SS/vv
02/12/15
Item #29

AN ORDINANCE 2015-02-12-0102

AUTHORIZING AN AGREEMENT WITH THE RESIDENTIAL ENERGY ASSISTANCE PARTNERSHIP, INC. FOR THE ISSUANCE OF UTILITY ASSISTANCE CREDITS IN A PROJECTED AMOUNT OF $1,000,000.00 FOR THE RESIDENTIAL ENERGY ASSISTANCE PARTNERSHIP (REAP) UTILITY ASSISTANCE PROGRAM, AND AUTHORIZING AN AGREEMENT WITH CPS ENERGY FOR THE ISSUANCE OF UTILITY ASSISTANCE CREDITS IN A PROJECTED AMOUNT OF $75,000.00 FOR THE PROJECT WINTER ASSISTANCE RELIEF MOBILIZATION (WARM) PROGRAM THROUGH DECEMBER 31, 2015.

* * * * *

WHEREAS, in 2002, the City of San Antonio, Bexar County, and CPS Energy established the Residential Energy Assistance Partnership (REAP) as a method to help local economically disadvantaged families needing utility assistance; and

WHEREAS, specifically, REAP provides direct utility bill credits to income qualifying CPS Energy ratepayers living within the city limits and Bexar County; and

WHEREAS, REAP funds are raised locally, financed by donations from CPS Energy ratepayers and trust investment income, and are specifically allocated to help residents in need throughout the San Antonio community; and

WHEREAS, Winter Assistance Relief Mobilization (WARM) funds also provide utility assistance benefits for qualifying low income City of San Antonio and Bexar County residents; and

WHEREAS, WARM was established in 1982 and is funded entirely by interest earned from the $7.5 million Project WARM Trust; and

WHEREAS, the City's Department of Human Services administers REAP and WARM credits through the Family Assistance Division on an appointment basis or as needed through emergency referrals from the community; and

WHEREAS, Community Services Specialists are funded through the City's general fund to support CPS bill assistance to screen and certify participants to determine program eligibility; and

WHEREAS, eligible participants must be at or below 125% of the federal poverty guidelines ($29,813.00 annually for a family of four), and may receive up to $400.00 in credits per year for REAP or $150.00 in credits per year for WARM; and

WHEREAS, in 2014, REAP and WARM assistance credits helped almost 7,000 households maintain their CPS service, including 10,000 young children and 1,700 senior citizens; **NOW THEREFORE:**

SS/vv
02/12/15
Item #29

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Manager or her designee, or the Director of the Department of Human Services, or her designee is hereby authorized to execute an agreement with the Residential Energy Assistance Partnership, Inc. for the issuance of utility assistance credits in a projected amount of $1,000,000.00 for the Residential Energy Assistance Partnership (REAP) utility assistance program. A copy of the agreement, in substantially final form, is attached hereto and incorporated herein for all purposes as **Attachment I**.

SECTION 2. The City Manager or her designee, or the Director of the Department of Human Services, or her designee is hereby authorized to execute an agreement with CPS Energy for the issuance of utility assistance credits in a projected amount of $75,000.00 for the Project Winter Assistance Relief Mobilization (WARM) program through December 31, 2015. A copy of the agreement, in substantially final form, is attached hereto and incorporated herein for all purposes as **Attachment II**.

SECTION 3. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

SECTION 4. This ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED AND APPROVED this 12th day of February, 2015.

Ivy R. Taylor

M A Y O R
Ivy R. Taylor

ATTEST:

Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:

Hollis Young for Martha G. Sepeda, Acting City Attorney

AGREEMENT **Attachment I**

FOR REAP CONTRIBUTION AND SERVICES
BETWEEN
THE CITY OF SAN ANTONIO
AND
RESIDENTIAL ENERGY ASSISTANCE PARTNERSHIP, INC.

This the "Agreement," effective as of January 1, 2014 (the "Effective Date"), is entered into by and between the City of San Antonio, a Texas municipal corporation (hereinafter referred to as "City"), acting by and through its Director of the Department of Human Services, and the Residential Energy Assistance Partnership, Inc. (hereinafter referred to as "REAP").

