



Your Touchstone Energy® Cooperative 

ERCOT MANDATED LOAD SHED EVENTS

Important Information About Electricity Load Shedding and How It Could Affect You

The Electric Reliability Council of Texas (ERCOT) manages the flow of electric power to more than 26 million Texas customers. ERCOT is responsible for ensuring that the supply of electricity is sufficient to meet customer demand (load) for electricity in most of the state.

As an electric distribution cooperative operating within the ERCOT electric market, United is subject to compliance with regulations pertaining to ERCOT management of the overall grid.

When electric supply provided by all available power generation plants, wind farms and other sources becomes insufficient to meet customer demand, ERCOT begins emergency operations. During a power emergency, when electric supply cannot meet consumer demand for electricity and all other operational tools have been exhausted, the demand for electricity must be reduced to avoid uncontrolled blackouts. As a last resort, ERCOT will instruct electric utilities to implement controlled rotating outages to reduce the customer demand for electricity on the ERCOT grid. This is referred to as load shed and will last until the power emergency is resolved by ERCOT.

Typically, before calling for controlled rotating outages, ERCOT takes steps to reduce demand across the electric grid by asking consumers to reduce electric usage. If those measures fail, electric utilities, including United Cooperative Services, are obligated to immediately implement load shed procedures when ERCOT mandates them.

PREPARING FOR LOAD SHED EVENTS

All members should expect that their power could go out without advance warning. Efforts will be made, as much as possible, to provide advanced notification of upcoming outages, but such notification can't be guaranteed.

United members designated as Critical Load, in accordance with PUC §25.497, are listed as a priority account when United faces outage situations, but they are not guaranteed an uninterrupted supply of electricity. It is the responsibility of every electric consumer to make necessary arrangements for alternative sources of electric power if a

localized outage or load shed event were to occur.

Residential members dependent on electric-powered medical equipment, such as those designated as Critical Care or Chronic Condition, in accordance with PUC §25.497, are encouraged to have a solid back-up plan in the event they lose electricity. It is important to note that these members are not excluded from controlled outages and may lose power during a load shed event. Anyone who depends on electricity for life-sustaining equipment should have a back-up plan in place.

The procedure for a member to apply for critical load status according to commission rules, is explained on United's website at: www.ucs.net/my-home.

Electric utilities will prioritize continuity of service for certain consumers whose service is critical to the community during an emergency or those whose service provides major support to the integrity of the electric system during an emergency. Examples include hospitals, natural gas producers, and 911.

In extreme power emergencies, ERCOT may require electric utilities to shed large amounts of load over extended periods of time. In these instances, electric utilities such as United may not have the ability to rotate outages within a specified duration (nominally set for 30 minute cycles). Depending on the event, some members could be without power for a longer duration. These outages are critical for ensuring the integrity of the state's electric grid and preventing a system-wide blackout, which could be long-lasting and have a significant impact on all aspects of life.

Electric utilities are required to continue to comply with ERCOT-controlled consumer outage instructions until ERCOT determines they are no longer required.

United provides tips and examples for members to reduce electricity use at times when involuntary load shedding events may be implemented at www.ucs.net/my-home.

Regardless of the nature of a load-shedding event, United Cooperative Services is committed to ensuring the safe and reliable delivery of electricity to its members 24-hours-per-day, 7-days-per-week.

While United may not control the issues or conditions that have required an ERCOT order to shed load, the cooperative will do everything within its control to restore electricity when it is allowed or feasible to do so. In addition, United will work to keep members informed about the event through social media and United's website, as well as through direct communications to members.

***On the reverse side of this notice, please see an example of how your cooperative responded and communicated during the extended ERCOT load-shedding event that occurred as a result of Winter Storm Uri in February 2021.**

United Will Deliver Exceptional Service and Value to its Members

Straightforward Communications

—Best Practices—

Using social media platforms and United's website, the cooperative's main communications focus before and during the Winter Storm Uri event, including throughout rotating outages later precipitated by the storm, was to inform members about prevailing weather conditions and their potential effect on the state's power resources (balmy, unseasonable weather had prevailed a week earlier).

Members were warned how they could be affected by unexpected freezing weather—in higher usage, higher bills due to higher usage and the likelihood of physical outages from weather-related events, such as ice on the lines (which occurred in the western part of United's service territory).

Cooperative communications teams additionally monitored and shared available information as it was reported by ERCOT.

United advanced its alert communications when it again preemptively warned members about the real potential of statewide rotating outages.

As temperatures dipped, and electric usage across the state grid skyrocketed and generation capacity diminished between the night of Feb. 14 and early morning of Feb. 15, United was instructed by ERCOT to shed load.

Crisis communications to members were launched immediately

as rotating outages were initiated. Regular morning and evening updates were provided, addressing frequently asked questions, as well as detailed outage reports arising as a natural consequence of the winter weather.

And while United's approach in rotating the outages in 30-45 minute intervals—a regular sequence that members could anticipate—was not received well in the beginning, the effort was later lauded by members who learned that customers of for-profit providers had lost all power for days.

United's communications extended not only to members, but also to legislators, who utilized United's steady communications to broaden their understanding of the event and ERCOT's system status. Additionally, United communications essentially became an information hub that many non-member electric consumers outside of United's service territory pointed other consumers to after being left in the dark to fend for themselves by their for-profit providers.

Whether it was the result of the cooperative's efforts during the storm event, or member acknowledgment of United's cumulative work and promise to deliver exceptional service and value to members, the cooperative received a third quarter score of 90, and a 91 in the fourth quarter to round out 2021 scoring in the American Customer Satisfaction Index survey—believed then to be the state's highest scoring average.



www.uccs.net