

**STATE OF TEXAS
COUNTY OF BEXAR
CITY OF SAN ANTONIO**

A SPECIAL MEETING OF THE CITY COUNCIL OF THE CITY OF SAN ANTONIO WAS HELD IN THE COUNCIL CHAMBERS, MUNICIPAL PLAZA BUILDING, MONDAY, AUGUST 10, 2009.

The San Antonio City Council convened in a Special Meeting at 6:00 pm Monday, **August 10, 2009**, in the Municipal Plaza Building with the following Councilmembers present: Cisneros, Taylor, Ramos, Cortez, Medina, Lopez, Rodriguez, Williams, Chan, Clamp, and Mayor Castro.

A QUESTION AND ANSWER FORUM ON THE PROPOSED EXPANSION OF THE SOUTH TEXAS NUCLEAR PROJECT

Mayor Castro thanked all for attending and stated that the decision was a critical one for the City of San Antonio. He noted that a decision had not been finalized and that it would be made based on public input. He recognized CPS Board Members Aurora Geis and Derek Howard who were in attendance. He noted that a month ago, the US Census Bureau had ranked San Antonio as the fifth fastest growing metropolitan area and that many sources of energy would be needed due to the vast amount of growth. He explained that designated individuals would have the opportunity to ask a question with a response from CPS Energy; followed by questions from the City Council. The individuals registered to speak would be provided 90 seconds to address the City Council. He recognized Steve Bartley, CPS Energy Interim General Manager.

Mr. Bartley thanked all for attending and noted that CPS Energy would be responsive to questions that were critical to making said decision. He stated that their objective was to meet the current and future energy needs of the community in a reliable, affordable and environmentally-responsible method. He reported that the expansion of the South Texas Nuclear Project was in the best long-term interest of ratepayers.

QUESTIONS FROM THE PUBLIC

Sierra Club – Margaret Day asked of CPS Energy’s plans should water not be available for the South Texas Nuclear Project (STP) and if another drought of record occurred during the lifetime of the plant or if cooling water reached temperatures that were too high. Bob Temple, CPS Energy Vice President of Nuclear Development stated that CPS Energy had purchased water rights through agreements that assured existing and new units would have sufficient water. He noted that the STP was located southwest of Houston in an area where the rainfall pattern was quite different than that of San Antonio. He reported that in regard to water temperature; they utilize a cooling reservoir that was not a source of water supply for the plant.

Public Citizen Texas – Melissa Sanchez asked of CPS Energy’s belief that San Antonio’s share of the nuclear expansion could be sold two or three years down the line if CPS Energy changes its mind or no longer needs nuclear-related energy. Mike Kotara, CPS Energy Executive Vice President of Energy Development stated that STP 3 and 4 were scheduled to be online in 2016/2017 and was a relatively near-term project. He reported that once the units were online, the operating cost to generate electricity was very low at less than \$0.03 per kilowatt-hour. He noted that due to the low operating cost, high

reliability and low carbon footprint of nuclear energy, it was highly unlikely that nuclear technology would become obsolete. He added that CPS Energy had entered into Letters of Intent with more than ten municipally owned electric utilities and cooperatives in the Texas Region who were interested in purchasing power from STP 3 and 4 as wholesale customers of CPS Energy.

Sustainable Energy and Economical Development Coalition – Karen Hadden spoke of the 1982 NRC CRAG II Study that found that many deaths and accidents could occur at the STP. She asked why CPS Energy would utilize nuclear energy even though there were many safety risks involved. Mr. Kotara stated that the NRC had analyzed the worst case scenario based on the nuclear reactor safety at the time and that safety has greatly improved. Ms. Hadden stated that the population today was greater than in 1982 so there could be more deaths and that the design standards had not significantly improved. She noted the many problems with nuclear reactors in Japan. Mr. Kotara replied that the nuclear industry in the United States had a stellar record for safety and that no accidents had been reported due to nuclear safety in the United States. He stated that there were risks associated with all energy sources and that nuclear energy was the best option for the long-term.