RECITALS

WHEREAS, REAP is a Texas non-profit corporation organized for IRC §501(c)(3) charitable purposes; and

WHEREAS, REAP's primary charitable purpose is to provide funds to help low-income individuals and families in the City of San Antonio and elsewhere in Bexar County pay their gas and electric utility bills (the "Charitable Purpose"); and

WHEREAS, the City's Department of Human Services (DHS) social service staff will serve as the principal conduit for the distribution of REAP assistance energy credits for the Charitable Purpose to eligible City residents (the "City Program"); and

WHEREAS, it is now the desire of the City and REAP to set forth their respective duties and responsibilities in connection with the distribution of REAP's assistance energy credits to eligible residential customers of CPS Energy, the municipally-owned utility which provides electric and gas services within the City of San Antonio and elsewhere in Bexar County, who reside within the corporate boundaries for the City (the "Covered City Area"); and

WHEREAS, the public purpose of this Agreement is to promote health of individuals and families living in the Covered City Area.

NOW THEREFORE:

The parties hereto severally and collectively agree and by the execution hereof are bound to the mutual obligations herein contained and the performance and accomplishment of the tasks hereafter described.

I. TERM

1.1 The initial term of this Agreement shall commence on the Effective Date and continue through December 31, 2014 (the "Initial Term"). Unless terminated under Section 7.1 of this Agreement, this Agreement shall automatically be renewed for one (1) additional subsequent term (the "Renewal Term") consisting of the calendar year 2015, with the Renewal Term ending on December 31, 2015. The Renewal Term, along with the Initial Term, shall be collectively referred to herein as the "Term."

II. REAP RESPONSIBILITIES

2.1 REAP collects and invests charitable donations for its Charitable Purposes which it solicits from a variety of sources. During the Initial Term and each Renewal Term, REAP shall provide $1,000,000 annually out of such donations and payments made by CPS Energy (the "Aggregate Annual Contribution") in the form of assistance energy credits applied directly against CPS Energy customer accounts to (a) the City Program for the benefit of CPS Energy's eligible gas or electric residential service customers who are then-currently residing within the Covered City Area, and (b) any substantially similar program maintained by Bexar County for the Charitable Purpose (the "County Program")for the benefit of CPS Energy's eligible gas or electric residential service customers who reside within the corporate boundaries for Bexar County, but outside of the Covered City Area (the "Covered County Area"). If additional funds are or become available in any given year, additional credits may be allocated by REAP to COSA contingent upon COSA having the capacity to administer the credits.

2.1.1 The percentage of the Aggregate Annual Contribution to be allocated to the City Program, as such may be modified from time to time in accordance with Section 2.5, is called the "City Percentage". As of the Effective Date, the City Percentage is 82%.

2.1.2 Based on the City Percentage, the formula for determining the amount to be given out of the Aggregate Annual Contribution to the City Program during the Initial Term and the Renewal Term is as follows: the Aggregate Annual Contribution, minus REAP's annual administrative costs as determined and overseen by REAP's Board of Directors, multiplied by the City Percentage.

- Example Net Contribution Calculation, Reduced for the Program's Administrative Fees: If, for example, REAP's annual administrative spend is $25,000, and the City Percentage is applied, REAP will provide $799,500 (i.e., 0.82 X [$1,000,000-$25,000]) per year in assistance energy credits to the City Program for eligible CPS Energy residential customers residing in the Covered City Area during the Initial Term and the Renewal Term.

2.2 REAP will also provide assistance energy credits on an annual basis to eligible CPS Energy residential customers residing within the Covered City Area based on proceeds in an amount equal to the City Percentage, multiplied by the total of the following two (2) amounts:

a) Contributions to REAP made in the calendar year by CPS Energy residential customers via their monthly CPS Energy bills; and
b) Net proceeds in the calendar year from other fund-raising activities of REAP, such as golf tournaments.

