

Control Number: 34277



Item Number: 75

Addendum StartPage: 0



May 12, 2020



Central Records **Public Utility Commission of Texas** 1701 N. Congress Avenue P.O. Box 13326 Austin, Texas 78711-3326

> RE: Project No. 34277 Annual Report on the Status of Nuclear Decommissioning Funds for the Calendar Year Ending December 31, 2019

Central Records:

Enclosed are three copies of CPS Energy's 2019 Status of Nuclear Decommissioning Funds Report filed to meet the obligations of the City of San Antonio acting by and through the City Public Service Board, pursuant to PUC Substantive Rule 25.303(f)(6). The report provides detailed information on the status of our South Texas Project nuclear decommissioning trust acquired from AEP Texas Central Company.

If there are any questions regarding any of the information contained in this report, please contact Shannon Albert at 210-353-3818.

Sincerely,

Sary Hold Gary Gold

Vice President - Corporate Services

GG:cy

Enclosures

Cc: Ms. Delores Lenzy-Jones

Ms. Abi Ottmers

Ms. Julie Johnson Ms. Cheryl Yager

Ms. Phyllis Wilson

Ms. Shannon R. Albert

Mr. Gabriel Garcia

Ms. San Juanita Loredo

Ms. Lindsey Fenderson



STATUS OF NUCLEAR DECOMMISSIONING FUNDS TRANSFEREE COMPANY ANNUAL REPORT

For Calendar Year 2019*

^{*} CPS Energy purchased 47.619% of AEP's 25.2% ownership in the South Texas Nuclear Project on May 19, 2005.

