



Summer Preparedness Update Including Critical Load and Medical Necessity Program

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ERCOT Summer Outlook

Summer 2022

- Peak Forecast - 77,317 MW
- Resource Capacity – 91,392 MW
- Planning reserve margin* - 22.8%

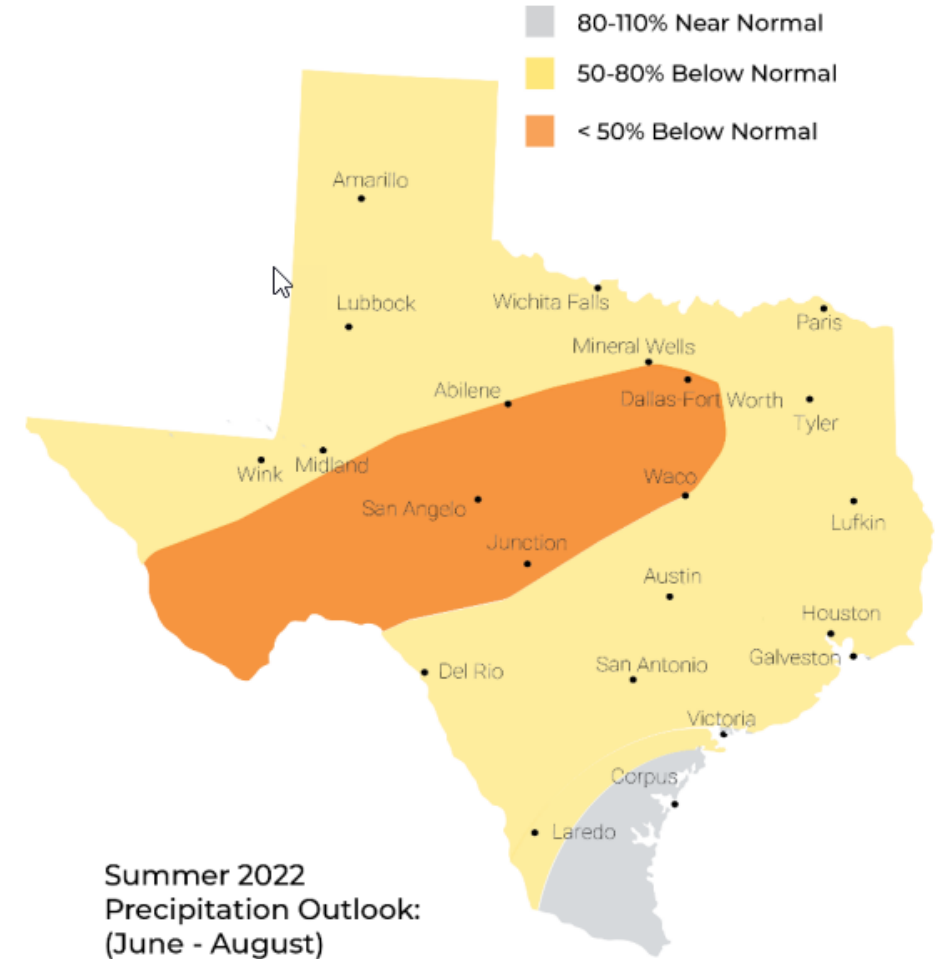
ERCOT's Seasonal Assessment of Resource Adequacy (SARA) Summer 2022

- Forecasted Peak Demand would be a new record for the ERCOT region
 - Current record is 74,820 MW on August 12, 2019
- Sufficient capacity to meet peak demands this summer under normal conditions in all but the most extreme scenarios
 - Extreme scenarios include a combination of
 - Higher forecasted peak demand
 - Higher unplanned outages of generators
 - Lower wind output

- All information is from the ERCOT Seasonal Assessment of Resource Adequacy (SARA) for Summer 2022
 - https://www.ercot.com/files/docs/2022/05/16/SARA_Summer2022.pdf
- * Planning reserve margin includes Emergency Resources deployed by ERCOT

ERCOT Summer Weather Outlook

- The summer forecast shows a hotter than normal summer ahead for the ERCOT region
- This summer will very likely be much hotter than last summer, which was the mildest since 2008
- Drought impacting over 80% of the state as of early-May
 - No greater driver of heat during the summer months in Texas than drought
- The precipitation outlook for this summer is drier than normal
- Drought tends to accelerate in summer due to the higher sun angle and shorter nights. As a result, on average across Texas, the drought should mostly worsen as the summer progresses. This will aid in supporting extreme heat this summer.
- Expected temperature pattern typically equates to higher-than-normal wind speeds and wind generation over West Texas. However, Coast and South Texas wind generation is forecasted to range between normal and slightly-below-normal for the summer season.



- All information is from the ERCOT 2022 Summer Weather Outlook
 - https://www.ercot.com/files/docs/2021/11/22/seasonal_updates.pdf

Medical Necessity Program

What It Is

Our Medical Necessity Program is a registry of residential service locations where people rely on life-sustaining electrical equipment.