2.3 Notwithstanding the terms and provisions set forth in subsection 2.1.2, above, the formula contained in that subsection shall not include donations of funds specifically earmarked for endowment or other charitable purposes. For example, the City once made an additional, discretionary contribution to

REAP from the City's own General Fund. That payment was directed by the City to be used for its own eligible residents and, therefore, no allocation percentage, as noted in section 2.1, above, was applied to that contribution. Accordingly, any contributions or donations made to REAP which are in excess of the Aggregate Annual Contribution will be based upon the terms of the endowment.

2.4 The City understands the City and/or the County may not utilize its respective annual allocation(s) by the end of a particular year during the Term, or by the end of the Term. REAP shall keep track and reserve for the City's later use (i.e., "rollover") any unused portion of its annual allocation which was previously determined to be the City's share. Provided the parties agree in writing, which agreement shall not be unreasonably withheld or delayed, to continue providing their respective services in contemplation of a new, comprehensive agreement, the obligation to reserve and rollover the City's unused annual allocation for City's later use shall survive expiration of this Agreement. The City reserves the right to request from REAP, and REAP shall provide within a reasonable time after the request is made, an accounting regarding the amounts REAP originally allocated and the amounts kept in reserve for the City and/or the County.

2.4 The City may re-submit a request for a new allocation percentage at any time to replace the then-current City Percentage. In order to do so, the City must send a formal, written notification, with support, to REAP which must evidence that the new allocation percentage has been reviewed and approved by authorized representatives for both the County and the City. REAP will update the City and County percentages within a reasonable time period, not to exceed 90 days after receipt of a proper notice.

2.5 REAP agrees to make charitable assistance energy credits for the Charitable Purpose to eligible CPS Energy ratepayers who reside within the Covered City Area by coordinating the crediting of their accounts up to the maximum amount allowable in accordance with the current year utility assistance program criteria, which have been previously approved in writing by both the City and REAP.

2.6 It is understood and agreed by the parties to this Agreement that eligible CPS Energy ratepayers may only receive REAP assistance for the Charitable Purposes up to twice per calendar year; however, waivers can be granted on a case-by-case basis upon DHS' discretion.

2.7 To the extent allowed by applicable law, the City and REAP separately agree to maintain the confidentiality of any record directly related to or generated as a result of this Agreement in accordance with all applicable local, State or Federal laws. Nothing in this Agreement waives an otherwise applicable exception to disclosure.

III. CITY RESPONSIBILITIES

3.1 The City, at its own expense, agrees to identify and qualify CPS Energy ratepayers living within the Covered City Area who are eligible to receive REAP assistance in accordance with the current year utility assistance program criteria.

3.2 The City, at its own expense, agrees to coordinate its REAP utility assistance operations with REAP.

3.3 The City, at its own expense, will provide the case management services necessary to have REAP assistance energy credits distributed to eligible CPS Energy ratepayers who reside within the Covered City Area. In addition, the City, at its own expense, will collect and maintain demographic information about each REAP applicant who resides within the Covered City Area that will be used to better tailor REAP's services for low income and economically vulnerable CPS Energy ratepayers. Among other things, the City shall verify whether any REAP applicant resides in the Covered City Area or the Covered County Area. Any REAP applicant whom the City determines resides within the Covered County Area shall be referred to the County's Department of Community Resources (or its successor department or agency). This information will be made available to REAP. The City will provide the information set forth herein to REAP, free of charge, at least on a quarterly basis and at any other times when reasonably requested by REAP. This information includes:

a. Number of Households Served;
b. Number of Seniors 60 + Served;
c. Number of Families with Children Served;
d. Number of Individuals with Disabilities Served;
e. Number of Households with Medical Equipment Served;
f. Number of Critical Care Individuals Served; and
g. Number of Households Served by Council District

The City, at its own expense, agrees to provide the following information to each REAP applicant who resides within the Covered City Area:

a. Information on CPS Energy's programs relating to senior citizens, critical care individuals, conservation and weatherization;
b. Low-cost or no-cost energy conservation tips;
c. Other similar information provided by REAP; and

REAP, at its expense, will provide the materials cited above to the City for distribution to each REAP applicant who resides within the Covered City Area.