Consumer's Energy Coalition – Cindy Weehler asked of CPS Energy labeling nuclear as the least risky option but Moody's Investment Services described it as very risky. Paula Gold-Williams, CPS Energy Executive Vice President and Chief Financial Officer stated that the question posed stemmed from a June, 2009 article entitled "New Nuclear Generation: Ratings Pressure Increasing." She explained that CPS Energy had evaluated risks and believed that the specific expansion opportunity at STP had strong benefits and that risks could be effectively managed or mitigated. She stated that prior to the referenced article being published, CPS Energy and its partner NINA, had proactively identified and incorporated risk-mitigation actions into the development of STP 3 and 4.

COPS/METRO – Paul Martinez asked of alternative plans if nuclear was not an option. Mr. Kotara explained that nuclear energy from the expansion of STP 3 and 4 provided the lowest cost in the long-term and had no carbon-emissions exposure. He reported that Plan B was to utilize natural gas but had a higher long-term cost than nuclear and moderate carbon emissions associated. He noted that Plan C was to purchase power from the wholesale market but would result in even higher costs to CPS Energy ratepayers. He stated that Plan D was to utilize coal with carbon capture and sequestration but had the highest cost of all options due to the lack of commercially available technology for carbon capture and sequestration. He added that all options had advantages, disadvantages, risks and costs associated. He noted that the best option still remained nuclear. He stated that CPS Energy would continue to monitor technology developments in existing and emerging forms of energy, in addition to efficiency and conservation.

Greater Chamber of Commerce – Richard Perez asked of the relationship between NRG Energy and CPS Energy and how their core competencies could enhance or hinder their divergent missions. Steve Bartley stated that NRG Energy and CPS Energy had common interests and have worked well together as the two major co-owners of STP 1 and 2. He noted that the units had received numerous industry awards for outstanding performance. He added that the units were consistently ranked in the Top 10 for operating performance out of more than 400 nuclear power plants in the world. He stated that both companies provided a fair return to owners keeping energy costs low for customers.

San Antonio Hispanic Chamber of Commerce – Rolando Pablos asked of the rate of return on the investment that would be made by the citizens of San Antonio. Ms. Gold-Williams stated that CPS Energy was a municipally owned utility and not a "for-profit" entity. She explained that decisions were

evaluated from a customer and owner perspective and enabled CPS Energy to provide low costs and reliable power to customers. She noted that based on their three years of analysis, the investment in nuclear would provide the lowest cost and most stable energy bill in the long term.

Greater San Antonio Chinese Chamber of Commerce – Dr. Jerry Jin asked of contracting opportunities available for small businesses and requested a proposed project list that could be publicly shared. Jelynne LeBlanc-Burley, CPS Energy Senior Vice President and Chief Administrative Officer stated that a list of contracting opportunities on the CPS Energy website and that the list is continuously updated as new projects are identified. She noted that projects would draw suppliers and vendors from all over the state and that various San Antonio firms had already been contacted. She added that STP 3 and 4 would require a substantial amount of work and would help attract and retain jobs and businesses to San Antonio.

Business Community – George Kauss asked of CPS Energy entering into a long-term, fixed-price Power Purchase Agreement (PPA) and asked of the inherent risk of the project. Mr. Kotara stated that pursuing a long-term, fixed-price PPA was not in the best interest of CPS Energy customers. He explained that the two factors were financing costs and market-based pricing. In regard to financing costs, he stated that CPS Energy had an outstanding credit rating and could finance its share of the project at a much lesser cost. He noted that the financing cost advantage was true for most projects but not for solar and wind energy projects due to the federal tax-based incentives not being available to CPS Energy. He explained that regarding market-based pricing, fixed-price PPAs were not widely used for energy projects. He added that nuclear power plants were designed to operate for more than 60 years but were financed and paid for within 30-40 years.