STATUS OF NUCLEAR DECOMMISSIONING FUNDS-TRANSFEREE COMPANY ANNUAL REPORT

2	Part A: Trust Activity			44-40				_	
•	TOTAL COMPANY	0.2504	Unit 1 Non-Qualified	Qualified	Vnt2 Non-Qualified		down Fund ¹		Fuel Fund
3	Prior Year Balance	Qualified	\$ 48,574,461	Qualitied	\$ 67,214,018	Qualified \$ -	Non-Qualified \$ 6,044,593	Clualified	Non-Qualified
5	Prior Penod Adjustment	-		• .	2 01,214,010	•	5 0,044,333	•	\$ 30,965,829
6	Pnor Year Adjusted Ending Balance	-	48.574.461		67,214,018	:	6,044,593	•	30,965,829
7	Reallocation			•	-		0,544,555	•	30,803,023
8	Net Investment Earnings		6,863,173	•	9,498,475		125,493	-	4.746.563
9	Preshutdown Decommissioning/Spent Fuel Expense	•	•	•				•	(371,549)
1D	Total Deposits						113,980		
11	Ending Balance	<u> </u>	\$ 55 437 634	<u> </u>	\$ 76710493	3 -	\$ 6,285,066	\$.	\$ 35 340 843
12									
13	TEXAS JURISDICTION	.		s .		_		_	
14 15	Pnor Year Balance Pnor Penod Adjustment		\$ 48,574,461	•	\$ 67,214,018	s -	\$ 6,044,593	\$ -	\$ 30,965,829
16	Prior Period Adjustment Prior Year Adjusted Ending Balance	-	48.574.461	•	67,214,018	•	6,044,593	•	20 005 EDO
17	Reallocation		40,374,401	-	67,214,018	•	0,044,393	•	30,965 529
18	Earnings	-	6,863,173	-	9.496.475	_	126,493	•	4,746,563
19	Preshutdown Decommissioning/Spent Fuel Expense		5,500,775		5,4,00,473	-	120,433		(371,549)
20	Total Deposits		-		-		113 980		(0,1,245)
21	Ending Balance	\$ -	\$ 55 437.634	3	\$ 76,710 493	<u>.</u> \$	\$ 6 285 066	\$	\$ 35,340,843
22	·				•				
23									
24	Part B: Trust Investments								
25			Unit 1	Unit 2		Pre-shutdown Fund ¹		Spent Fuel Fund	
26			Ending Balance		of Ending Balance		nding Balance		Ending Balance
27	Asset Type (Specify)	Qualified	Non-Qualified	Qualified	Non-Qualified	Qualified	Non-Cualified	Qualified	Non-Qualified
26	U S Equities	-	23 5%	-	23 5%	•	•	-	23 5%
29 30	Commingled Equity Funds International Equities	•	97% 36%	•	97%	•	•	•	97%
31	U.S. Fixed Income	-	518% 618%	•	36% 61 <i>8</i> %		•		36%
32	Commingled Fixed Income Funds	•	01076	•	O1 07%	*	•	•	81 8%
33	Cash and Cash Equivalents		08%	•	08%	•	99.9%	•	0.6%
34	Other—Accrued Income and Expenses		06%	:	06%	•	0 1%	•	06%
35	Total		100 0%	-	100 0%		100 0%		100 0%
36								•	
37									
38			Unit 1		Unit 2	Pre-shute	lown Fund ¹	Spent	Fuel Fund
39	Equity Characteristics	Quainfied	Non-Qualified	Qualified	Non-Qualified	Qualified	Non-Qualified	Qualified	Non-Qualified
40	Portfolio Bela	Not Applicable	1 00	Not Applicable	1 00	Not Applicable	Not Applicable	Not Applicable	1 00
41	Time Period & Method of Beta Calculation	Not Applicable	2019 1 year historic	Not Applicable	2019, 1 year historic	Not Applicable	Not Applicable	Not Applicable	2019, 1 year histor
42	Benchmark Beta and Description	Not Applicable	1 S&P 500	Not Applicable	1 S&P 500	Not Applicable	Not Applicable	Not Applicable	1 S&P 500