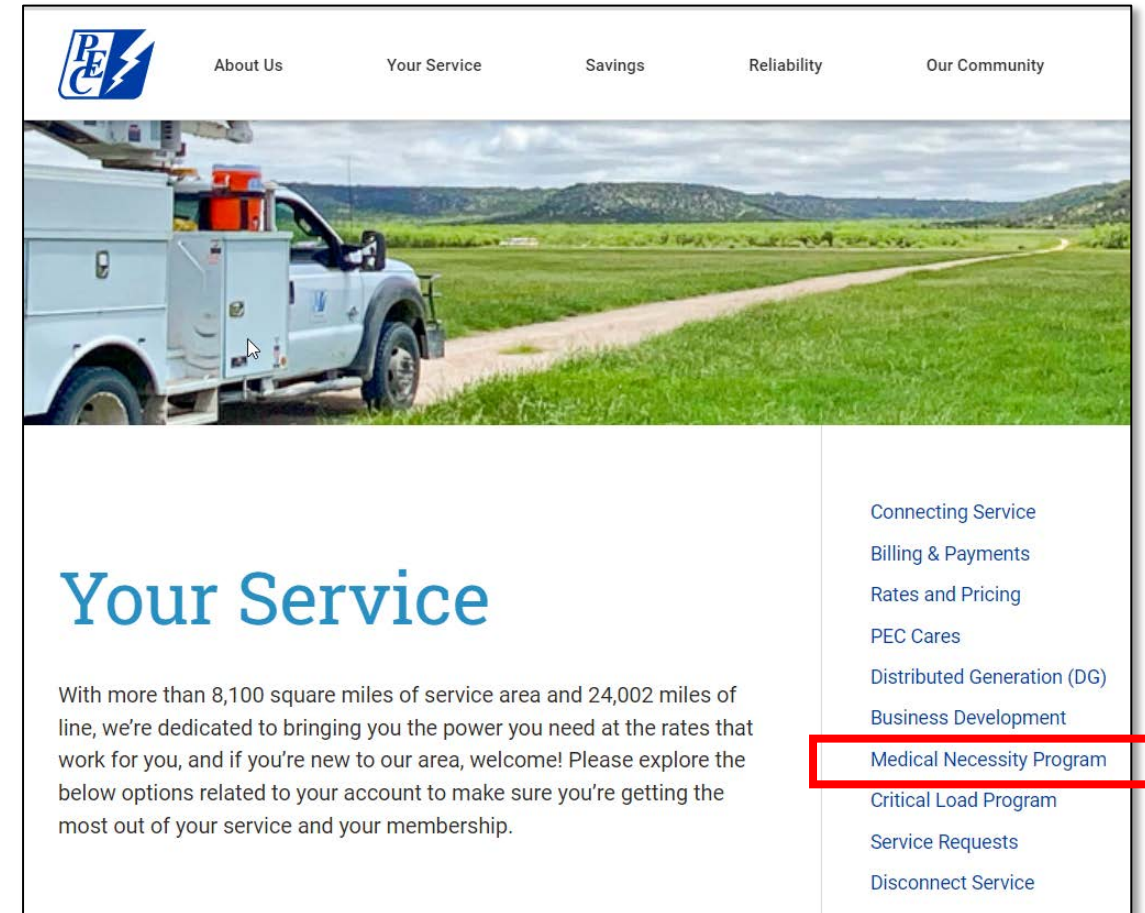
When planned outages or service interruptions for nonpayment are scheduled, we will attempt advance notice so preparations can be made.

What It Is Not

Our Medical Necessity Program does not guarantee priority electric service restoration and sites can not be guaranteed an uninterrupted, regular, or continuous power supply.

Locations registered in the program are not exempt from planned service interruptions, nor are registered members exempt from their financial responsibilities or from the termination of service in accordance with PEC policies.

For more information visit <https://www.pec.coop/medical-necessity>
Call Member Services at 888-554-4732 or visit your local PEC office.



PEC

About Us Your Service Savings Reliability Our Community

Your Service

With more than 8,100 square miles of service area and 24,002 miles of line, we're dedicated to bringing you the power you need at the rates that work for you, and if you're new to our area, welcome! Please explore the below options related to your account to make sure you're getting the most out of your service and your membership.

- Connecting Service
- Billing & Payments
- Rates and Pricing
- PEC Cares
- Distributed Generation (DG)
- Business Development
- Medical Necessity Program**
- Critical Load Program
- Service Requests
- Disconnect Service

Critical Load Program

What It Is

Our Critical Load Program is a registry of nonresidential service locations that can be classified as public safety, industrial, or natural gas infrastructure, and have an approved Critical Load Program application with PEC.