Business Community – David Adelman asked of the margin of error with cost overruns. Paul Barham, CPS Energy Senior Director of Integrated Planning and Research replied that they reviewed the capital costs of projects and there was always potential for cost overruns. He stated that they could not publicly disclose the margin for error but could provide the information to the City Council in an Executive Session. He noted that there were ways to manage risk and that they had been conducting said analysis on STP 3 and 4 for three years.

Business Community – Rick Villasana asked of the timeline of the nuclear plant and the financial assumptions supporting the project. Steve Bartley stated that a Power Point presentation that detailed major assumptions of STP 3 and 4 was on the CPS Energy website. He noted that information would also be made available to the public through the Library System. Mr. Villasana asked when the figures would be made public. Mr. Bartley stated that the information that was not competitively sensitive was already available to the public.

QUESTIONS FROM THE CITY COUNCIL

Councilmember Mary Alice Cisneros asked whether the use of nuclear energy would contradict the principles laid out in the Mission Verde Plan, specifically related to a green industry in San Antonio. Cris Eugster, CPS Energy Executive Vice President and Chief Sustainability Officer stated that San Antonio would need multiple sources of power to serve the growing community. He noted that nuclear energy was an alternative to coal and gas and was better for the economy and the environment. He explained that renewables and energy efficiency were a large component of the generation capacity for the future. He added that emphasis would be placed on Mission Verde's distributed-generation model.

He also stated that nuclear energy would reduce the region's carbon footprint, eliminating 6.5 million tons of carbon a year.

Councilmember Ivy Taylor asked of the ratepayer cost difference for creating a natural gas facility compared to expanding nuclear use. Norma Soliz, CPS Energy Senior Director of Regulatory Regulations provided a 25-year comparison of the projected average monthly residential bill with 40% ownership of STP 3 and 4. She reported that the cross-over point where nuclear would provide a greater benefit than gas was in the year 2021. She added that the market for natural gas was extremely volatile and could significantly impact customer bills.

Councilmember Jennifer Ramos stated that there had been discussion by CPS Energy regarding extra energy not provided to CPS Energy customers but being placed on the grid for resale to other municipalities. She asked if there was assurance that the lowest-cost source of energy available would be provided to CPS Energy customers and not sold. Mr. Bartley explained that CPS Energy routinely bought and sold bulk electricity and fuel in the wholesale energy market and only sold electricity when there was excess generating capacity. In response to Councilmember Ramos, Mr. Bartley stated that the proposal was to stay at the 40% level of investment in order to participate as an equal partner and maintain veto power.

Councilmember Philip Cortez asked if CPS Energy would continue to assist senior citizens and disabled ratepayers with the rate increases and asked of the future capacity of the assistance programs. John Saenz, CPS Energy Senior Vice President of Retail Energy stated that there was a variety of assistance programs available regardless of the generation option selected. He outlined the Extended Bill Due Date Program that offers senior citizens an extra 10 days to pay their bill before they are assessed a late fee. He spoke of the Residential Energy Assistance Partnership (REAP) that provides \$150 twice a year to individuals needing assistance with their utility bills. He noted that another program to assist low-income ratepayers was the Weatherization Program and was a significant component of the STEP Program.

Councilmember David Medina asked of CPS Energy's contingency plan if nuclear was not implemented. Mr. Kotara reported that all generation options had advantages, disadvantages, risks and costs but nuclear was the lowest cost over the long-term with no carbon emissions exposure. He stated that the contingency plan was to utilize natural gas which had a higher long-term cost than nuclear, and a volatile market. He noted that CPS Energy had made assumptions in their natural gas plan that there was enough cooling capacity to build another plant at Braunig Lake but had not conducted an in-depth study to confirm. He added that if it was determined that there was not enough capacity; CPS Energy would begin looking for another site with sufficient cooling capacity.

