

Winter Storm and Grid Crisis



MESSAGE
FROM
PRESIDENT/
CEO

**DARRYL
SCHRIVER**

AS WE ARE ALL PAINFULLY AWARE, in mid-February, the entire State of Texas experienced severe winter weather with ice, snow and sustained sub-freezing temperatures. This storm brought various challenges to our communities, including Tri-County Electric Cooperative, and impacted nearly every facet of our day-to-day lives. There were supply chain breakdowns due to transportation difficulties, schools were closed, inventory shortfalls plagued our grocery stores and home improvement stores, and there were delays to mail, trash and online delivery services. But, perhaps the most impactful and publicized breakdown was the effect this weather had on the state's electric grid and the Electric Reliability Council of Texas (ERCOT).

The rolling blackouts that were mandated by ERCOT affected Tri-County Electric Co-op and all our members and employees. The event made local, state, and national headlines. As of this writing, state legislators continue investigations of ERCOT and the Public Utility Commission (PUC) to try and understand the events that led to the grid crisis and scarcity pricing for electricity at rates of approximately 300 times the normal rate. Resignations by board members of ERCOT and two of the three PUC commissioners have been submitted, and the CEO of ERCOT has been terminated. Through these investigations, we have learned that the entire electric grid was about four and a half minutes from complete failure which would have resulted in a disastrous statewide blackout that could have lasted weeks and likely months. The fallout of these events has reached far and wide, and Tri-County Electric Co-op has not been isolated from the domino effect. 800797804

As you may have read in our press releases, social media and other member communications, Tri-County Electric Co-op's wholesale power supplier, Brazos Electric Power Cooperative, Inc. (Brazos), filed for chapter 11 bankruptcy on March 1. We are one of 16 member cooperatives that purchase all wholesale power and transmission services from Brazos. Although we have been assured by Brazos that the bankruptcy will not affect the reliable flow of electricity and that its bankruptcy is to protect Tri-County Electric Co-op and our members from exorbitant costs, we continue to investigate the impact this situation will have on our costs. Your Tri-County Electric Co-op Board of Directors has instructed me to investigate this situation fully and to leave no stone unturned as we take all actions necessary to make sure Tri-County Electric Co-op is treated fairly and cost allocations are verified and validated.

This continues to be a fluid and difficult situation to manage. We pledge to be transparent and keep you informed as reliable information comes available. As of right now, we know that Brazos has approved a temporary rate increase of 2 cents per kilowatt-hour that has been added to our wholesale power costs. Please see the articles on the next two pages that explains how this adder affected your bill. Although the overall impacts of this winter event are not yet completely settled, please rest assured that we will continue to fight for the Tri-County Electric Co-op membership. We are in this together. ■

What's my electric charge?

Most residential member bills have a single line item or "bundled" electric charge. For March billing statements, the overall kWh charge increased from 9.4 cents to 11.4 cents for residential members using 1,000 kWh.

March billing statement PCRf includes the budgeted \$0.015 amount for PCRf plus the \$0.02 Brazos winter storm adder for a total PCRf of \$0.035 per kWh.

Here is what's included in the residential electric charge:

- ▶ Monthly service charge: \$15
- ▶ kWh charge: kWh consumed x \$0.064
- ▶ PCRf: kWh consumed x \$0.035

Winter Storm, Grid Crisis and Your Bill

What our members need to know

IN OUR MARCH MEMBER BULLETIN we communicated what we know to our members. In case you missed it, here is what we know:

▶ You are only charged for the electricity you use. When you were out of power during the February rotating outages, your meter was not turning and you will not be charged.

▶ You can track your electric use on your online member portal or through the app, TCEC Connect.

▶ As a distribution cooperative, we purchase power through Brazos, our generation and transmission cooperative. Brazos owns and operates generation in the Electric Reliability Council of Texas (ERCOT) grid and contracts for additional generation up and above what they generate so that all Brazos cooperative loads have power. 2003400001

▶ Brazos announced a \$20 per megawatt-hour adder on February 23 due to the winter storm and grid crisis. This will affect member bills and temporarily increase the power cost recovery factor (PCRF) by 2 cents per kWh. A residential member using 1,000 kWh per month will see their bill increase from \$94 to \$114 (see sample bill on next page).

▶ Through all of this, our commitment to you remains the same. We are in this together and we will be honest and transparent about the information we receive from Brazos and ERCOT relating to the impacts of the winter storm. We will continue to fight for the best prices for our members.

▶ We will work with you to find the best solutions we can to help in these trying times by setting up payment arrangements, waiving late fees and postponing disconnects. Please contact your co-op by phone at 817-444-3201 or email at customer_service@tcectexas.com if you need assistance. ■

We are in this together.

Tri-County Electric Co-op is a distribution cooperative.

This means we build the distribution lines to take purchased wholesale power from Brazos substations and deliver it to your homes and businesses. 2550010

We are the full-service provider for our members by bundling Brazos generation, transmission, and substation service with Tri-County Electric Co-op distribution service, meter service, billing service, outage response, and member service to provide you, our member-owners, with one company to interface with and the benefit of receiving one total bill. Tri-County Electric Co-op does not make a profit from any of the services we receive from Brazos, we pass those costs on to you, dollar-for-dollar with no mark-up.