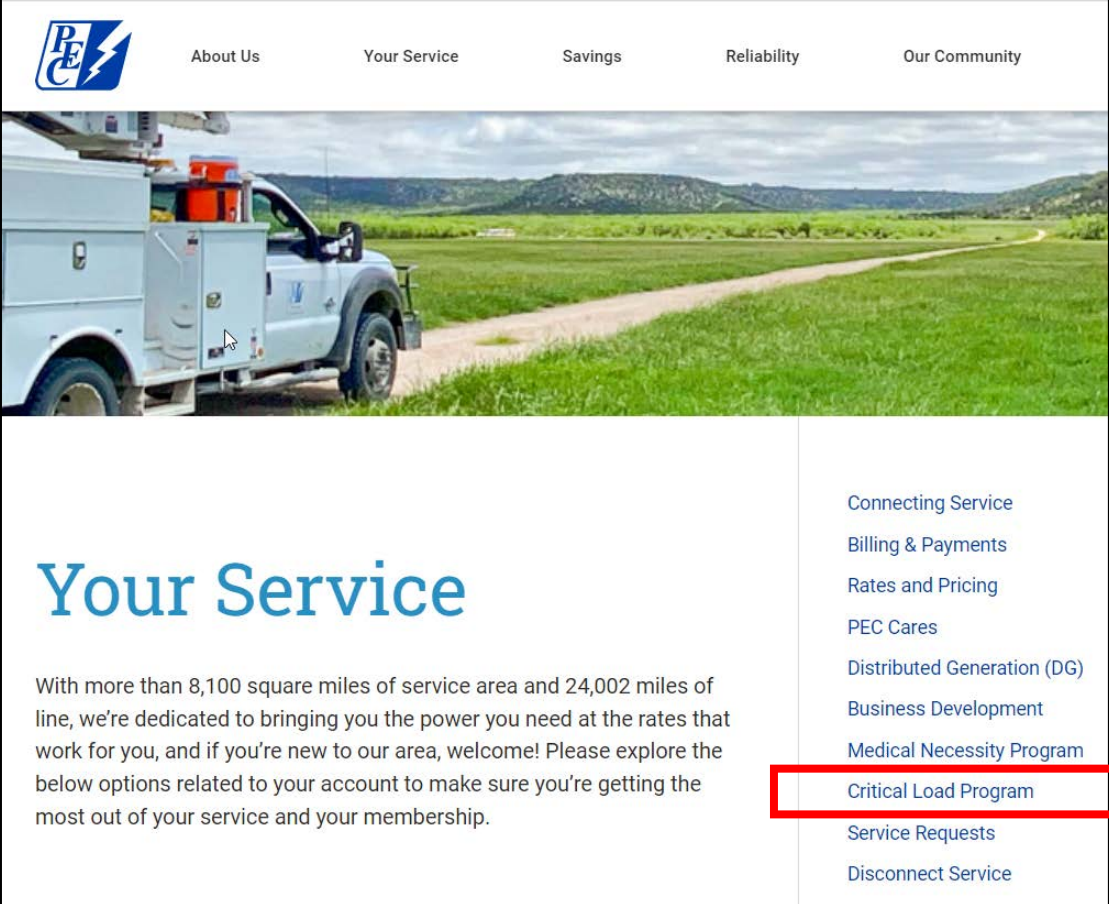
When planned outages or service interruptions for nonpayment are scheduled, we will attempt to provide advance notice so preparations can be made.

For unplanned outages, PEC may escalate Critical Load sites for restoration as much as practicable.

What It Is Not

Our Critical Load Program sites can not be guaranteed an uninterrupted, regular, or continuous power supply.

Locations registered in the program are not exempt from planned service interruptions, nor are registered members exempt from their financial responsibilities or the termination of service in accordance with PEC policies.



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- Service Requests
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Visit the website at www.pec.coop/critical-load.

For questions about the program, contact by phone at 830-454-3114 or email criticalloadrequests@peci.com.

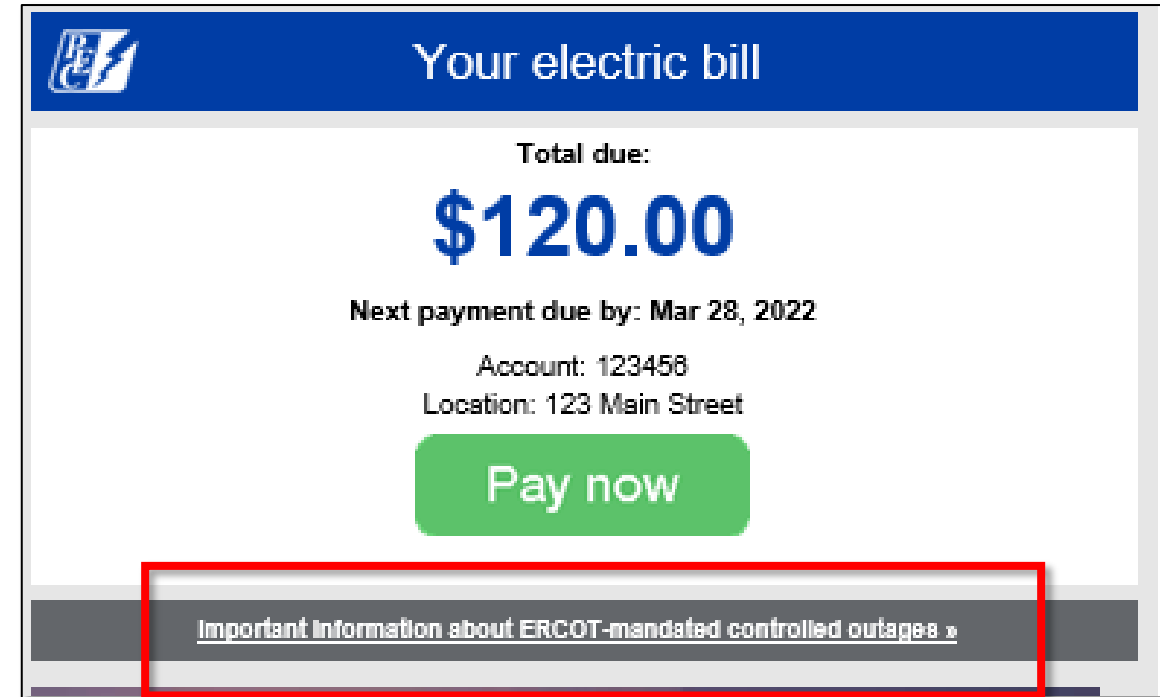
Member Information Regarding Controlled Outages

Recent regulatory requirements now include cooperatives to provide periodic notices to its members regarding information about controlled outages.