Councilmember Ray Lopez asked to what extent CPS Energy had studied the potential of one technology improving over another. Mr. Kotara stated that CPS Energy had performed three years of analysis regarding the technology and cost risks of nuclear. He noted that the Advanced Boiling Water Reactor design had been certified by the NRC and four such units were operating successfully in Japan. He spoke of the exemplary record of STP 1 and 2 and added that the same results were expected of STP 3 and 4.

Mr. Eugster stated that CPS Energy had an active research and development group monitoring the latest developments in energy-related technologies. He added that they also worked with the University of Texas San Antonio, Southwest Research Institute, and the Texas Engineering Experiment Station to

maximize expert resources. He reported that energy storage was critical for the success of renewables to increase the capacity factor. He explained that solar and wind plants would only produce energy 20% of the time, compared to 95% with nuclear. In response to Councilmember Lopez, Mr. Eugster stated that CPS Energy would continue to invest in new technologies that provided the greatest benefits to ratepayers.

Councilmember Justin Rodriguez asked of actual outcomes of the STEP Program and examples benefiting San Antonio ratepayers with conservation efforts and renewable energy from the last rate increase. Mr. Eugster stated that energy efficiency was the lowest form of energy. He noted that CPS Energy had invested \$11.5 million in energy efficiency measures in Fiscal Year 2009 and saved 40 megawatts. He reported that \$3.1 million had been allocated toward energy efficiency and accounted for 10.75 megawatts while \$4.9 million was allocated from the previous rate base; and \$3.5 million was from STEP funding. He stated that the benefit of the program was lower bills for the customers that participated and a lower production cost due to saved power. He noted that the avoided production cost totaled \$19.1 million for last year through the program and resulted in a net reduction for all customers in the amount of \$7.6 million.

Councilmember Reed Williams thanked CPS Energy and Ben Gorzell for their work and stated that he would defer asking questions at this time.

Councilmember Elisa Chan asked if CPS Energy had an estimate to reach a 95% design phase and of the measures being taken by CPS Energy to ensure that the cost for design was under control. Mr. Temple stated that CPS Energy was working with its partner and contractor to identify deliverables and were working to define the scope, schedule and individual activities to be performed. He noted that CPS Energy had an estimate of the design costs for the project that were based on labor hours for an agreed-upon rate. He reported that CPS Energy would be spending between \$800 million and \$1 billion for pre-construction engineering work and equipment prior to starting construction and were confident in Toshiba since they had previously built three plants. He explained that there would be cost limits set on the engineering work and that Toshiba would be held accountable for their productivity.

Councilmember John Clamp requested an outline of the ratepayer impact of the following five options: 1) 40% ownership in STP 3 and 4; 2) 20% ownership in STP 3 and 4; 3) Increase the number of natural gas plants; 4) Renewables; or 5) Do nothing. Ms. Soliz presented a chart that compared the alternatives and impact through 2035. She stated that the 40% proposal had the greatest long-term benefit and that solar was the most expensive option for ratepayers. She provided a table noting the impact to customers every two years and stated that ratepayers would realize the greatest savings from nuclear in year 2023. Councilmember Clamp stated that it was important to lessen the steepness of the curve and mitigate risks for ratepayers.

Mayor Castro asked of the storage of nuclear waste and safety measures. Mr. Kotara stated that CPS Energy had a long-term contract with the Department of Energy (DOE) to collect spent fuel and was obligated to dispense of it at a central repository. Until that location is identified, the waste will be stored on site and could be stored above-ground if necessary. He explained that nuclear power plants were well-protected and guarded and that designated individuals would be on-site to address safety issues.

PUBLIC COMMENT PERIOD/CITIZENS TO BE HEARD (90 SECONDS PER SPEAKER)

Mayor Castro called upon individuals registered to speak.

Diane Lang stated that nuclear power was not safe due to the amount of time that nuclear waste takes to disintegrate and other associated risks. She spoke of the possibility of building another natural gas plant and exploring alternate sources of renewable energy.

Allen Townsend stated that the risks associated with nuclear energy were much greater than those of coal and gas and spoke of the dangers of plutonium.

