



**DARRYL  
SCHRIVER**

PRESIDENT/  
CHIEF  
EXECUTIVE  
OFFICER

# The Winter Forecast

**THE END OF ANOTHER YEAR** is quickly approaching. December kicks off the first official month of winter and brings about holiday festivities. In the back of your mind, however, you may be thinking: Are we really ready for another winter in Texas?

As Tri-County Electric Cooperative's President/CEO, many members have asked this question of me. Even though it has been 10 months since Winter Storm Uri, it is still fresh on our minds. While I cannot predict the weather, I can assure you that Tri-County Electric Co-op's distribution system is ready. In fact, our electric distribution system held up very well during Winter Storm Uri. However, due to statewide fuel supply issues, renewable generation not producing, and most importantly, generators not being properly winterized and encountering sustained outages, our members were out of power due to mandatory load shed directives. 10569004

During Winter Storm Uri, the Electric Reliability Council of Texas (ERCOT) called for mandatory load shed to help preserve the grid. We do our best to provide a reliable flow of electricity to our members. Rotating outages went against everything we stand for, but we complied with the mandate to protect the integrity of the grid. After the event, we learned that the grid was less than five minutes away from a total blackout. If this were to occur, it would take weeks maybe months—to restore the grid to full functionality.

This failure of the electric grid got the attention of the leadership and members of the Texas Legislature. Since then, the legislature has conducted hearings, passed bills that were signed into law and the Public Utility Commission of Texas (PUCT) is taking a serious look at market design and generator responsibility. We hope the work of our legislators and PUCT commissioners will yield the intended results. Only time will tell.

As for Tri-County Electric Co-op, we will continue to perform appropriate maintenance and invest in the necessary capital additions and improvement projects to harden our system and improve reliability. If another winter event were to hit our service area, our distribution infrastructure investments will stand strong, but keep in mind that our system can only perform properly if the state leadership, and the ERCOT generation and transmission providers, do their jobs.

Now that we have discussed system reliability, let's talk costs. Our wholesale power supplier, Brazos Electric Power Cooperative (Brazos), filed for Chapter 11 bankruptcy protection on March 1, 2021. We have kept you updated on this process that is far from over. However, it appears that Brazos may push for a plan to exit bankruptcy predicated on more debt and costs which would pass millions of dollars of costs directly on to you, the members, as end users. We will continue to fight for your interests while keeping you updated on the progress of the bankruptcy case. 800707558

Recently, natural gas prices have soared to levels unseen in over seven years. This has increased the cost of the wholesale power purchased by Tri-County Electric Co-op for this month and others. We are working with Brazos staff to understand the impact and learn of their solutions to have this additional cost of generating power under control. However, due to increases in the price of natural gas, members should start preparing now for an increase in their bills throughout 2022. We will share details with you once we receive the necessary information from Brazos to develop accurate projections.

The Tri-County Electric Co-op Board of Directors and staff will do everything we can to continue our mission of providing you with safe, reliable and affordable power. The board worked hard throughout the year to deal with many challenges, and I thank them for their dedication to the membership. I would like to formally welcome Michael Sivertsen to the board. He was elected to District 8 during the 2021 election. His background, education and experience will be a great asset to the board. The board of directors will continue to work hard and make decisions in your best interest. We are in this together.

We count our blessings this upcoming holiday season. From the Tri-County Electric Co-op family to yours, Happy Holidays! ■



**MAX WADDELL**  
CHAIRMAN  
DISTRICT 9

# A Seat at the Board Table

**YOUR TRI-COUNTY ELECTRIC COOPERATIVE** Board of Directors works hard to serve you, the members-owners of the cooperative. As a member-owned and member-governed electric provider, it is important to keep you in the know. Over the past few years, our management team and communications team has worked hard to transparently communicate co-op news. The board would like to continue that trend by publishing key topics and considerations quarterly, and monthly when needed, we consider and discuss at our meetings. 8002857802

In addition to normal business, like hearing from staff who report on their departments, we discuss the following topics that affect you:

- ▶ **Brazos Bankruptcy:** Over the past few months, we have been deep in conversation regarding Brazos’s bankruptcy. We instructed President/CEO Darryl Schriver to leave no stone unturned when investigating Brazos’s practices during Winter Storm Uri and as the bankruptcy case unfolds.
- ▶ **Power Costs:** Your board has looked at the cost of natural gas and how it affects the cost of power. Wholesale power costs compose more than 70% of your electric bill, so we closely monitor generation and industry trends. Your rates are directly impacted by power cost and we are constantly looking for ways to keep your rates and costs low.
- ▶ **Rising Fuel Costs:** The price of natural gas continues to trend upward. Currently, prices are at the highest we have seen in over seven years. Natural gas is a key player in our state’s electric generation portfolio, so we track prices closely.
- ▶ **ERCOT Grid:** Attention turned to the state’s electric grid and its regulators after Winter Storm Uri. We have always kept an eye on the grid, but we continue to closely monitor legislative efforts and PUCT actions to identify how new laws will impact us as an electric provider, and you the member as an end consumer.
- ▶ **Member Benefits:** We are looking at ways to better our member engagement, programs and benefits. Next month, members will have a new way to monitor electric use and save money on your electric bill through energy efficiency. Look for the next issue of the *Texas Co-op Power* for more information.
- ▶ **Annual Meeting:** The board is reviewing feedback and surveys from this year’s Annual Meeting and election. Your opinions help us prepare for future meetings and elections. We thank the members who took the time to participate in the democratic process.



**JOHN KILLOUGH**  
VICE CHAIRMAN  
DISTRICT 6

We hope you take the time to read your monthly *Texas Co-op Power* magazine to stay up to date on your cooperative. I also hope you enjoy this new addition and find that it brings added transparency to your cooperative. The board, management team and employees strive to keep you informed.

I thank you for the opportunity to serve on the board. On this page you will see the other eight members who sit at the table and make decisions on your behalf. Together, we comprise Tri-County Electric Co-op’s regulatory and governing body. I would like to formally welcome Michael Sivertsen to the board. He came on the board this past October after Annual Meeting. We thank you for entrusting the co-op in our hands and we promise to uphold the membership’s best interest while keeping you at the forefront of every decision. Just like every employee at the co-op, we work for you. ■



**MARGARET KOPREK**  
SECRETARY/  
TREASURER  
DISTRICT 2



**KEVIN INGLE**  
DISTRICT 1



**JORDEN WOOD**  
DISTRICT 3



**JERRY WALDEN**  
DISTRICT 4



**STEVE HARRIS**  
DISTRICT 5



**LARRY MILLER**  
DISTRICT 7



**MICHAEL SIVERTSEN**  
DISTRICT 8



# A Successful Annual Meeting

## Hundreds of members joined the co-op for the second annual virtual membership meeting

BY ANNIE MCGINNIS, DIRECTOR OF COMMUNICATIONS

**TRI-COUNTY ELECTRIC COOPERATIVE** held the 82<sup>nd</sup> Annual Meeting of the Members on Tuesday, October 5. This was the second year to hold the meeting virtually to protect the health and safety of members and employees during the ongoing COVID-19 pandemic.

This year's Annual Meeting commenced with the 2021 election. Members received their official election ballot, Annual Meeting notice, Annual Report and financial reports in the September *Texas Co-op Power* magazine. Survey and Ballot Systems, our third-party election partner, conducted the election and members could cast their vote online or by mail-in ballot. Voting closed at 5 p.m. on September 29. Survey and Ballot Systems tabulated the ballots and every member who cast a ballot by the deadline received a \$25 bill credit.

More than 670 members joined us online and by phone to listen to the Annual Meeting. Members were welcomed to the meeting, heard the invocation and National Anthem. Janet Rehberg, Chief Strategy Officer and Vice President of Engineering, introduced the board of directors before inviting President/Chief Executive Officer Darryl Schriver to help announce the first round of door prizes, a member favorite.