The first notice was sent to members in April 2022 and included the following information:

- The cooperative's procedure for implementing involuntary load shedding
- What to expect during a controlled outage
- Types of members who may be considered critical care residential customers, critical load industrial customers, or critical load
- The procedure to apply to be considered a critical care residential customer, a critical load industrial customer, or critical load
- Information about reducing electricity use at times when involuntary load shedding events may be implemented

Member notices will be delivered each April and November.



PEC Summer Preparedness

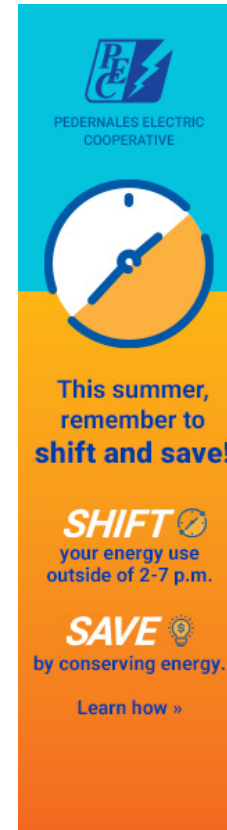
Communication Platforms

Internal

- Intranet
- Internal, all-user emails
- Reader boards
- Text messaging

External

- Public-facing website
- Social media (Facebook, Twitter, LinkedIn, Instagram)
- Press release/media outreach
- Text messaging
- Texas Co-op Power
- Member email and talking points
- KVUE partnership
- Broadcast commercials
- Digital display ads



Digital display ad



KVUE social media + meteorologist endorsement

Communications Plan & Coordination

Communications Plan

- PEC developed a detailed Peak Demand Communications Plan to provide additional detail and clearly lay out responsibilities during a variety of crisis situations, including peak heat days and potential load shedding events
- PEC annually reviews all emergency operations procedures, call lists, and communications plans

Coordination & Drills

- PEC has held multiple internal drills for preparation
- PEC attended ERCOT's Market Participant Grid Communicators meeting
- On potential EEA days in the morning, we will hold coordination calls to ensure clarity of responsibilities and actions and how we should be communicating with members and employees

Peak Heat Messaging

- Peak heat messaging will be promoted through Power Rush Hour content and will continue to be highlighted on PEC's website, social media (Facebook, Twitter, LinkedIn, Instagram), and additional communications platforms
- Running June to mid-September



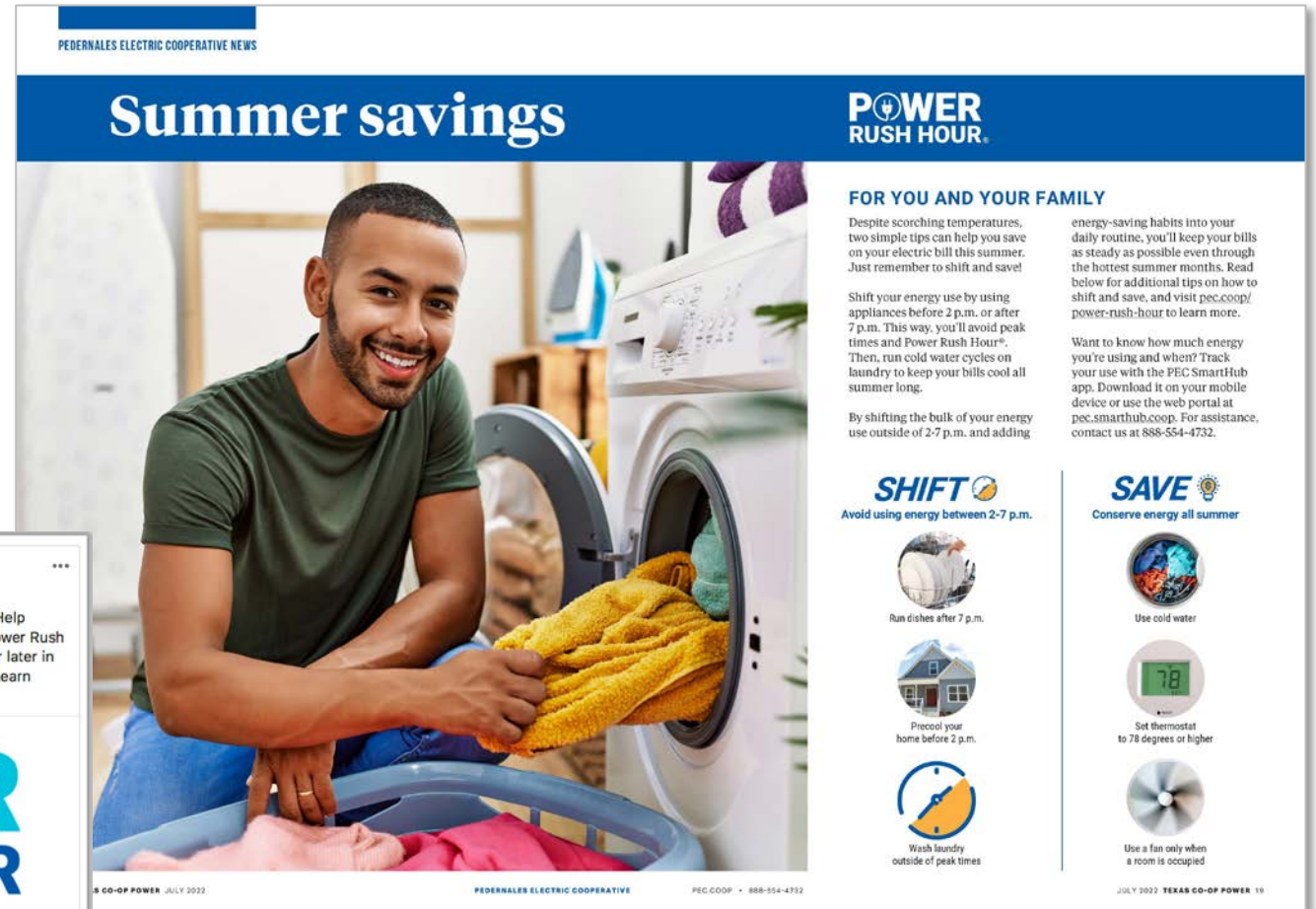
Pedernales Electric Cooperative
1 hr · 🌐