Stephen Kale stated that he was a Professional Engineer in support of nuclear energy. He noted that he was comforted by the fixed-price contract and the detailed analysis of various options. He stated that the projections were in line with those of the DOE and were documented on the DOE website.

David Plylar spoke in opposition to nuclear energy and stated that there were two factors that influenced NRG and CPS Energy to build STP Units 3 and 4. The first factor was the passage of the Energy Policy Act of 2005 that provided strong incentives to build new nuclear power plants and the second was due to CPS Energy's strategic decision to make a fundamental change in its business model. He noted that it was wrong to turn a city-owned utility into a giant wholesaler of electric power.

Marty Wender stated that he had lived in San Antonio for 40 years and spoke of two major decisions that had affected the future of San Antonio. He noted that 35 years ago, the City made a decision not to participate in Canyon Lake Water and citizens were now suffering due to that decision. He stated that a good decision had been made to invest in nuclear energy and had allowed CPS Energy rates to stay low. He added that the expansion of STP 3 and 4 was a business decision that would affect the future of the city for many years to come.

Amanda Haas expressed concern with spills, accidents, contamination and waste from nuclear energy. She stated that Stimulus Funds were available for renewable options and green initiatives.

William Wassberg stated that he was a registered Professional Engineer and had worked with nuclear for most of his life. He noted that CPS Energy had been diligent in addressing concerns and keeping rates low for customers.

Gary Kirby representing the International Brotherhood of Electrical Workers (IBEW) stated that the IBEW was in support of nuclear plants for the future. He spoke of the great jobs and leadership in the City of San Antonio.

Mariana Ornelas of Energia Mia expressed concern that groups were only afforded to ask one question and requested that additional CPS Forums be held in an effort to provide information to the general public. She stated that she was concerned that a decision regarding nuclear energy was being rushed.

Raymond Zavala stated that there was a clear and present danger in regard to nuclear energy and expressed concern with the information provided by CPS Energy regarding the work performed by Toshiba.

Henry Rodriguez representing LULAC Council 4383 expressed concern with the huge costs associated with nuclear energy. He spoke of the dangerous effects of a nuclear accident and asked that the issue be put to a vote.

Graciela Sanchez of the Esperanza Peace and Justice Center noted that it was important to care for land, water, and one another. She spoke of the negative effects of nuclear energy on the environment.

Former Councilmember Weir Labatt stated that he had voted in favor of STP 1 and 2 and it had been a good decision for ratepayers. He spoke of the importance of reviewing all options and noted that it was critical to move forward with the proposed nuclear reactors.

Former Councilmember Patti Radle stated that her father was a Navy Captain and had worked with nuclear submarines. He had shared information with her regarding the dangers of nuclear waste and the lack of storage. She expressed concern with the expansion of STP 3 and 4 and the continued lack of safe storage for nuclear waste.

Dr. Ruth Lofgren stated that she had read an article in the Christian Science Monitor that discussed a cooperative solar energy program in California, Oregon, Arizona and Colorado. She noted that the program leased solar collectors to homeowners and businesses and asked that CPS Energy explore the possibility of implementing said program in San Antonio.

Margaret Day expressed concern with information provided by CPS Energy regarding natural gas and nuclear fuel costs. She stated that the assumptions made were not sound and not properly evaluated.

Russell Seal spoke of the climate change in carbon and requested detailed information regarding same from CPS Energy. He stated that he was opposed to nuclear energy and recommended that CPS Energy explore the option of thermal solar energy.

McCall Johnson representing Environment Texas stated that San Antonio was in need of an energy future that was clean, safe and affordable. She spoke in opposition to nuclear energy and asked CPS Energy to review alternative energy sources including wind and solar power.

Faris Hodge, Jr. expressed concern with the salary of Milton Lee of CPS Energy and spoke in opposition to nuclear energy. He stated that the City of San Antonio should utilize Stimulus Funds for solar energy. He expressed concern that there was not an opportunity for citizens to be heard at CPS Energy Board Meetings.