3.4 The City understands and agrees that REAP assistance energy credits may only be used for the purposes set forth in REAP's Articles of Incorporation and By-Laws. The City also understands and agrees that REAP assistance energy credits will not be available to pay for or reimburse the City for salaries, administrative or similar costs, or for any other purpose that REAP has not authorized.

3.5 At its sole cost and discretion, the City may contract with local non-profit agencies to assist with managing or handling some of City's responsibilities contemplated under this Agreement. The City shall ensure that these agencies adhere to all of REAP's applicable current year utility assistance program

criteria which have been previously approved in writing by both the City and REAP. No administrative or other costs will be charged by any such agencies to either REAP or CPS Energy.

3.6 It is expressly understood and agreed that the City's obligations under this Agreement are contingent upon the availability of revenue and City Council's adoption of a budget to meet City's liabilities under this Agreement. Should City not receive sufficient funds to perform its obligations, City may, at its option, either terminate this Agreement or negotiate with REAP to reduce City's responsibilities accordingly.

IV. RETAIL COMPETITION

4.1 The parties to this Agreement acknowledge that REAP is receiving payments from CPS Energy under a separate agreement (the "CPS Energy-REAP Agreement"). Notwithstanding any other provision of this Agreement to the contrary, in the event the City and CPS Energy determine that CPS Energy will participate in retail competition at any time during the term of this Agreement, the City agrees to take any necessary actions to ensure payments made by CPS Energy to REAP under the CPS Energy-REAP Agreement will constitute a basis for reduction by CPS Energy in the non-bypassable charge imposed on retail customers served by a municipally-owned utility participating in retail competition to fund the System Benefit Fund, as described and provided in subsection 39.903(c) of the Texas Utilities Code. In such event, the City agrees that qualification requirements for the recipients of the benefits from REAP under this Agreement will conform to the qualification requirements for System Benefit Fund beneficiaries.

V. RECORDS

5.1 In order to assure that REAP assistance energy credits are being used for the charitable purposes authorized by the REAP Board, the City agrees to keep accurate and detailed records of the use of REAP assistance energy credits which are authorized for customers residing within the Covered City Area. At a minimum, these records will include the REAP applicant files and any electronic databases used to store and track REAP distributions. Hard copy files will be maintained at City field sites for one (1) year and for an additional two (2) years in other storage facilities, or if electronically maintained, for three (3) years. The City agrees to give the REAP Board full and immediate access to all the records cited above within two (2) weeks of a request for a records review by the REAP Board.

VI. FUNDRAISING

6.1 The City will not, without the express written consent of the REAP Board, engage in fundraising activities relating to the Charitable Purpose. In addition, the City will not, without the express written consent of the REAP Board, use REAP's name or logo for any purpose other than those purposes directly related to providing CPS Energy's customers with information regarding the REAP utility assistance programs.

VII. TERMINATION

7.1 Notwithstanding anything either stated or implied in this Agreement to the contrary, this Agreement may be terminated by either party at any time by giving written notice of termination to the other party at least 30 days in advance of the effective date of such termination.

VIII. TEXAS LAW TO APPLY

8.1 This Agreement shall be governed in accordance with the laws of the State of Texas, and all obligation of the parties created under this Agreement are performable in Bexar County, Texas.

IX. NOTICES

9.1 For purposes of this Agreement, all official communications and notices between the parties shall be deemed sufficient if in writing and delivered in person, mailed by overnight or express service or mailed, registered or certified mail, postage prepaid, to the addresses set forth below:

CITY:
Director
Department of Human Services
106 S. St. Mary's St., 7th Floor
San Antonio, Texas 78205

REAP:
Assistant Secretary / Treasurer
REAP, Inc.
P.O. Box 1771, Mail Drop 101005
San Antonio, TX 78296

Notice of changes of address by either party must be made in writing and delivered to the other party's last known address within five (5) business days of such change.