43	Price/Earnings Ratio	Not Applicable	21 67×	Not Applicable	21 67x	Not Applicable	Not Applicable	Not Applicable	21 67×
44	% of Equities with Quality Rankings	Not Applicable	84 81%	Not Applicable	84 81%	Not Applicable	Not Applicable	Not Applicable	84 8 1%
45	Weighted Average Quality Ranking	Not Applicable	8+	Not Applicable	B+	Not Applicable	Not Applicable	Not Applicable	B+
46 47	S&P 500 Quality Ranking ²	Not Applicable	B+	Not Applicable	B+	Not Applicable	Not Applicable	Not Applicable	В+
			11-4-6					_	
48 49		Darrent of	Unit 1 Ending Balance	December 1	Unit 2 If Ending Balance		lown Fund ¹		Fuel Fund
50	Bond Altocations	Quaktied	Non-Qualified	Qualified	Non-Qualified	Qualified	Non-Qualified		Ending Balance
51	US Government & Agencies	GOSHIEG	30.8%	- Gramer	30 8%	Cuanto	Delinicol Delinicol	Qualified	Non-Qualified 30 6%
52	Mortospes		~ .	-	300%	-	•	•	30 0%
34	Corporate		27 3%		27 3%				27.3%
52 53			2. 2.4	-	2.4%	•		•	21.57
	Asset Backed				2 4%				2 4%
53 54 55	Asset Backed Municipals	•	2 4%						
53 54 55 56	Municipals Cash Equivalents	•	0.8%		0.6%		99 9%		0 8%
53 54 55 56 57	Municipals Cash Equivalents Other	•	0.8% 1.3%	-	1 3%		0 1%		13%
53 54 55 56 57 58	Municipals Cash Equivalents	· 	0.8%	-		-		-	
53 54 55 56 57 58 59	Municipals Cash Equivalents Other	:	0 8% 1 3% 62 6%	-	1 3 % 62 6 %	-	0 1% 100 0%		13%
53 54 55 56 57 58 59 60	Municipals Cash Equivalents Other Total		0 8% 1 3% 62 6%	•	1 3% 62 6%		0 1% 100 0% lown Fund ¹		1 3% 62 6% Fuel Fund
53 54 55 56 57 58 59 60 61	Municipals Cash Equivalents Other Total Bond Characteristics	Qualified	0.8% 1.3% 62.6% Unit 1 Non-Qualified	Oualfied	1 3% 52 6% Unit 2 Non-Qualified	Qualified	0 1% 100 0% lown Fund ¹ Non-Qualified	Qualified	1 3% 62 6%
53 54 55 56 57 58 59 60 61 62	Municipals Cash Equivalents Other Total Bond Characteristics Portfolio Bond Quality Rating	Oualried Not Applicable	0 8% 1 3% 62 6% Unit 1 Non-Qualified AA	Not Applicable	1 3% 62 6% Unit 2 Non-Qualified AA	Qualified Not Applicable	0 1% 100 0% lown Fund ¹ Non-Qualified Not Applicable	Not Applicable	1 3% 62 6% Fuel Fund Non-Qualified AA
53 54 55 56 57 58 59 60 61 62 63	Municipals Cash Equivalents Other Total Bond Characteristics Portfolio Bond Quality Rating Benchmark Quality Reting	Oualified Not Applicable Not Applicable	0 8% 1 3% 62 6% Unit 1 Non-Qualified AA	Not Applicable Not Applicable	1 3% 62 6% Unit 2 Non-Qualified AA	Oualified Not Applicable Not Applicable	0 1% 100 0% lown Fund Non-Qualified Not Applicable Not Applicable	Not Applicable Not Applicable	1 3% 62 6% Fuel Fund Non-Qualified AA AA
53 54 55 56 57 58 59 60 61 62	Municipals Cash Equivalents Other Total Bond Characteristics Portfolio Bond Quality Rating	Oualried Not Applicable	0 8% 1 3% 62 6% Unit 1 Non-Qualified AA	Not Applicable	1 3% 62 6% Unit 2 Non-Qualified AA	Qualified Not Applicable	0 1% 100 0% lown Fund ¹ Non-Qualified Not Applicable	Not Applicable	1 3% 62 6% Fuel Fund Non-Qualified AA