Bob Martin of the Homeowner Taxpayer Association expressed concern with the amount of energy consumed by large data centers in San Antonio and the incentives provided to them by the City. He also expressed concern that he was not provided with information requested on the electric rates paid by the large data centers.

Nikki Kuhns expressed concern that the citizens of San Antonio were subsidizing large data centers and asked that incentives not be provided to said companies.

Rosa Maria Gonzalez stated that she had worked with Former Councilmember Maria Berriozabal over 23 years ago and had reviewed the STP. She spoke of concerns they had during that time regarding

nuclear waste and the personnel that would be hired to oversee the plant. She expressed concern with the lack of information provided and the limited citizen input.

Mark E. Kellmann spoke of solar energy and noted that the demand for energy was higher during the day than in the evening. He stated that solar energy could supplement nuclear power and should be taken into consideration when designing the nuclear plant.

Loretta Van Coppenolle spoke of solar energy and stated that in July, the Federal Bureau of Land Management had identified initial solar project areas for utility-scale solar energy totaling 100,000 megawatts. She noted that the projects would be fast-tracked so that the energy would be available to consumers sooner and that the solar plants would be combined with natural gas to provide continuous power. She added that the total generating cost would be seven or eight cents per kilowatt hour and that the plants would be operating in a few short years. She noted the importance of solar storage and the rapid lessening of the cost of solar energy.

Jim Smyle expressed concern that the decision regarding the expansion of STP 3 and 4 was being rushed and with the lack of a shared vision of the City's energy future. He stated that the information that had been provided to the public was incomplete and inadequate and that the City should solicit a second opinion on the project.

Randy Bear spoke in support of the expansion of STP 3 and 4 but noted that it should be at a reduced investment. He asked that the funds saved through lesser investment be utilized on renewable options and thanked CPS Energy for their work in providing good estimates for the expansion.

Former Councilmember Maria A. Berriozabal expressed concern with nuclear waste and the associated risks. She spoke of the impact to the environment and the future of her grandchildren.

Michael R. Gonzalez stated that he had over 25 years of experience as an engineer and had conducted many safety inspections of US and foreign nuclear power plants. He stated that US nuclear power plants were subject to extensive federal regulations to ensure the structural integrity and were closely monitored by numerous agencies.

Blaine Russell stated that he had worked in nuclear waste regulation at Southwest Research Institute on the Yucca Mountain Project and a large team had ensured that the DOE safely stored dangerous nuclear waste. He noted that he had worked with the NRC and found them to be conscientious and dedicated to safety and would continue to do so for STP 3 and 4.

Eric Lane spoke in opposition to the project and expressed concern that CPS Energy was downplaying the true costs and exaggerating the benefits. He requested that the city bring in outside experts to further examine the project.

Barbara Murray expressed concern that the public had not had more input regarding the project and spoke of the deficit of water that would be needed for the nuclear plant. She stated that there was an abundance of sun and that solar and wind energy should be utilized.

Charlie Brown stated that he was a resident of Von Ormy and owner of Alamo River RV Resort. As a consumer of CPS Energy, he expressed concern with the increased rates and provided information regarding the plasma gasification program.

Jerry Day expressed concern with the 345K transmission line to Kendall County that did not directly serve a CPS Energy customer and asked why ratepayers of San Antonio had assumed the debt for acquisition of additional energy assets that were not for their utilization.

William Broderick stated that he was a Math and Science Teacher in the San Antonio Independent School District and expressed concern with the lack of foresight regarding traffic issues at Loop 1604 and Highway 281. He noted that the City was faced with two major issues; Camp Bullis and the need for additional power.

Randy Carroll-Bradd stated that he was an engineer and that ratepayers had been given a false choice among nuclear, coal and gas. He spoke of the benefits of geothermal energy.

Patti Elizondo stated that CPS Energy should focus its efforts on providing energy to the citizens of San Antonio and not selling power to other cities and entities. She noted that the expansion of STP 3 and 4 would generate a huge excess of energy to be sold to others and expressed concern that San Antonio ratepayers would subsidize same.

