scope and functions of the CPS Energy Citizens Advisory Committee, including public access to meetings**
[Ben Gorzell Jr., Chief Financial Officer; Troy Elliott, Deputy City Financial Officer]

Chair Courage noted that Item 2 was removed from the meeting due to coordination issues.

Chair Courage expressed concern on feedback from Citizen Community Members that not all members had an opportunity to speak at Community meetings. He stressed that all citizen members should be heard at meetings and their feedback provided to the larger body.

3. Briefing by the San Antonio Water System (SAWS) and CPS Energy on the status of implementing the recommendations from the Committee on Emergency Preparedness' Report [Ben Gorzell Jr., Chief Financial Officer; Troy Elliott, Deputy City Financial Officer]

Chair Courage introduced the item and spoke on the expectations of the presentations and status of implementation items. He noted that there were an initial 129 finding items which CPS Energy was set to address and correct.

A) CPS Energy Staff will provide a status report on the utility's actions implementing the recommendations from the Committee on Emergency Preparedness Report.

Paul Barham, Chief Grid Optimization and Resiliency Officer, CPS Energy, provided a presentation on Winter Preparedness Progress Report. He provided updates on actions taken to prepare for the Winter Storm Season and planned work; provided a status of the City of San Antonio Committee on Emergency Preparedness report recommendations. He added that all 37 items identified were in progress and being addressed by CPS Energy which included winter readiness improvements in the areas of plant operations and support, Outage management, grid operations and support, emergency/contingency preparedness, stakeholder communications, customer communications, and policy activity (market redesign).

Mr. Barham reviewed the next steps to be taken by CPS Energy to include continued communications with the MUC and CPS Energy Board of Trustees; detailed updates at Operations Oversight Committee meetings; Finalize actions plans for all recommendations; integrate tracking and reporting of lessons learned activities; and Identify funding requirements as required for action plans.

Chair Courage appreciated CPS Energy's comment in that CPS Energy would provide more detailed information of each status item addressed and it was important for the public to have information on status. He noted that the Committee would like more specific information in order to address community questions and maintain transparency. He stated that CPS Energy efforts on stakeholder and community communication was good and stressed that communications were a priority for the MUC. He asked of the PUC new regulations and impact. Frank Almaraz, Chief Power, Sustainability, & Business Development Officer, CPS Energy, stated that the new regulations were ones that CPS Energy had already addressed and were already meeting new regulations. Rudy Garza, Chief Customer & Stakeholder & Engagement Officer, CPS Energy, stated that he would provide additional information to the Committee at the next meeting.

Councilmember Rocha Garcia asked what low hanging fruit items had been already addressed by CPS Energy. Mr. Barham stated that the low shed issues was a significant item which was addressed. He also stated that proactive communications procedures for upcoming storm events were also implemented.

Councilmember Rocha Garcia asked of concerns with subcontractors' issues and quality control issues at facilities. Mr. Almaraz stated that prior bolt issues were identified that impacted the community

during the storm and that CPS Energy continued to address any identified issues as discovered. Councilmember Rocha Garcia asked if CPS Energy had researched micro grid systems which Mr. Barham stated that CPS Energy had already started research on micro grid systems.

Sandoval left the meeting at this time.

Councilmember Cabello Havrda asked about three-plant implementation recommendations. Mr. Almaraz reviewed the process of heat tracing and control system operations and management. Councilmember Cabello Havrda requested more info on the three-plant implementation plans. Mr. Almaraz stated that he would provide additional information.

Councilmember Cabello Havrda asked for more information about grid operations and support efforts. Mr. Barham stated that increased communications and coordination with SAWS in how to better support each other during storm events had been started and continuing in order to support customers. He stressed the importance of collaboration and communications with SAWS, STRAC and surrounding municipalities in order to support energy efforts.

Councilmember Cabello Havrda asked what communications had been received by the community. Mr. Garza stated that very specific feedback had been received on what was being currently done/coordinated in order to make sure that the past winter storm event did not happen again and of what preparedness was being conducted. He stated that focus groups and surveys were completed on an annual basis.