It feels like another triple-digit day across Central Texas! Help conserve energy by shifting your energy use outside of Power Rush Hour from 2-7 p.m. Use large appliances in the morning or later in the evening, and turn your thermostat up a few degrees. Learn more: <https://shr.link/pec-prh-2-7> #PowerRushHour

POWER RUSH HOUR

Help prevent a pileup on the Texas power grid

SHR.LINK
Power Rush Hour: Shift energy use from 2-7 p.m.
By working together to use less energy during Power Rush Hour,...



PEDERNALES ELECTRIC COOPERATIVE NEWS

Summer savings

POWER RUSH HOUR

FOR YOU AND YOUR FAMILY

Despite scorching temperatures, two simple tips can help you save on your electric bill this summer. Just remember to shift and save!

Shift your energy use by using appliances before 2 p.m. or after 7 p.m. This way, you'll avoid peak times and Power Rush Hour®. Then, run cold water cycles on laundry to keep your bills cool all summer long.

By shifting the bulk of your energy use outside of 2-7 p.m. and adding energy-saving habits into your daily routine, you'll keep your bills as steady as possible even through the hottest summer months. Read below for additional tips on how to shift and save, and visit pec.coop/power-rush-hour to learn more.

Want to know how much energy you're using and when? Track your use with the PEC SmartHub app. Download it on your mobile device or use the web portal at pec.smarthub.coop. For assistance, contact us at 888-554-4732.

SHIFT

Avoid using energy between 2-7 p.m.

- Run dishes after 7 p.m.
- Precool your home before 2 p.m.
- Wash laundry outside of peak times

SAVE

Conserve energy all summer

- Use cold water
- Set thermostat to 78 degrees or higher
- Use a fan only when a room is occupied