Tri-County Electric Cooperative

A Touchstone Energy® Cooperative 

CONTACT US

200 Bailey Ranch Road

Aledo, TX 76008

Phone (817) 444-3201

Email customer_service@tcectexas.com

Web tcectexas.com

President/CEO

Darryl Schriver

Board of Directors

Jorden Wood, District 3 - Chairman

Max Waddell, District 9 - Vice Chairman

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Margaret Koprek, District 2

Jerry A. Walden, District 4

Steve V. Harris, District 5

Larry Miller, District 7

Dr. Jarrett Armstrong, District 8

24/7

Outage Reporting

For information and to report outages, please contact us.

Online: oms.tcectexas.com

App: TCEC Connect

Phone: (817) 444-3201

ABOUT TRI-COUNTY ELECTRIC CO-OP

Tri-County Electric Co-op owns and maintains more than 9,390 miles of line to provide electric service to more than 94,500 members in Archer, Baylor, Denton, Foard, Haskell, Hood, Jack, King, Knox, Palo Pinto, Parker, Stonewall, Tarrant, Throckmorton, Wilbarger, and Wise counties.

OFFICE LOCATIONS

Aledo

200 Bailey Ranch Road, Aledo 76008

Azle

600 NW Parkway, Azle 76020

Granbury

1623 Weatherford Highway, Granbury 76048

Keller

4900 Keller-Hicks Road, Fort Worth 76244

Seymour

419 N. Main, Seymour 76380

IT PAYS TO STAY INFORMED

Find your account number in pages 18-25 of *Texas Co-op Power*, and you will receive a \$20 credit on your electric bill. Simply contact one of the offices listed above and make them aware of your discovery!

VISIT US ONLINE

tcectexas.com

[Facebook.com/TCECTexas](https://www.facebook.com/TCECTexas)

How to Read my Bill

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ELECTRIC SERVICE

For: JOHN DOE
 Service Address: 1234 COOPERATIVE DR
 Azle TX 76020
 Map Location: 0123456789
 Telephone Number: (817) 444-1116

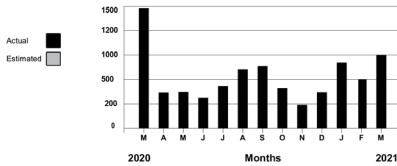
ELECTRIC USE Meter Reading Information

KWH	Service	Reading	Mult	Rate	KWH	Read Type
Meter No	From	To	Prev	Pres		
8888888	01-26	02-23	0	1000	1	RES 1000

G

Comparisons	Days Service	Total KWH	Avg KWH/Day
Current Billing Period	28	1000	36
Previous Billing Period	29	500	17
Same Period Last Year	31	1500	48

Average Monthly KWH: 1266
 This graph shows your kWh billed over the last 13 months



A

Your Bill Account Number	1234567
Use when calling or writing	
Statement ID:	11111111
Board District:	District 15

C

Total From Last Bill	\$100.00
02/15/21 Payment -- Thank You	\$100.00 CR

D

Current Charges	
Sales Tax @ 1.25% - 03/01/21	\$1.47
Electric Charge - 03/01/21	\$114.00
Account Balance Due	Mar 17, 2021
Termination Date for Current Amount Is	Apr 5, 2021

E

PCRF = \$0.0150 + Brazos winter storm adder of \$0.020 = \$0.035. The above electric charge includes a customer charge of \$15.00.

To avoid a 5% late fee, please pay your bill prior to the due date. You can make payments and view account information 24/7 by accessing our web site at www.TCECTEXAS.com or our automated pay-by-phone service by calling 817-444-3201. Power outages can also be reported to this number.

F

A indicates your Account Number and Statement ID.

B shows your account information. If this is not correct, please let us know.

C indicates your last payment made and total from last bill.

D indicates your current bill charges. **Current bill charges for residential members include the \$15 monthly service charge, PCRF charge and kWh charge bundled as one item.**

Some members may have city franchise fees and other applicable taxes and fees included in the line item or as a separate line item. Other line items may include outdoor lights and city taxes.

E shows your Account Balance, which is the total of current charges and anything owed from last month, current bill due date and if you are on Auto Pay.

F provides information on PCRF and the customer charge of \$15.00. **For March billing statements, PCRF equals \$0.015 plus the \$0.02 Brazos winter storm adder for a total of \$0.035 per kWh.**

G shows dates of service and your meter number. This shows your previous reading and the reading at the end of the billing period and total kilowatt hours consumed during this billing period. 800793375

H shows your current and previous billing information and 13-month kilowatt usage history so you can watch trends and electric consumption.

I is the payment stub to be filled out and returned with mail-in payments or in-person payments. ■



ADDRESS SERVICE REQUESTED

I

Account Number	1234567
Current Amount Due	03/17/21 \$115.47

Please indicate change of address or phone number here

Name _____ Phone Number _____

Address _____

City _____ State _____ Zipcode _____

TRI-COUNTY ELECTRIC COOPERATIVE, INC
 PO BOX 961032 Cycle 1
 FORT WORTH TX 76161-0032

011547210000012345670100000012345

What's in my rate?

Tri-County Electric Co-op has a set kilowatt-hour rate. Most residential members have a single line item or "bundled" electric charge.

Here is what is included in this bundled winter rate (November through April) of 6.4 cents per kilowatt-hour:

- ▶ Power costs: 4.8971 cents per kWh
- ▶ Tri-County's delivery charge: 1.5029 cents per kWh