Councilmember Bravo agreed with Chair Courage that the MUC wanted more detailed information on initiatives efforts. He asked if any of the identified recommendations had been fully completed. Mr. Barham stated that while there had been significant efforts had been completed on the all the items no items had been fully completed. Councilmember Bravo asked what the difference was between “initiated” and “in progress” items. Mr. Barham stated that initiated meant a plan had been identified but not initiated into action.

Councilmember Bravo asked about stored energy efforts and availability. Mr. Almaraz reviewed the process for stored energy usage and availability. Councilmember Bravo asked for further detail on load shed capacity and subdivided circuits. Mr. Barham provided circuit data and whole system capacity data information and clarifications.

Councilmember Bravo stated that communication efforts should include real time pricing impacts to the community and stressed that CPS Energy needed to better communicate in the future. He also stressed that ERCOT impacts should be communicated to the City and energy users. Mr. Barham stated that better communications at all levels was a priority for CPS Energy.

B) SAWS Staff will provide a status report on the utility’s actions implementing the recommendations from the Committee on Emergency Preparedness Report.

Robert Puente, SAWS President and CEO, opened the discussion and stated that the presented information had been previously provided to the SAWS Board and would continue to be presented to the community. He stressed that specific details would be provided of efforts in order to meet resiliency efforts.

Steve Clause, SAWS Chief Operating Officer, reviewed the status of Winter Storm 67

recommendations and stated that 13 items had been completed, 37 were in progress and 16 had not been started. He stated that 14 critical facilities, 24 under frequency load shed, and 37 shed facilities were now on protected circuits. He provided an overview of items addressed since the last SAWS Board update which included the ability to work from the City's Emergency Operations Center during extreme emergencies; completion of tabletop exercise with the City, SAWS and CPS Energy executive teams; and internal staff preparedness and status tracking underway for 2021/2022 winter months.

Mr. Clause reviewed CPS Energy compliance of Senate Bill 3 regulations and stated that the utility was on track to meet completion of Critical Load Report submission and Emergency Preparedness Plan. He noted that SAWS continued efforts on identifying backup energy generation and addressing associated capital expenses and generator certainty. He reviewed compliance challenges for Texas Water Utilities under Senate Bill 3 and noted efforts with other Texas Utility firms to address these challenges and requested guidance from the TCEQ. Mr. Clause reviewed the next steps of SAWS to meet and report on recommendations specifically on continued communications at all levels and improved operations.

Chair Courage emphasized that the MUC would provide the utility companies the priorities of the recommendations in order to provide specific updates on each of the priorities so to be better to communicate to the general public.

Councilmember Rocha Garcia asked if the 16 items not yet started would be communicated to the Board as why they had not been started. Mr. Clause stated that there were different reasons why certain recommendations had not been started and that would be communicated. Councilmember Rocha Garcia asked for an outside conversation to discuss concerns with customer service response. She stressed that the STRAC should be included in the recommendation and action discussions since they were the emergency preparedness experts.

Councilmember Cabello Havrda thanked SAWS and CPS Energy for their participation at community events in order to provide information to residents on utility assistance. She stressed that communication should be continued and asked when a concrete communication plan would be delivered in order to make sure the utilities and City meet the need for information prior to Winter. Gavino Ramos, SAWS Vice President of Communications and External Affairs, stated that SAWS had been working closely with City Staff to develop the plan so to provide to City Council and other leadership. He stated that various communication mediums to include phone calls, texts and email for immediate information had been developed and efforts also included website updates.

Councilmember Cabello Havrda asked what would be done in the future when there was a need for water in the community since she had previously requested water supply during winter storm and none was made available. Mr. Puente stated that it was important that facilities winterize their facilities but that SAWS was also improving water storage efforts and developing communications with private entities to bottle water as needed during emergency events. Ben Gorzell, Chief Financial Officer, stated that City Staff was working closely with the utilities and other companies to assure sufficient water was available during emergency events. He also stated that the City was collaborating with the utilities to make sure there were not duplicate efforts in providing communications during emergency events.

Councilmember Rocha Garcia left the meeting at this time.

