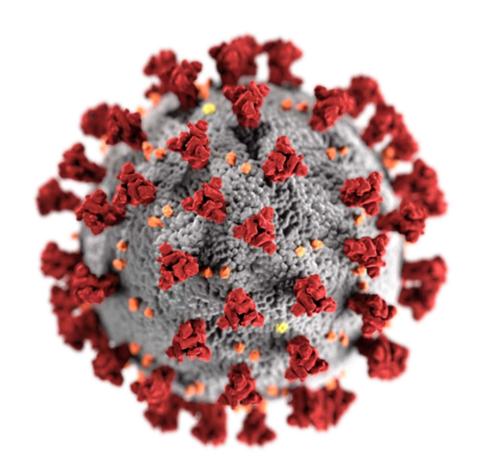


Cooperative Update

Julie C. Parsley I Chief Executive Officer

COVID-19 Update

- Effective July 1, we updated our COVID-19 protocols
 - Clarified travel guidelines for domestic and international travel
 - Removed requirement for social distancing and face covering requirements; personal choice
 - Removed restrictions on office lobby capacities and in-person meetings
- Working to transition out of EOP





More than 1,600 payments collected since March debut

Governor Abbott Directive to PUC

- On July 6, Governor Abbott directed the Public Utility Commission to take immediate action to improve electric reliability. His letter included:
 - Streamline incentives in market to develop adequate, reliable power
 - Allocate reliability costs to intermittent generation
 - Instruct ERCOT to establish a maintenance schedule for generation
 - Order ERCOT to accelerate the development of transmission projects for existing or new dispatchable generation
- The Public Utility Commission and ERCOT both responded positively to Governor Abbott's letter



GOVERNOR GREG ABBOT

July 6, 2

Chairman Peter Lake Commissioner Will McAdams Commissioner Lori Cobos Public Utility Commission of Texas P.O. Box 13326 Austin, Texas 7871 1-3326

Dear Commission

Maintaining the reliability of the Texas electric grid is essential for all Texass and must remain your printy as members of the Public Utility Commission. During the recently completed 2021 legislative session, the Texas legislature passed multiple bills that improve electric reliability. These laws substantially reform the Electric Reliability Council of Texas (RECO); mander user the control of the control

While these laws significantly reform Texas' energy and electric power market, more can be done to increase power generation capacity and to ensure the reliability of the Texas power grid To achieve those poals, I am directing the Public Utility Commission of Texas (PUC) to immediately take the following extrained and the second of the public Utility Commission of Texas (PUC) to

- Streamline incentives within the ERCOT market to foster the development and
 maintenance of adequate and reliable sources of power, like natural gas, ead, and
 nuclear power. The PUC has the ability to redesign segments of the market to
 incentives and maintain the reliable electric generating plants our taste needs. Those
 incentives must be directed toward the types of electric generators we need for reliability
 purposes. The goal of this strengt, to te ensere that Treas has additional and more
- Allocate reliability costs to generation resources that cannot guarantee their own
 availability, such as wind or solar power. Electric generators are expected to provide
 crosuph power to meet the needs of all Texans. When they fail it do so, those generators
 should shoulder the costs of that failure. Failing to do so creates an uneven playing field
 between non-enewable and needs or operations and regret superations.)

Forr Ornice Box 12428 Austra, Texas 78711 (512) 465-2000 (Voxci)/Dox. 7-1-1 ros Bean Services

Chairman Peter Lake Commissioner Will McAdam Commissioner Lori Cobos July 6, 2021 Page 2

> available generation in ERCOT. To maintain sufficient power generation—especially during times of high demand—we must ensure that all power generators can provide a minimum aerount of power at any given time.

- Instruct ERCOT to establish a maintenance schedule for natural gas, coal, neclear, and other non-receavable electricity generators to ensure that there is abways an adequate supply of power on the grid to maintain reliable electric service for all Texans. Regular maintenance of our natural gas, coal, and nuclear plants must be strategically scheduled to psecent too many generation plants from being offline at the same time. This will help prevent an artificial shortage of power.
- Order ERCOT to accelerate the development of transmission projects that increase connectivity between existing or new dispatchable generation plants and areas of need. Dispatchable generation, such as natural gas, coal, and nuclear power plants, are essential for the reliability and satisfiely of the electric gift because they can be skeleduled for the reliability and satisfiely of the electric gift because they can be skeleduled (ERCOT is ultilizing non-manufacture).
 ERCOT is ultilizing non-manufacture describility in sufficient amounts to maintain reliable power threadpoint our state.

The objective of three directives is to ensure that all Texans have access to reliable, safe, and affordable power, and that this task is achieved in the quickets possible way. Taking the actionic outlined above will help achieve that goal on well as ensure that there is sufficient electric generation to meet the needs of the start's growing appulation and booming economy. Desir immediate actions are in addition to any proposed changes resulting from the \$7th equal religibility excession, your work-groups, and the furtheroming Texas Energy Reliability Courcil.

Through clear communication, transparency, and implementation of these critical changes, the PUC and ERCOT can regain the public's trust, restore ERCOT's status as a leader in innovation

Sincered College Abbleton

GA:gpk

2,673 members
enrolled in
Power of Change
on their 2021 election
ballot!

Engaging Communities on Vegetation Best Practices



Camp Save-a-Watt in Session

- More than 200 campers enrolled in our first ever virtual summer camp
- Students have learned:
 - How to reduce electricity use by turning off lights and appliances
 - Outdoor activities and crafts that use zero electricity
 - Conserving water and other natural resources, plus how solar energy works
- Interviewed by KXAN for Studio 512







PEC employees are generously collecting school supplies this month to welcome teachers and students back to school.

In 2019, through the generosity of our employees, we donated more than 6,000 supplies!

Employee Kudos











Lusinda Castorena Member Relations

Agent 2

Junction

Blaine Carlile

Journeyworker
Oak Hill

Garrit Afman

Journeyworker *Canyon Lake*

Tim Cerveny

Lineworker Apprentice 3 Canyon Lake

Clarissa Torres

Member Relations Analyst *Kyle*