SHR.LINK

JULY 2022 TEXAS CO-OP POWER 19

Peak Heat Messaging

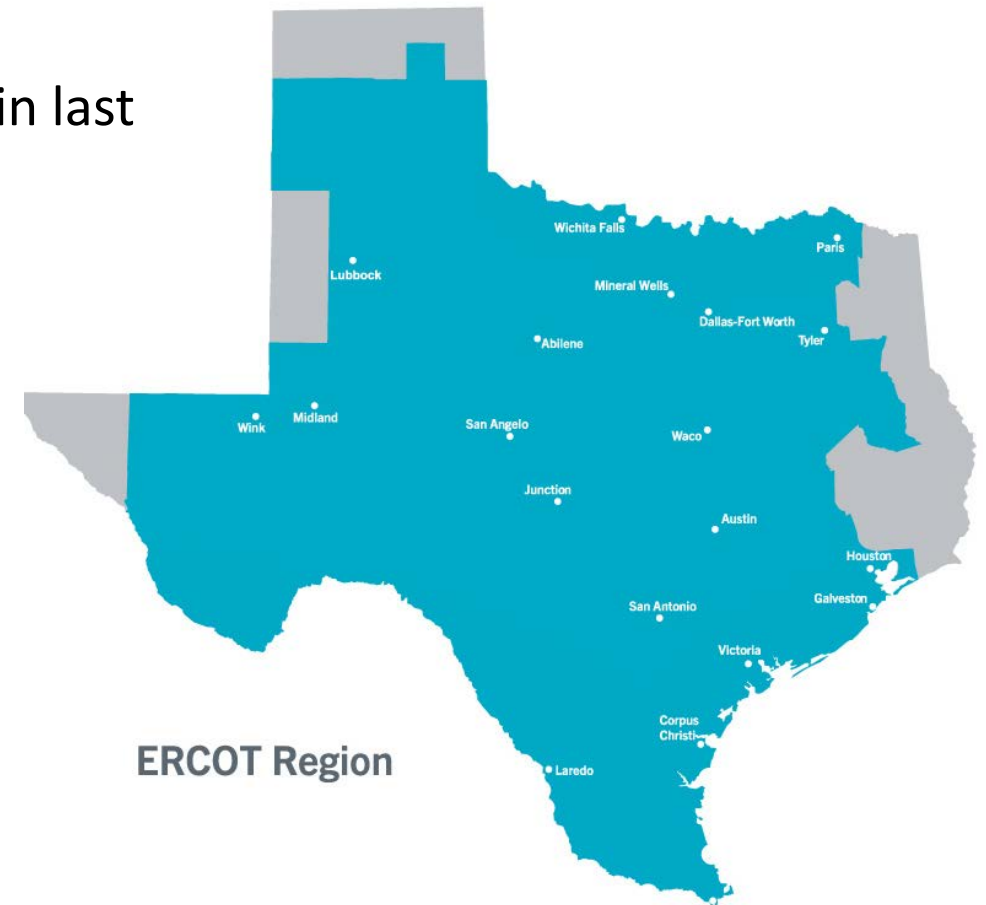
KVUE partnership

- KVUE will continue promoting peak heat tips via broadcast spots, digital display ads, and social media promos during tight grid conditions and peak days
- Running from June to mid-September



Emergency Communications Plan

- Calls for energy conservation are common
 - ERCOT has issued 16 statewide conservation appeals in last five years
 - 2021 saw 11 calls for conservation alone
 - 2019 saw 5 calls
- ERCOT Energy Emergency Alert 1 (EEA1)
 - 3 EEA1s events issued in last 10 years
 - June 2014
 - August 2019
 - February 2021



PEC Communications Toolbox

External

- Local and state authorities outreach
 - Database updated quarterly
- pec.coop
- Social media (Facebook, LinkedIn, Twitter @PedernalesCoop, Instagram @PedernalesEC)
- Email and texting platforms
- Strategic media outreach and partnerships
- Interactive Voice Response (IVR) phone message system

Internal

- Intranet
- Email and texting platforms
- Reader boards in offices
- Tailboard and safety meetings

ERCOT Energy Emergency Alert (EEA): Call for Conservation

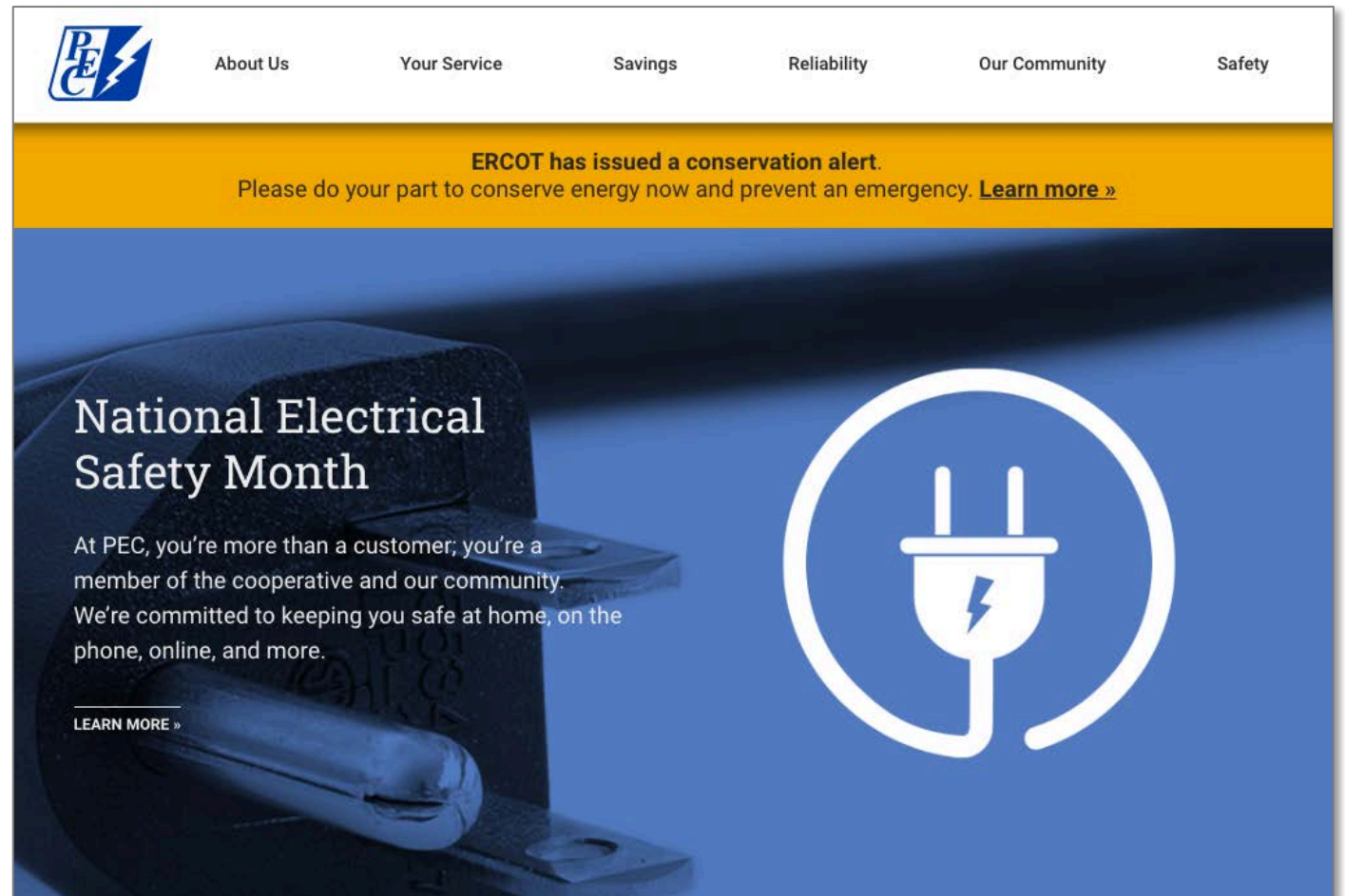


CONSERVATION

Tight operating reserves are expected to pose a reliability concern.