X. PARTIES BOUND

10.1 This Agreement shall be binding on and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns, except as otherwise expressly provided herein.

XI. GENDER

11.1 Words of gender used in this Agreement shall be held and construed to include the other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires.

XII. RELATIONSHIP OF PARTIES

12.1 Nothing contained herein shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent, partners, joint venturers or any other similar such relationship between the parties hereto.

XIII. CAPTIONS

13.1 The captions contained in this Agreement are for convenience of reference only, and in no way limit or enlarge the terms and/or conditions of this Agreement.

XIV. SEVERABILITY

14.1 If any clause or provision of this Agreement is held invalid, illegal or unenforceable under present or future laws during the term of this Agreement, it is the intention of the parties hereto that the remainder of the Agreement shall not be affected thereby, and that in lieu of each clause or provision of the Agreement that is held invalid, illegal or unenforceable, a new clause or provision be added as similar in the terms and content, to be legal, valid, and enforceable under the Agreement.

XV. AGREEMENT ENTIRETY & APPROVAL

15.1 This Agreement constitutes the final and entire agreement between the parties hereto and contains all of the terms and conditions agreed upon. No other agreements, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind the parties hereto unless the same is in writing, dated subsequent to the date hereof, and duly executed by the parties.

IN WITNESS OF WHICH this Agreement has been executed on this the _____ day of _____, 2015, but effective as of the Effective Date, in duplicate originals, each of which will have the same force and effect of an original.

CITY OF SAN ANTONIO

_____
Melody Woosley, Director
Department of Human Services

RESIDENTIAL ENERGY ASSISTANCE PARTNERSHIP, INC.

_____
Paula Gold-Williams
Assistant Secretary / Treasurer

APPROVED AS TO LEGAL FORM:

_____
City Attorney

AGREEMENT **Attachment II**

BETWEEN THE
CITY OF SAN ANTONIO
AND
CPS ENERGY IN CONNECTION WITH
PROJECT WARM

This Agreement Between the City of San Antonio and CPS Energy in Connection With Project WARM (hereinafter the "Agreement") is entered into as of January 1, 2015 (the "Effective Date") by and between the City of San Antonio (hereinafter referred to as "City"), a Texas municipal corporation, acting by and through its City Manager pursuant to Ordinance No. _____ dated _____, 2015, and the City Public Service Board ("CPS Energy") whose address is P. O. Box 1771, San Antonio, Texas 78296. The City and CPS Energy are sometimes individually referred to herein as a "party" and collectively as the "parties."

RECITALS

WHEREAS, the Project Winter Assistance Relief Mobilization (hereinafter referred as "Project WARM.") Plan, which provides utility relief to residential ratepayers of CPS Energy who qualify based on certain Eligibility Criteria set forth in **Attachment I** hereto (the "Plan Purpose"), was established by the City Council in 1982; and

WHEREAS, Project WARM is funded (a) by voluntary donations (collectively, the "Donations"), and (b) from investment income (collectively, the "Fund Income") generated by the $7,500,000 endowment fund for Project WARM (the "Fund Corpus") which was initiated by two (2) Texas oil and gas producing partnerships, Wagner & Brown and Wagner & Brown II, pursuant to an Assignment of Overriding Royalty Interest in Natural Gas Reserves dated as December 28, 1984 (the "Assignment"); and

WHEREAS, in the past, Project WARM has been jointly administered by the City of San Antonio's Department of Human Services (or its predecessor departments or agencies) and CPS Energy; and

WHEREAS, it is now necessary to execute an agreement between the City and CPS Energy to set forth the responsibilities of the parties with respect to the administration and operation of Project WARM for the Term (as defined in Section 1.1 of this Agreement).

NOW THEREFORE, the parties severally agree and by the execution hereof are bound, to the mutual obligations herein contained and to the performance and accomplishment of the tasks hereinafter described.

