

**THIS IS A PROPOSED DRAFT AND WILL BE REPLACED BY THE FINAL, SIGNED
ORDINANCE OR RESOLUTION ADOPTED BY THE CITY COUNCIL.**

AN ORDINANCE

**AUTHORIZING AND RATIFYING THE WAIVER OF LATE PAYMENT FEES IN CURRENT
CPS ENERGY TARIFFS FOR CUSTOMERS PARTICIPATING IN DEFERRED PAYMENT
PLANS DURING THE COVID-19 PANDEMIC.**

WHEREAS, in consideration of the challenges facing our community caused by COVID-19 and the economic pressures that are related to the on-going and evolving shelter-at-home and social distancing directives, CPS Energy quickly announced publicly that it would temporarily suspend its process of disconnecting the electric and gas services of customers who cannot pay all or part of their utility bills; and

WHEREAS, CPS Energy has historically suspended disconnects for short and definitive periods of time during the peak of the summer and the December holidays to help its customers; and

WHEREAS, CPS energy has an established payment plan program that is offered to customers who need additional time and installments to pay their bills; and

WHEREAS, as a whole, CPS Energy's customers typically have a proven history of paying their monthly bills, resulting each year in a very low level of write offs/uncollectible balances, which in turn lowers operating costs and keeps everyone's bills affordable; and

WHEREAS, pursuant to CPS Energy's tariffs and its terms and conditions of service, late payment fees are customarily applied to customer account balances that are not paid in full at the end of each billing cycle; and

WHEREAS, CPS Energy routinely collects approximately \$7.5 million annually through late payment fees but is foregoing new late fee charges, in part, to assist customers who cannot pay their current bills on a timely basis due to economic distress and business disruption caused by COVID-19; and

WHEREAS, on April 27, 2020, the CPS Energy Board of Trustees approved a resolution ratifying and authorizing the waiver of late payment fees in current tariffs for customers who make timely payments as part of a payment plan established during the period when electric and gas service disconnections are suspended due to the pendency of the COVID-19 pandemic.

NOW THEREFORE,

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

SECTION 1. The City Council authorizes and ratifies the waiver of late payment fees in current CPS Energy tariffs for customers who make timely payments as part of a payment plan established during the period when electric and gas service disconnections are suspended due to the COVID-19 pandemic. The late fees requirements of the tariffs will be reinstated automatically when the disconnect suspension period ends, as declared by CPS Energy's President & CEO or her designee, or when the Board of

XX
xx/xx/2020
Item No. ____

Trustees takes further action on this matter. CPS Energy will provide notice to the City Council and the public when the period ends.

SECTION 2. This Ordinance becomes effective immediately upon the receipt of eight affirmative votes, or in the event eight affirmative votes are not received, on the tenth day after passage by majority vote.

PASSED AND APPROVED this ____ day of _____ 2020.

M A Y O R

Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

Tina Flores, Acting City Clerk

Andrew Segovia, City Attorney