ERCOT Energy Emergency Alert (EEA): Call for Conservation

- Update homepage of pec.coop with an alert ticker
 - Request PEC members conserve electricity, per ERCOT
- Share energy conservation tips and messages on social media



ERCOT Energy Emergency Alert (EEA): EEA 1



EEA 1 – Deployment

Operating reserves drop below 2,300 MW and are not expected to recover within 30 minutes.

ERCOT Energy Emergency Alert (EEA): EEA 1

External

- ✓ Initiate outreach with local and state authorities
- ✓ Update pec.coop homepage
- ✓ Share social media messages

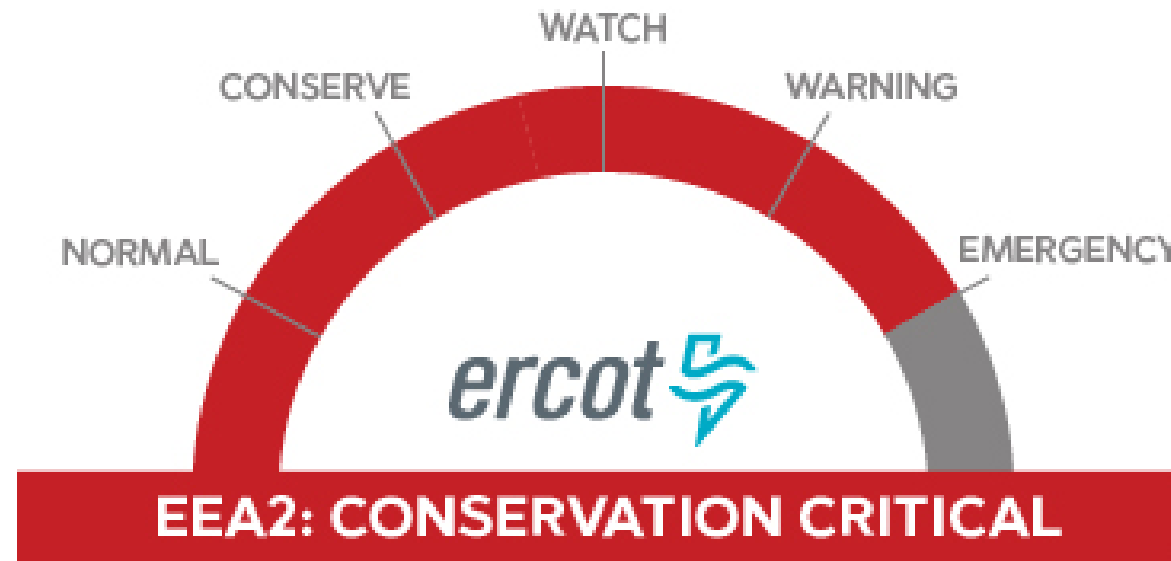
Next Steps

- Email members with email addresses on file
- SMS text members with mobile numbers on file
- Activate IVR messaging
- Monitor media
- Notify Critical Load Registry of system conditions

Internal

- Email PEC employees about current grid conditions
- Deploy talking points for member-facing staff

ERCOT Energy Emergency Alert (EEA): EEA 2



EEA 2 – Deployment

Operating reserves drop below 1,750 MW and are not expected to recover within 30 minutes.

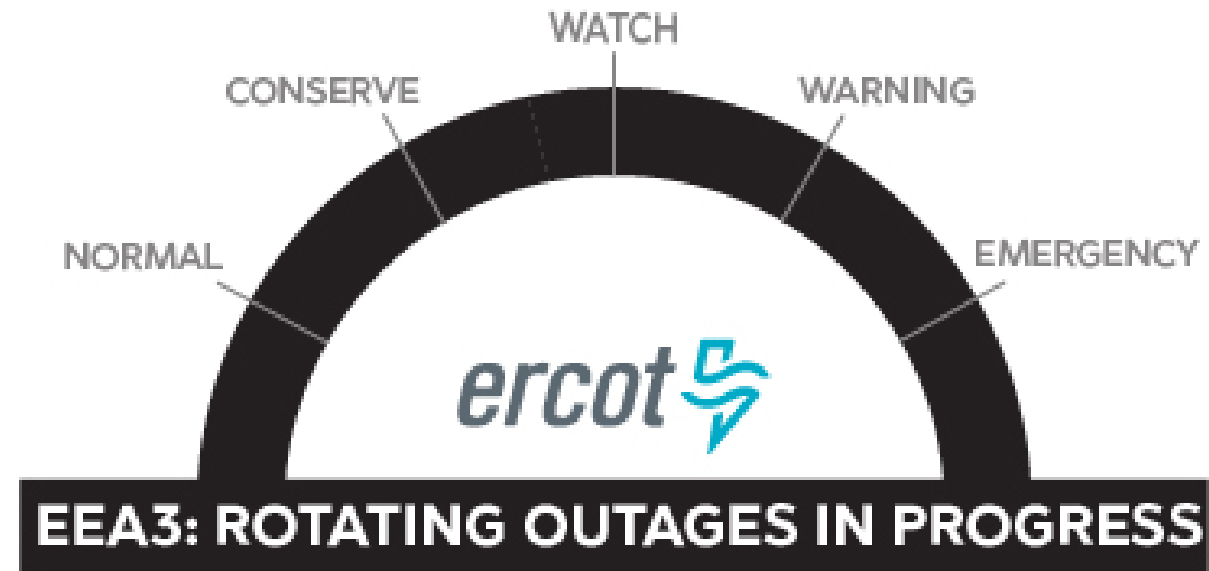
ERCOT Energy Emergency Alert (EEA): EEA 2

