



March 10, 2026

Rudy Garza, CPS Energy President & CEO,

We appreciate the presentation and conversation around your proposed budget for FY 2027 at our B Session on March 4th. We also appreciate the Mayor bringing this matter to us early as it was important for us to review this information and ask additional questions. We remain optimistic about CPS's ability to navigate future extreme weather events and increasing energy supply and awareness on the new and growing demands of data centers in Bexar County.

Several members of city council brought up the rate increase that was embedded in your proposed budget presentation. While we know that this inclusion was simply to mitigate what you identify as growing expenditures and it does not formally start a rate increase conversation with our Supervisor of Public Utilities, Ben Gorzell, a potential increase gave us great pause. As we monitor economic conditions and foresee future cuts to critical programs by the federal government, we must increase our own due diligence when it comes to utility increases.

Based on our conversation at B Session, we do not believe in taking up formal conversations around rate increases until robust discussions are had with the community and this council on the following items:

- Detailed update on the Save for Tomorrow Energy Plan (STEP)
- Revisiting rate structures for residential and commercial customers
- Coordinated conversation with our City's Executive Leadership Team and CPS Energy on a contracted consumer advocate

We believe having constructive conversations on these topics with the City, CPS Energy, CPS's Community Input Committee, and the public is imperative before we are to seriously consider an energy rate increase. These are great opportunities for transparency and gathering feedback on important topics that this city council needs to add input on.

Thank you,

Handwritten signature of Edward Mungia in blue ink.

Edward Mungia  
City Council District 4

Handwritten signature of Teri Castillo in black ink.

Teri Castillo  
City Council District 5

Handwritten signature of Jalen McKee-Rodriguez in black ink.

Jalen McKee-Rodriguez  
City Council District 2

Handwritten signature of Ric Galvan in black ink.

Ric Galvan  
City Council District 6

Handwritten signature of Marc in black ink.

Marc  
City Council District 10

CC: CPS Energy Board of Trustees