Twelve Months Ending 12/31/2019

STATUS OF NUCLEAR DECOMMISSIONING FUNDS-TRANSFEREE COMPANY ANNUAL REPORT

		Unit 1		Unit 2		Pre-shutdown Fund ¹		Spent Fuel Fund	
	Qualified	Non-Qualified	Qualified	Non-Qualified	Quatried	Non-Qualified	Qualified	Non-Qualified	
% Fees of Average Annual Balance									
of Portfolio Paid From Trust	•	0 299%	-	0 299%	•	•	-	0 2999	
Name of Trustee(s): Frost National Bank									
Last Decommissioning Cost Estimate									
Date:		May 2018		May 2018		May 2018		May 2018	
Amount (\$000s);	•	\$ 79,468	•	\$ \$1,977		\$ 4,935		\$ 111,45	
Currently Allowed Decommissioning Expense ³									
			Company	Jurisdictional					
Junsdiction	Effective date	Docket No	Amount (\$)	Amount (\$)					
Texas	3/1/2019	48556	\$ -	5 -					
Part D: Receipts/Deposits Schedule									
	Amount of Receipt	ls							
Date of Receipts from Collecting Utility	From Collecting U	bidy							
January	\$ 12,849								
February	\$ 11,878								
March	\$ 14,317								
April	\$ 13,089								
May	\$ 14,716								
June	\$ 14,709								
July	\$ 24,701								
August	\$ 7,721								
September	\$.								
October	ě.								
November									
December	Ž į								
Total	\$ 113,980								
TOTAL	<u> </u>								
	delike in Community Allegand f	Decommissioning Expense							
Percentage of Total Receipts From Collecting Ut									
	alc verified								
	alc verified								
	alc verified	Unit 1		Unit 2		down Fund ¹		uel Fund	
0.00% Cai	alc verified Amour	nt of Deposits	Amour	nt of Deposits	Amount o	of Deposits	Amount o	f Deposits	
0.00% Cal	alc verified Amour Qualified	nt of Deposits Non-Qualified	Amour Qualified	nt of Deposits Non-Qualified	Amount of Qualified	of Deposits Non-Qualified	Amount of Qualified	f Deposits Non-Qualified	
0.00% Cal	alc verified Amour	nt of Deposits	Amour	nt of Deposits	Amount o	Non-Qualified \$ 12,849	Amount o	f Deposits	
0.00% Cai	alc verified Amour Qualified	nt of Deposits Non-Qualified	Amour Qualified	nt of Deposits Non-Qualified	Amount of Qualified	of Deposits Non-Qualified \$ 12,849 \$ 11,878	Amount of Qualified	f Deposits Non-Qualified	
0.00% Cai Date of Deposits Jenuary February March	alc verified Amour Qualified	nt of Deposits Non-Qualified	Amour Qualified	nt of Deposits Non-Qualified	Amount of Qualified	of Deposits Non-Qualified \$ 12,849 \$ 11,878 \$ 14,317	Amount of Qualified	f Deposits Non-Qualified	
0.00% Cai	alc verified Amour Qualified	nt of Deposits Non-Qualified	Amour Qualified	nt of Deposits Non-Qualified	Amount of Qualified	Non-Qualified \$ 12,849 \$ 11,878 \$ 14,317 \$ 13,089	Amount of Qualified	f Deposits Non-Qualified	
Date of Deposits January February March April May	alc verified Amour Qualified	nt of Deposits Non-Qualified	Amour Qualified	nt of Deposits Non-Qualified	Amount of Qualified	Non-Qualified Non-Qualified	Amount of Qualified	f Deposits Non-Qualified	
Date of Deposits Date of Deposits January February March April May June	alc verified Amour Qualified	nt of Deposits Non-Qualified	Amour Qualified	nt of Deposits Non-Qualified	Amount of Qualified	of Deposits Non-Qualified \$ 12,849 \$ 11,878 \$ 14,317 \$ 13,089 \$ 14,716 \$ 14,709	Amount of Qualified	f Deposits Non-Qualified	
Date of Deposits Date of Deposits January February March April May June July	alc verified Amour Qualified	nt of Deposits Non-Qualified	Amour Qualified	nt of Deposits Non-Qualified	Amount of Qualified	of Deposits Non-Qualified \$ 12,849 \$ 11,878 \$ 14,317 \$ 13,089 \$ 14,716 \$ 14,709 \$ 24,701	Amount of Qualified	f Deposits Non-Qualified	
Date of Deposits January February March April May June July August	alc verified Amour Qualified	nt of Deposits Non-Qualified	Amour Qualified	nt of Deposits Non-Qualified	Amount of Qualified	of Deposits Non-Qualified \$ 12,849 \$ 11,878 \$ 14,317 \$ 13,089 \$ 14,716 \$ 14,709	Amount of Qualified	f Deposits Non-Qualified	
Date of Deposits January February March April May June July August September	alc verified Amour Qualified	nt of Deposits Non-Qualified	Amour Qualified	nt of Deposits Non-Qualified	Amount of Qualified	of Deposits Non-Qualified \$ 12,849 \$ 11,878 \$ 14,317 \$ 13,089 \$ 14,716 \$ 14,709 \$ 24,701	Amount of Qualified	f Deposits Non-Qualified	
Date of Deposits January February March April May June July August September October	alc verified Amour Qualified	nt of Deposits Non-Qualified	Amour Qualified	nt of Deposits Non-Qualified	Amount of Qualified	of Deposits Non-Qualified \$ 12,849 \$ 11,878 \$ 14,317 \$ 13,089 \$ 14,716 \$ 14,709 \$ 24,701	Amount of Qualified	f Deposits Non-Qualified	
Date of Deposits January February March April May June July August September October November	alc verified Amour Qualified	nt of Deposits Non-Qualified	Amour Qualified	nt of Deposits Non-Qualified	Amount of Qualified	of Deposits Non-Qualified \$ 12,849 \$ 11,878 \$ 14,317 \$ 13,089 \$ 14,716 \$ 14,709 \$ 24,701	Amount of Qualified	f Deposits Non-Qualified	
Date of Deposits January February March April May June July August September October	alc verified Amour Qualified	nt of Deposits Non-Qualified	Amour Qualified	nt of Deposits Non-Qualified	Amount of Qualified	of Deposits Non-Qualified \$ 12,849 \$ 11,878 \$ 14,317 \$ 13,089 \$ 14,716 \$ 14,709 \$ 24,701 \$ 7,721 \$ - \$ - \$ - \$ - \$ -	Amount of Qualified	f Deposits Non-Qualified	

Twelve Months Ending 12/31/2019

STATUS OF NUCLEAR DECOMMISSIONING FUNDS-TRANSFEREE COMPANY ANNUAL REPORT

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Dart E.	Deposted	Annual Rate	of Dalurn
Part C:	KEDOMBO	ANNUM KAKE	OFREUM