Rehberg called on board chairman and District 3 director, Jordan Wood to call the meeting to order. Wood welcomed members to the meeting and introduced Darryl Schriver as the meeting chairman. Schriver reported on the election and determined the meeting quorum. According to our co-op's bylaws, a minimum of 3 percent of the membership must be in attendance to conduct quorum. 800877144

"Since 97,723 members received a notice, the quorum requirement for the 82<sup>nd</sup> Annual Meeting of the Members is a minimum of 2,931 members," Schriver reported.

Survey and Ballot Systems provided the official voting

report for the meeting. The report stated 4,363 ballots were cast online and 3,503 ballots were submitted by mail for a total of 7,866 ballots cast in the election, or 8 percent of the membership. This was the second year of offer both online and mail-in balloting. More than 55% of members chose to cast their ballot online using Survey and Ballot Systems secure voting website.

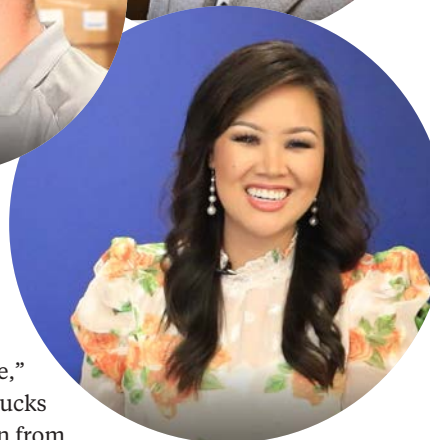
Schriver proceeded with the business portion of the meeting by asking the membership to approve the minutes of the 81<sup>st</sup> Annual Meeting of the Members, and to confirm the Committee on Nominations and Qualifications. Both passed with sufficient numbers. Schriver asked for board secretary/treasurer and District 6 director, John Killough, to deliver his treasurer's report. 800902418

Killough reported the co-op's financial stance remains strong. The fiscal year ending March 31, 2021, showed cooperative assets totaled \$701,341,297, revenue exceeded \$261,497,208, and margins were \$7,580,273. Killough said the co-op model is one of the strongest operating models because any margins are allocated back to the members.

"In July 2021, the board of directors voted to retire \$5 million to the members in capital credits," he said. "Members who received electric service in 2002 received a bill credit or a check last month. This is just a reminder that you are not only a member, but an owner of this cooperative."

Schriver then presented the 2021 director election results for director districts 3, 6 and 8. The Committee on Nominations and Qualifications set the ballot as follows: District 3 - Jordan Wood, incumbent; District 6 - John Killough, incumbent; and District 8 - Jarrett Armstrong, incumbent and Michael Sivertsen, nomination candidate.

Survey and Ballot Systems provided the voting results for



the election. Incumbents Jorden Wood and John Killough ran unopposed in their districts and received 100 percent of the votes. Jarrett Armstrong and Michael Sivertsen were on the ballot for District 8. Survey and Ballot Systems certified that Armstrong received 3,570 votes and Sivertsen received 4,003 votes. Sivertsen received 52.9 percent of the votes and was elected to district 8. Schriver congratulated the winners on their three-year terms and concluded the business portion of the meeting.

Schriver and Rehberg announced another round of door prize winners before the co-op update. Schriver called this past year the year of tidal waves. The “waves” were events and challenges like changes to the co-op’s governance structure, exponential growth, added member benefits, the lasting impacts of the COVID-19 pandemic, as well as Winter Storm Uri and its aftermath. 800741413

Schriver discussed the first wave, Winter Storm Uri, and the challenges the co-op faced during the long, cold days. Tri-County Electric Co-op’s employees worked around the clock

from February 12 through February 21 to take care of you.

“It was so cold and miserable,” he said. “Keeping fuel in our trucks from freezing, keeping linemen from freezing, and keeping the freezing from wearing us out was all a challenge.”