Michael Burrill stated that he was a local architect and community planner and a strong advocate for alternate energy sources such as geothermal, solar and wind. He asked of the possibility of building one nuclear reactor and investing saved funds in renewable energy.

Helen E. Villarreal spoke of a Florida company that bought many acres of West Texas land to build one of the country's largest solar parks. She expressed concern with the \$276 million that CPS Energy spent on nuclear and noted that the funds could have been invested in solar energy.

Cindy Weehler expressed concern with the costs of nuclear energy and stated that although all energy sources had risks, those risks should be minimized. She quoted Jonas Salk by stating, "Our biggest responsibility is to be good ancestors."

John Stanford spoke of the bombing of Nagasaki and stated that nuclear could be used for evil purposes. He noted the risks of building a nuclear plant and issues with global warming.

Karen Seal expressed concern that CPS Energy had joined the organization "Nuclear Energy for Texas" and also with the lack of information provided to ratepayers.

David Klar spoke of the risks associated with nuclear energy and expressed concern with the increased costs for ratepayers. He stated that there had been no return on the initial \$276 million investment and that the funds could have been better spent.

Blair Richter spoke in opposition to nuclear energy due to the associated dangers and risks.

Eleanor Crow spoke against nuclear energy and expressed concern with accidents, waste storage, and the impossibility of predicting costs. She stated that nuclear energy would be considered an outdated source of energy by the time the plants were built and that it was a dangerous investment.

Loyd Cortez spoke in opposition to nuclear energy and asked that CPS Energy partner with NRG on solar energy projects.

Charles F. Rodriguez stated that he had spent 25 years as a Research Environmental Scientist and Waste Disposal Consultant and spoke in support of nuclear energy. He noted that nuclear power had more benefits than alternative energy sources and expressed support for 40% ownership in the project.

Brian Hughes referenced a graph that he had presented at the Massachusetts Institute of Technology (MIT) and noted that nuclear power was the energy source of the future. He expressed concern with the effects of coal and the continued environmental impact of burning fossil fuel.

John Carlos Garcia spoke of the emotional risks associated with nuclear energy and noted the impact to future generations. He expressed concern that the decision was being rushed and asked that the project be put to a vote.

Jack M. Finger expressed concern with the organizations that were allowed to ask a question and spoke against nuclear energy. He stated that he was opposed to continued rate increases.

Myfe Moore spoke against nuclear energy, noting that it was a risky and problematic option. She stated that although nuclear was cheaper in the short-term, it was not the best solution for the future.

Ms. Vacek read a written testimony from Ann Stevens of BioMed SA which read that CPS Energy had helped support BioMed SA operations since they were founded four years ago. San Antonio had been blessed over the years with an ample and inexpensive supply of electric power thanks to the prudent resource management of CPS Energy and City Leaders. Ms. Stevens acknowledged the role of CPS Energy in the recent recruitment of Medtronic Diabetes that would create 1,400 new jobs. She wrote that BioMed SA recognized the importance of having a reliable, affordable power supply to support the growth of their industry and the city as a whole. Lastly, she stated that they were pleased to see the City Council, CPS Energy, and the community, engage in a thoughtful review of the future power needs of San Antonio.

Mayor Castro announced that there would be another opportunity for citizens to address the City Council regarding the proposed nuclear expansion project on Wednesday, August 12, 2009 at 2:00 pm. He noted that the City Council would continue to solicit public input in an effort to make the best decision.

ADJOURNMENT

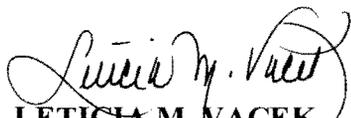
There being no other citizens registered to speak, Mayor Castro adjourned the meeting at 9:25 pm.

A P P R O V E D



JULIÁN CASTRO
MAYOR

Attest:



LETICIA M. VACEK
City Clerk