2		Unit_1			Unit 2 Pre-s		own Fund ¹	Spent Fuel Fund	
3	Portfolio Pre-Tax Return ⁴	Qualified	Non-Qualified	Qualified	Non-Qualified	Qualified	Non-Qualified	Qualified	Non-Qualified
4	One Year Annual Return	Not Applicable	14.20	Not Applicable	14.20	Not Applicable	Not Applicable	Not Applicable	14.20
5	Three Year Annual Return	Not Applicable	6 80	Not Applicable	6 80	Not Applicable	Not Applicable	Not Applicable	6.60
6	Five Year Annual Return	Not Applicable	5 00	Not Applicable	5 00	Not Applicable	Not Applicable	Not Applicable	5 00
7	Since Inception Annual Return	Not Applicable	5 60	Not Applicable	5 60	Not Applicable	Not Applicable	Not Applicable	5 60
8						• •	,,		
9	Portfolio After-Tax Return								
10	One Year Annual Return	Not Applicable	Not Applicable	Not Applicable					
11	Three Year Annual Return	Nat Applicable	Not Applicable	Not Applicable	Not Applicable				
12	Five Year Annual Return	Not Applicable	Not Applicable	Not Applicable					
13	Since Inception Annual Return	Not Applicable	Not Applicable	Not Applicable					
14								• •	
15	Benchmark Pre-Tax Return								
16	One Year Annual Return	Not Applicable	15.00	Not Applicable	15.00	Not Applicable	Not Applicable	Not Applicable	15.00
17	Three Year Annual Return	Not Applicable	6 80	Not Applicable	6.80	Not Applicable	Not Applicable	Not Applicable	6 80
18	Five Year Annual Return	Not Applicable	5 20	Not Applicable	5 20	Not Applicable	Not Applicable	Not Applicable	5.20
19	Since Inception Annual Return	Not Applicable	5 70	Not Applicable	5 70	Not Applicable	Not Applicable	Not Applicable	5.70
20						• •	• • •	,,	
21	Benchmark After-Tax Return								
22	One Year Annual Return	Not Applicable	Not Applicable	Not Applicable					
23	Three Year Annual Return	Not Applicable	Not Applicable	Not Applicable					
24	Five Year Annual Return	Not Applicable	Not Applicable	Not Applicable					
25	Since Inception Annual Return	Not Applicable	Not Applicable	Not Applicable					
26							• •		

Benchmark Descriptions

Policy Index since 4/2016: 14% Russell 3000 / 13% MSCI ACWI ex USA / 64% Bloomberg Barclays US Aggregate / 9% Wilshira RESI (60% Barclays Capital Aggregate, 25% S&P 500, 10% FTSE NAREIT 5% FTSE All World ex-US)

27

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¹ Preshutdown expense allocations are calculated based on the equity within the Preshutdown account, not the Trust as a whole.

² An S&P equity quality rating of B+ is equivalent to an S&P debt rating of BBB. In prior years, CPS Energy reported the equivalent debt rating (BBB). Going forward, CPS Energy will report the equity quality rating

³ in 2019, the PUCT approved requests from both CPS Energy and AEP to reduce funding to \$0. With the implementation of those orders, contributions were reduced to \$0 by September 2019.

⁴ CPS Energy's portfolio inception date is June 1 2005. All portfolio and return information provided by Mercer Investment Consulting, LLP

AFFIDAVIT

COUNTY OF BEXAR STATE OF TEXAS 5

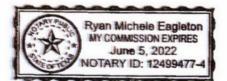
BEFORE ME, the undersigned authority, on this day personally appeared Gary Gold, personally known to me, and who, being by me first duly sworn, upon oath, deposed and stated as follows:

My name is Gary Gold. I am over eighteen (18) years of age, am of sound mind, and am fully competent to make this statement. I have personal knowledge of every statement made herein. The statements made are true and correct.

As Vice President - Corporate Services for CPS Energy, I oversee the area responsible for compiling CPS Energy's 2019 Status of Nuclear Decommissioning Funds Report filed to meet the obligations of the City of San Antonio, acting by and through the City Public Service Board, pursuant to PUC Substantive Rule 25.303(f)(6). I hereby attest that the information contained in the report is accurate and is based upon knowledge reasonably relied upon in the conduct of CPS Energy's business.

Sary Sold

12 that day of May 2020. Sworn to and subscribed before me on the



van-Michele Eagleton In and for the State of Texas

My commission expires: 6-5-2022