I. TERM

1.1 The term of this Agreement shall commence on the Effective Date and continue through December 31, 2015 ("Term").

II. PROJECT WINTER ASSISTANCE RELIEF MOBILIZATION PLAN; TRANSFER OF FUNDS

2.1 The City and CPS Energy agree to perform their respective duties in accordance with this Agreement and the provisions set forth in the Project WARM Plan, a copy of which is attached hereto and incorporated herein for all purposes as Attachment I, all at their own separate cost and expense. None of their respective costs shall be assessed against or paid by Project WARM.

2.2 It is expressly understood and agreed that the City's obligations under this Agreement are contingent upon the availability of revenue and City Council's adoption of a budget to meet City's liabilities under this Agreement. Should City not receive sufficient funds to perform its obligations, City may, at its option, either terminate this Agreement or negotiate with CPS Energy to reduce City's responsibilities accordingly.

III. SUBCONTRACTING

3.1 The City, at its sole cost and expense (if any), may subcontract implementation of the Project WARM Plan and the processing of applications for Project WARM assistance energy credits to local non-profit agencies for the benefit of eligible CPS Energy residential ratepayers who reside within the established boundaries for the City. The City shall ensure that these agencies will adhere to the Program Guidelines and Eligibility Criteria, both of which are set forth in **Attachment I,** when undertaking such tasks.

IV. TERMINATION

4.1 This Agreement may be terminated by either party without cause provided that written notice of such termination is given to the other party at least thirty (30) days prior to the proposed termination date.

V. CONFIDENTIAL INFORMATION

5.1 The City and CPS Energy hereby agree to maintain the confidentiality of any record directly related to or generated as a result of this Agreement in accordance with and to the extent permitted by all applicable local, state and federal laws.

VI. CONFLICT OF INTEREST

6.1 CPS Energy acknowledges that the Charter of the City of San Antonio and its Ethics Code prohibit a City officer or employee, as those terms are defined in Section 2-52 of the Ethics Code, from having a financial interest in any contract with the City or any instrumentality of the City such as CPS Energy. An officer or employee has a "prohibited financial interest" in a contract with the City or in the sale to the City of land, materials, supplies or service, if any of the following individuals or entities is a party to the contract or sale: a City officer or employee; his parent, child or spouse; a business entity in which the officer or employee, or his parent, child or spouse owns ten percent (10%) or more of the voting stock or shares of the business entity, or ten percent (10%) or more of the fair market value of the business entity; a business entity in which any individual or entity above listed is a subcontractor on a City contract, a partner or a parent or subsidiary business entity.

VII. NOTICES

7.1 For purposes of this Agreement, all official communications and notices between the parties shall be deemed sufficient if in writing and delivered in person to designated addressee, or forwarded by U.S. registered or certified mail, postage prepaid, to the respective address set forth below:

City of San Antonio
ATTN: Director, Human Services
106 S. St. Mary's St., 7th Floor
San Antonio, TX 78205-3603
P.O. Box 839966
San Antonio, Texas 78283-3966

CPS Energy
ATTN: Executive Vice President and Chief Financial Officer
P.O. Box 1771, Mail Drop 101005
San Antonio, Texas 78296-1771

Notice of changes of address by either party must be made in writing and delivered to the other party's last known address within five (5) business days of such change.

VIII. SEVERABILITY

8.1 In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein; it is also the intention of the parties hereto that in lieu of each provision of this Agreement that is invalid, illegal, or unenforceable, there be added as a part of the Agreement a provision as similar in terms to such invalid, illegal or unenforceable provision as may be possible, legal, valid and enforceable.

IX. TEXAS LAW TO APPLY

9.1 This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created herewith are performable in the State of Texas.

X. CAPTIONS

10.1 The captions contained in this Agreement are for convenience of reference only, and in no way limit or enlarge the terms or conditions of this Agreement.

XI. COMPLIANCE WITH LAWS AND REGULATIONS

11.1 All of the tasks performed under this Agreement by the parties and their agents or subcontractors shall comply with all applicable laws, rules, regulations and codes of the United States and the State of Texas and with the charter, ordinances, bond ordinances, and rules and regulations of the City of San Antonio and County of Bexar.

