Emergency Load Curtailment Events and What It Could Mean for our Members

Dear Member,

If you recall back to February 14, 2021, and the days that followed, the entire state of Texas was locked into a deep freeze by Winter Storm Uri with temperatures below freezing and a negative wind chill factor for most of the entire week. This event resulted in rolling power outages putting customers in the dark for hours and sometimes days in parts of the state.

As a result of this event, legislators and energy providers have worked vigorously evaluating system failures to develop and implement policy and procedures to prevent a similar power failure in the future should another weather event of this magnitude occur.

During these events, when electricity supply from power generation plants and all other resources become insufficient to meet consumer demand, then as a last resort, the grid operator will instruct utilities to curtail its load. This process is also known as load shedding.

The grid operator for the Swisher Electric Co-op service territory is the Southwest Power Pool, SPP. The majority of the Texas power grid is controlled by ERCOT with the exception of the Panhandle region which lay within the boundary of and governed by the SPP.

When conditions warrant, the SPP will instruct all power providers to begin shedding load in order to align the demand for electricity with the available power supply. Since the inception of Swisher Electric in 1939, our members have experienced one such load-shedding event and that was Winter Storm Uri of February 2021. With new policy and procedures in place, I want to share with our members what they might anticipate going forward should another load shed event require such drastic measures.

During load shed events:

- All Swisher Electric members should assume their power could go out without advance warning. Efforts by the cooperative will be made to provide advance notice, when possible. Once notified by the SPP to shed load, the cooperative is obligated to respond within minutes therefore advanced notice to members is unlikely.
- Commercial members designated as <u>Critical Load</u>, in accordance with PUC section 25.497, are not guaranteed an uninterrupted supply of electricity. It is the responsibility of the member to make necessary arrangements for alternate sources of electricity should a load shed event occur.
- Residential members dependent on electric-powered medical equipment and
 designated as <u>Critical Care</u>, in accordance with PUC section 25.497, are encouraged to
 have a reliable back-up plan in the event electricity is curtailed. <u>It is important to note</u>
 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 for a reliable alternative source of electrical power.

- To inquire about obtaining a Critical Load or a Critical Care designation, please contact our Member Services department at 806-995-3567.
- Swisher Electric Cooperative will make every effort to prioritize continuity of service to members so that load shed events will impact the fewest number of homes and businesses as conditions allow.
- Because a load shed event is an emergency order from SPP based on a shortfall of available electricity, Swisher EC may not have the information necessary to notify members in advance of power disruption nor have the knowledge of how long the event may last.
- In extreme emergencies, Swisher EC may be required to curtail a large amount of load for an extended period of time. In these instances, and when operationally possible, Swisher EC will attempt to rotate outages throughout our system in an equitable manner so that all members share in the outage and no single area is out for an extended period of time, unless conditions prevent such action.
- The Public Utility Commission of Texas website offers tips and examples to reduce electricity use at times when involuntary load shedding event may be implemented, please reference this at: https://www.puc.texas.gov/consumer/facts/Save.aspx

Regardless of the nature and cause of a load curtailment event, Swisher Electric Cooperative is committed to ensuring the safe and reliable delivery of electricity to our members 24 hours a day, 7 days a week. While the co-op may not control the issues or conditions that create a load shed event, we will do everything in our power to restore electricity when we are able to safely do so. In addition, we will work to keep our members informed of the situation through our website, through social media, and by direct communications with you.

If you have questions or concerns about information contained in this letter, please contact our office at 806-995-3567.

Dwain Tipton General Manager