



Cooperative Update

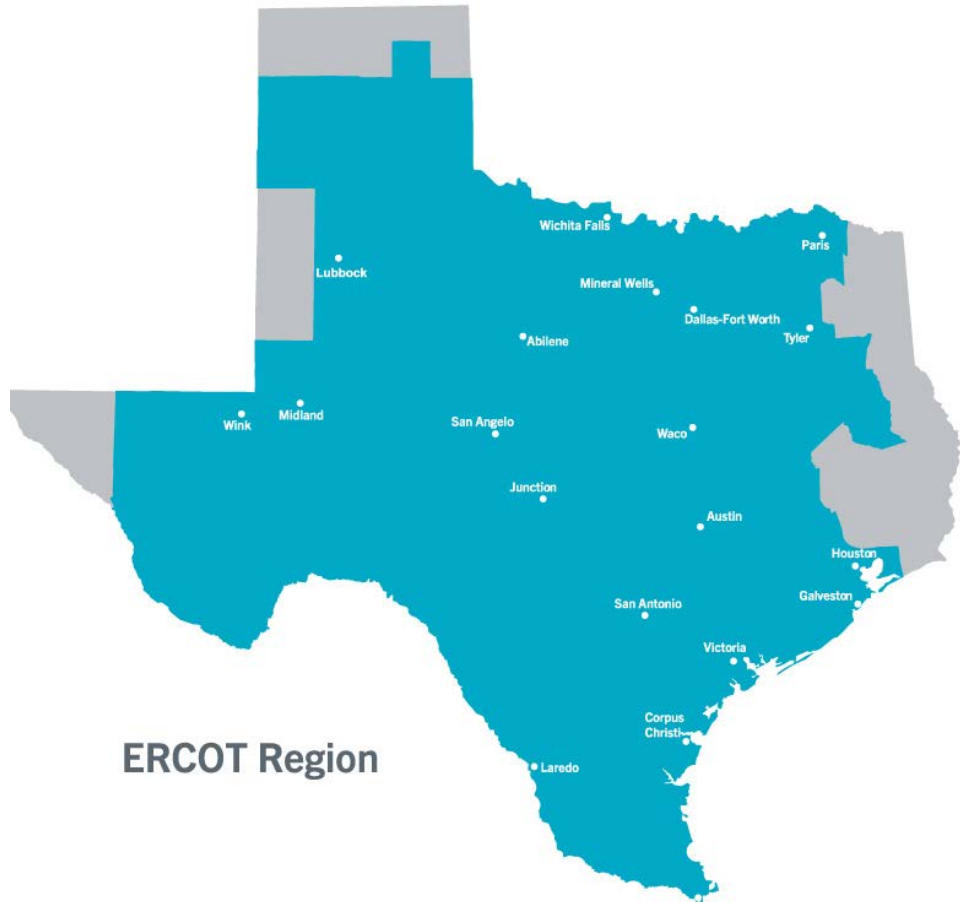
Julie C. Parsley | Chief Executive Officer

Legislative Update — Interim Charges Issued



- Texas House and Senate Interim Committee Charges have been announced
- Studies will focus on the wholesale electric market and reliability
- Interim hearings set for later this month

Regulatory Update



PUC news

- Issued request for proposals for consulting services for market design blueprint
- Senators Schwertner and Nichols filed letters with PUC on market incentives for dispatchable generation
- Finalized broadband middle mile rules for IOUs
- Opened new project on distribution-level interconnections

ERCOT news

- Emergency Operations Plans due 4/18
 - PEC submitted on 4/13

Controlled Outages & Critical Load Letter in Bills

SB 3 requires that PEC members receive a communication on ERCOT-mandated, controlled outages

Key information for members:

- Controlled outages are extreme power emergencies, and all members should prepare for an interruption in service
- Members registered in Critical Load Program and Medical Necessity Program are not guaranteed uninterrupted electric service
- Members should have a contingency plan

For information on PEC's Critical Load Program, visit pec.coop/critical-load or call 830-454-3114



Important information about ERCOT-mandated controlled outages

The Electric Reliability Council of Texas (ERCOT) manages the flow of electric power to more than 26 million Texans and represents about 90% of the state's electric load. ERCOT is responsible for keeping the electric grid reliable and facilitating the market in which Pedernales Electric Cooperative (PEC) participates.