Councilmember Bravo asked that the utilities create a webpage on each other's websites in order provide the community with updates of recommendations progress. He asked why an outside agency was used for surveying recommendations. Mr. Clause stated that it was important that an outside entity be involved in order to obtain key information that was transparent and not self-serving. Councilmember Bravo asked that additional analysis be conducted on power grid operations and emergency response efforts. He asked what SAWS had done to communicate with commercial property owners to harden their facilities in preparing for emergency events. Mr. Ramos stated that a communication program had been developed so to better communicate to these property owners which would be pushed out again in order to prepare for these events.

4. Briefing by San Antonio Water System (SAWS) and CPS Energy on Plans for Addressing Past Due Customer Receivables [Ben Gorzell Jr., Chief Financial Officer; Troy Elliott, Deputy Chief Financial Officer]

A) CPS will provide a briefing on plans for addressing the past due customer receivables.

Rudy Garza, Chief Customer & Stakeholder & Engagement Officer, CPS Energy, provided a customer receivable update and stated that extensive customer outreach had been conducted to individual and commercial accounts. He noted that 67,636 customers were eligible for disconnection which was down over 17,000 since the end of August 2021 and stated that there was a 10% decrease in Commercial account delinquencies. He stated that while no customer had been disconnected, disconnections would resume in November but that the utility was sensitive about future holiday season and possible disconnections. He stressed the community engagement and communications conducted in the community and stated that these efforts would continue into the future with community events throughout the City.

B) SAWS will provide a briefing on plans for addressing the past due customer receivables.

Mary Bailey, Vice President of Customer Experience and Strategic Initiatives, provided an overview of the SAWS efforts in addressing account delinquencies. She stated that 75% of delinquent residents were enrolled into a payment plan and that SAWS had automatically enrolled individuals into a plan. She reviewed the COVID-19 Relief Plan for individual, multifamily and commercial customers. She stated that disconnections did resume on October 19, 2021.

The Committee had no questions.

5. Briefing on the American Rescue Plan Fiscal Recovery Funds as it relates to the utility assistance. [Ben Gorzell Jr., Chief Financial Officer; Troy Elliott, Deputy Chief Financial Officer]

Assistant City Manager Lori Houston provided an overview of the City's proposed Utility Assistance Program. She noted that staff recommended the City would provide SAWS 10 million Dollars and CPS 20 Million. She reviewed the program qualifications for San Antonio residents into the program and stated that the plan was income eligibility based. Ms. Houston reviewed the available allowances of the program. She stated that CPS and SAWS would be responsible for the application review process and that the program would be presented to City Council on November 18, 2021 for full approval. She stressed that this was an individual program and not meant for commercial usage.

Chair Courage asked if individuals would automatically be enrolled in this plan. Ms. Houston stated that individuals would not be automatically enrolled and it was required that the individuals be first enrolled in a utility's payment plan in order to be considered. She noted that the City and utility staff would assist individuals with providing enrollment requirements and both the city and utilities were already preparing for meeting documentation requirements from the federal government.

Chair Courage asked that the City and Utility companies aid in training the City Council staff to prepare for enrollments.

Councilmember Cabello Havrda asked if anything was in place to assist small businesses. Ms. Houston stated that currently the most vulnerable individuals were being addressed but there was opportunity to address small business needs based on community input and data.

Chair Courage asked that updated information be provided as available and that if possible that information be provided prior to Utility Company Board meetings in order to get as much information to the community as quickly as possible. He asked utility representatives to discuss this request with their respective Boards.

6. Briefing on Website features to Support the Municipal Utilities Committee Receivables
[Ben Gorzell Jr., Chief Financial Officer; Troy Elliott, Deputy City Financial Officer]

Chair Courage stated that he would be deferring this staff presentation and that the presentation be provided in hardcopy to the Committee Members.

Executive Session

An Executive Session was not held.

Consideration of items for future meetings

Councilmember Cabello Havrda requested that a briefing on the CPS and SAWS Communication Plans be provided.

Councilmember Bravo requested that an update of the Rate Advisory Committee be made to the MUC and relevant boards. He also requested that SAWS provide an update on water conservation and chilled water efforts.

Next Scheduled Meeting Date: November 30, 2021

Adjourn

There being no further discussion, the meeting was adjourned at 12:06 PM.

John Courage, Chair

Respectfully Submitted

Debbie Racca-Sittre, Interim City Clerk

DRAFT