XII. ENTIRE AGREEMENT

12.1 This instrument, along with the provisions set forth in **Attachment I** hereto, contain the entire Agreement between the parties relating to the rights herein granted and the obligations herein assumed. Any oral modification concerning this instrument shall be of no force and effect until it is subsequently set forth in writing and signed by an authorized representative of both parties.

EXECUTED the _____ day of_____, 2015, but effective as of the Effective Date.

CITY OF SAN ANTONIO

_____
Melody Woosley
Director
Department of Human Services

APPROVED AS TO FORM:

_____
City Attorney

CITY PUBLIC SERVICE BOARD

_____
Paula Gold-Williams
Executive Vice President and Chief Financial Officer

AGREEMENT

BETWEEN THE
CITY OF SAN ANTONIO
AND
CPS ENERGY IN CONNECTION WITH
PROJECT WARM

ATTACHMENT I

PROJECT WINTER ASSISTANCE RELIEF MOBILIZATION PLAN – 2015

This Attachment I is attached to and made a part of that certain Agreement between the City of San Antonio and CPS Energy in connection with Project WARM (hereinafter the "Agreement") effective as of January 1, 2015. All capitalized terms used, but not defined, in this Attachment I shall have the same meaning as set forth in the Agreement.

Use of Project WARM Funds; Restrictions

Project WARM was implemented in order to provide assistance energy credits to eligible CPS Energy residential ratepayers based on the Eligibility Criteria set forth below (the "Project WARM's Purpose"). Only the Donations to, and Fund Income generated by, the Fund Corpus account shall be used to provide assistance energy credits in connection with Project WARM's Purpose. As such, unless a different use of the Fund Corpus is determined to be a better way to achieve the Fund's energy assistance objectives, Project WARM shall perpetuate itself indefinitely without accessing the Fund Corpus.

Local Administering Agency

The City's Department of Human Services (the "DHS") and CPS Energy jointly administer Project WARM. CPS Energy administers Project WARM from a fiscal perspective, which includes the coordination of all activities related to Donations, investments, fund administration, and ratepayer credits. DHS is responsible for determining the eligibility of CPS Energy ratepayers based on written criteria for Project WARM's Purpose as mutually agreed to by DHS and CPS Energy (the "Eligibility Criteria") and for certifying to CPS Energy the amount of assistance energy credits given to eligible applicants.

CPS Energy's Responsibilities*

(1) Print and distribute brochures informing ratepayers of the availability of utility assistance and conservation programs;
(2) Manage Project WARM accounts, investments, donations, and account distributions;
(3) Coordinate Project WARM activities with DHS; and
(4) Prepare and provide DHS with an annual Project WARM fiscal summary.

*Funding for these activities will not be paid out of Project WARM funds (i.e., Donations, Fund Income, or Fund Corpus).

DHS's Responsibilities*

(1) Conduct community outreach through field offices;
(2) Perform ratepayer intake and eligibility determination;
(3) Process amounts associated with eligible ratepayers assistance energy credits through the CPS Energy Portal;
(4) Coordinate Project WARM's administrative, fundraising, and operational activities with CPS Energy;
(5) Maintain Project WARM applicant case folders and records associated with all intake and eligibility determination; and
(6) Prepare and provide CPS Energy with annual Project WARM performance reports.

*Funding for these activities will not be paid out of Project WARM funds (i.e., Donations, Fund Income, or Fund Corpus).

Outreach Activities

Outreach activities will be consistent with the intent of Project WARM's goals and objectives. A concerted effort will be made to inform as many potential applicants as possible about the Project.

In addition to CPS Energy bill inserts, there will be extensive utilization of the social service delivery network, public service announcements, and the media to publicize Project WARM. Outreach activities will be conducted in both English and Spanish.

Service Delivery Period

CPS Energy and DHS will undertake their respective responsibilities for Project WARM continuously throughout the Term.

Service Delivery Coverage

All CPS Energy ratepayers living within the CPS Energy service area will be eligible to apply for assistance under Project WARM. The Project will not be limited to any special impact area. It is anticipated that approximately 10-20% of the available assistance energy credits will be provided to eligible CPS Energy ratepayers living outside the city limits of San Antonio.