External

- ✓ Initiate phone calls to local emergency management directors
- ✓ Continue notifying Critical Load Registry of grid conditions
- ✓ Update pec.coop as needed
- ✓ Boost social media messages
- ✓ Issue media statement and respond to media requests



ERCOT Energy Emergency Alert (EEA): EEA 3



EEA 3 – Deployment

Operating reserves drop below 1,000 MW and are not expected to recover within 30 minutes and/or the grid's frequency level cannot be maintained at 60 Hz.

ERCOT Energy Emergency Alert (EEA): EEA 3

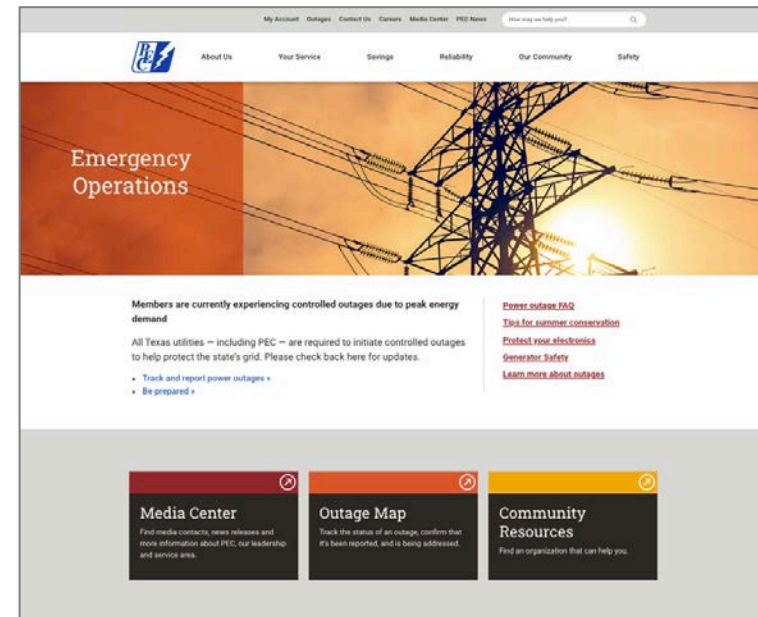
External

- ✓ Update local and state authorities by email and phone
- ✓ Boost social media messages
- ✓ Issue press release and respond to media inquiries

Next Steps

- Email members with email addresses on file
- SMS text members with mobile numbers on file
- Activate emergency homepage on pec.coop and update as needed

- Support Critical Load Registry; notify controlled outages have begun and provide timely updates
- Refresh IVR messaging advising of controlled outages
- Activate automated calls



ERCOT Energy Emergency Alert (EEA): EEA 3

Internal

- All employee email updating on grid conditions and that controlled outages have been mandated
- Text message to all employees that controlled outages have been mandated
- Update intranet and launch timely updates

Members are currently experiencing controlled outages due to peak energy demand

All Texas utilities – including PEC – are required to initiate controlled outages to help protect the state's grid »



ERCOT Recall

External

- Deactivate emergency homepage on pec.coop; update site as needed
- Return to regular social media posting
- Email members with email addresses on file
- SMS text members with mobile numbers on file
- Refresh IVR messaging advising controlled outages have ended; report outages online or by phone
- Deactivate automated calls
- Notify local and state authorities by email and phone
- Update Critical Load Registry of recall; confirm power is restored to sites
- Issue press release and respond to media inquiries

ERCOT Recall

Internal

- All employee email that grid conditions have stabilized, and controlled outages have ended
- Text message to all employees alerting of grid conditions and latest ERCOT requirements
- Update intranet

Controlled outages end

The directive to controlled outages has ended »



Resources

- ERCOT Webpage - <https://www.ercot.com/>
- ERCOT App – In your smartphone’s app store
- Current Grid Conditions -
<https://www.ercot.com/gridmktinfo/dashboards/gridconditions>
- Wind and Solar forecast and actuals for current and next day –
<https://www.ercot.com/gridmktinfo/dashboards/combinedwindandsolar>
- Weather forecast by weather zone -
https://www.ercot.com/files/docs/2021/11/22/temperature_template.pdf





PEDERNALES ELECTRIC COOPERATIVE