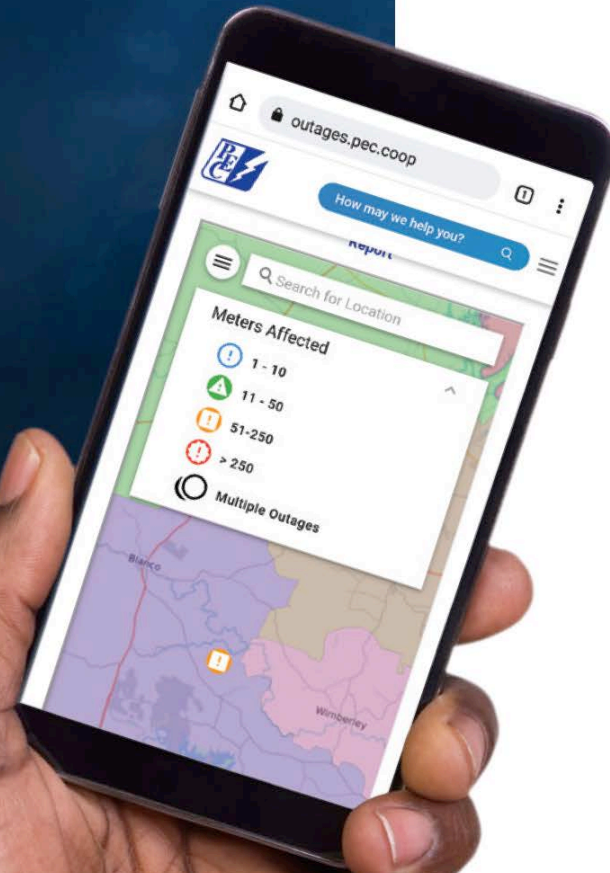
To help manage and protect the grid, ERCOT uses a series of emergency procedures in times of unusually high demand. These procedures are designed to protect the reliability of the electric system and prevent a total loss of power across the entire ERCOT grid. When demand for electricity on the ERCOT grid is greater than the supply of generated electricity, all electric utilities in the ERCOT region, including PEC, may be required to lower demand on their systems. ERCOT will typically request consumers to conserve energy and will issue conservation alerts. As a last resort to help protect the reliability of the statewide electric grid, ERCOT may order controlled outages, also referred to as rotating outages, load shedding, or service interruptions.

Controlled outages are temporary interruptions of electrical service as directed by ERCOT. PEC participates in controlled outages during periods of generation capacity shortages. Within PEC's Emergency Operations Plan, the cooperative outlines how it will manage its curtailment priorities during controlled outages.

Below is key information in the event PEC is required to participate in a controlled outage event.

- ERCOT-mandated controlled outages are extreme power emergencies in which the cooperative responds to directives from ERCOT. PEC will not have knowledge of the length and duration of the directive, and electric utilities are required to continue to comply with ERCOT instructions until ERCOT determines outages are no longer required.
- If ERCOT orders controlled outages, all members should assume their power could be interrupted without advance notice. Efforts will be made as much as possible to provide advance notification of pending service interruptions. These include updates on pec.coop, social media, email, and text messages; however, notice may not be provided.
- During ERCOT-mandated controlled outage events, PEC is unable to predict when an individual member's power will be back on. PEC takes measures to ensure controlled outages are applied in a fair manner across the membership. Typically, a controlled outage is implemented on a rotating schedule to distribute outages fairly among

Stay ahead of the storm



Get the tips and tools you need online at our new **outage center**. Visit pec.coop/outages to explore the new features, so you'll be ready when the next storm rolls in.

You Can Rely on PEC

47 Minutes





National Lineman Appreciation Day April 18



Internal Lineman's Rodeo

- April 5 in Dripping Springs
- More than 120 lineworkers competed
- Four top performing journeyworker teams and nine individual apprentices will compete at state



Stronger Together Featuring COO Eddie Dauterive

The April feature is an employee podcast diving into the Board's Strategic Plan, CEO Action Items, and Key Performance Indicators





NRECA

SPOTLIGHT on Excellence Awards

PEC's Communications and Marketing team receives two awards:

- Silver for Best Special Publication – the PEC 2021-2026 Strategic Plan
- Silver for Best Individual Ad



Kyle Office Closure

- Upgrading lobby and office configuration to better serve out members
- Closed to public on April 11
- Kiosk and payment drop box available
- Members who have visited in last 90 days have been contacted



Enhancing Our Communities

- 30 employees participated in LCRA's annual Steps Forward volunteer event
- Together with LCRA, staff:
 - Planted six trees in Cottonwood Shores
 - Spread mulch, laid sod, and cleaned flower beds at Lakeside Pavilion and the Marble Falls Boys and Girls Club
 - Painted the pilot's lounge at the Rusty Allen Airport in Lago Vista



Employee Kudos



Brian Snively
Journeyworker
Kyle



Delores Tracy
Member Relations
Analyst
Oak Hill



Dobie New
Journeyworker
Liberty Hill

Offices closed **April 15** for Good Friday

- Report an outage 24/7 by calling 888-883-3379
- Make a payment 24/7 by calling 844-886-9798
- Pay online 24/7 at pec.smarthub.coop
- SmartHub mobile app