Intake Centers

Applications will be taken at DHS offices. Other locations will be utilized as required.

Eligibility and Certification

DHS will determine and certify the eligibility of applicants based on the Eligibility Criteria, prioritizing those with the greatest need. The total assistance energy credits to be granted to all eligible applicants may not exceed the amount of Donations or Fund Income available in the Project WARM assistance account.

Reporting Requirements

DHS will prepare a quarterly report containing the following data:

(1) Total number of households and household members assisted;
(2) Summary of assistance by Council District;
(3) Households served by priority category; and
(4) Total funds credited.

Program Guidelines

The intent of Project WARM is to provide assistance energy credits to eligible CPS Energy ratepayers in the San Antonio area. Assistance is determined by the Eligibility Criteria set forth below and includes demonstrated need, priority category, household income, household resource management, households with elderly and disabled persons, and families with children. Applicants must be residents of the CPS Energy service area and be a CPS Energy ratepayer.

Eligibility Criteria

A. Income

Applicants must have a total household income at or below 125% of the Federal Poverty Level (the "FPL") at the time of application. New FPL guidelines are normally issued between January and March each year, and applicants will be processed using the most recently established guidelines.

B. Resources

The most current guidelines from the Texas Department of Housing & Community Affairs will be used to calculate a household's total income.

C. CPS Energy Ratepayer

The applicant must have a CPS Energy statement in their name or in their spouse's name. If an applicant's bill is not in the applicant's name or their spouse's name, the applicant must initiate a name change on the CPS Energy account prior to services being rendered.

D. Priority

Priority will be given to eligible applicants who are elderly (age 60 years and older), who are identified as medical Critical Care ratepayers, that have a documented disability, and/or families with children under the age of 18. All of these priority groups must also meet the income eligibility criteria.

E. Limitation of Payment

Each applicant household may be eligible for assistance not to exceed $150.00. The exact amount of assistance will be based on the household's demonstrated need, and effective utilization of the total household resources. If funds are available, and the household crisis continues, an exception may be made and additional assistance within the same calendar year may be provided with the approval of DHS's management staff. Applicants may receive utility assistance from REAP in the same year assistance is received from Project WARM, but only so long as the assistance provided under both programs does not exceed $400.

F. Allowable Assistance

Only credits to CPS Energy for past due or current bills related to the utilization or procurement of energy can be provided with Project WARM funds. These funds cannot be used to pay for illegal usage, returned check fees, reconnection fees, or deposits. The only exception is that deposits may be paid for applicants who are homeless and in the process of establishing permanent housing.

G. Renters

Project WARM may not serve or otherwise provide assistance of any kind to renters who do not pay their CPS Energy bill separate from their rent. For those renters who pay their CPS Energy bill separate from the rent, the provisions set forth in this Plan will apply.

H. Waivers

In cases of extreme hardship or emergencies, the Director of DHS or Director's designees may grant special waivers for any of the eligibility criteria or assistance limits. A waiver may not be granted for the requirement that the applicant be a CPS Energy ratepayer.

Appeals Process

In order to provide equitable services to all eligible applicants, those who have been denied assistance will have each of the following: the right to be informed in writing of the reasons for the denial of requested credits; the right of appeal to the Casework Supervisor, Program Manager, and the DHS Director in succession; and, the right to a prompt resolution of the appeal. In all appeals, the determination by the DHS Director will be final.

Assistance Credits

Neither the City, nor CPS Energy, will charge any of their respective administrative costs to Project WARM or each other. The actual amount available for Project WARM assistance energy credits during each term will be subject to the availability of Donations and Fund Income then being held in the Project WARM account.

Outside Agencies

At its sole discretion, the City may contract with local social service agencies to assist in the implementation of the Project WARM Plan and process applications for assistance energy credits from Project WARM funds. These agencies must adhere to all the provisions of the current Project WARM Plan. No administrative or other costs will be charged by these agencies to the CPS Energy or Project WARM.