David Hollingsworth, System Operations Manager, said the co-op started tracking the storm the week before it hit. Several outlets were predicting winter weather. Winter preparations continued through member notification and the operations department stocking up on materials and performing maintenance on vehicles. Linemen were divided into three shifts to ensure crews were rested and ready to work. System operators, communications and staff continuously monitored the ERCOT grid. Hollingsworth said the co-op received the first load shed order at 1:27 a.m. on Monday, February 15, and the load shed requirements continued to increase throughout the

## Board Spotlight



**MICHAEL  
SIVERTSEN**

DISTRICT 8

Michael Sivertsen joined the Tri-County Electric Cooperative Board of Directors in October. He comes to the table with experience and knowledge in the electric utility industry, as well as physics and engineering. Mr. Sivertsen earned a bachelor’s degree in physics from the University of Minnesota, Institute of Technology, and a master’s degree in knowledge management.

Mr. Sivertsen recently retired from Lockheed Martin Aeronautics in Fort Worth. Prior to his tenure at Lockheed, Sivertsen spent 15 years in the electric utility industry, which included scientist

position in radiation physics and information systems. Throughout his career, he has received numerous awards and recognitions, including the Aero Star Award, Lockheed Martin Aeronautics highest award.

Outside of work, Mr. Sivertsen is involved in the community by delivering presentations to schools and conducting science teacher workshops. He enjoys going on bike rides with his granddaughters and elk hunting. Mr. Sivertsen and his wife have three grown children and eight grandchildren. ■

day.

"This quickly put us over 100 megawatts of load shed obligation, and by 6:50 p.m. that same night our obligation was at its peak of 192 megawatts," he said.

Providing information to members during the rotating outages was a priority. Danielle Voss, Communications Specialist, said updates were posted to the co-op's Facebook and website as available. Voss reported the team posted to Facebook 14 times, including six live video updates the week of February 15. Additionally, the team engaged with more than 450 members through Facebook Messenger and our website received more than 248,000 views.

Throughout the storm, the Member Services team was available to answer phones and emails. Nichole Eshbaugh, Chief Technology Officer and Vice President of Business and Technology, said the phone system was updated with an emphasis on providing information on the rotating outages and tracking down members experiencing continuous outages.

The winter storm was truly a team effort. One of the biggest challenges was feeding employees who were working since local restaurants and grocery stores were closed. Melissa Watts, Chief Financial Officer and Vice President of Finance, said she and a few other staff members would travel to the closest grocery store to purchase food for breakfast and lunch.

"We would have food available for the MSRs who were taking your phone calls and the linemen who were working out in the field," she said. 7000003204

Hollingsworth reported that system operators were able to restore consistent power to all members at 12:06 a.m. on Thursday, February 18. Tri-County Electric Co-op's distribution system held up very well during the winter storm.

Wesley Scheets, Chief Operations Officer and Vice President of Operations, said approximately 2,400 outages were weather-related. Establishing three shifts of crews worked well to ensure linemen were in the field while others rested.

Ralph Revilla, Safety Director, said employees worked 8,631.5 hours without injury.

"This was a huge accomplishment," he said. "Especially since our linemen and crews faced treacherous driving conditions and exposure to consistent sub-zero temperatures."

Schriver continued and said that months later, we are still feeling the aftereffects of the winter storm. As you may be aware, Brazos Electric Power Cooperative, our wholesale power provider, filed for chapter 11 bankruptcy on March 1, 2021. Schriver has kept members up to date through his monthly columns in the *Texas Co-op Power* magazines. He said he has kept the members in mind throughout the entire process and been transparent in communications.

Through investigations, Schriver said Brazos's generation units designed to protect the 16 member-cooperatives from the volatility of the ERCOT market did not perform during the storm. Brazos racked up more than \$2.1 billion in power bills, which is more than three times the cost of power for the entire 2020 year.

Schriver said that Brazos entered bankruptcy quickly and did not provide much notice to member-cooperatives, which created a problem the co-op has little control over. The Tri-County Electric Co-op Board of Directors has asked for resignations from Brazos management so the generation and transmission co-op can progress and serve the member-cooperatives.

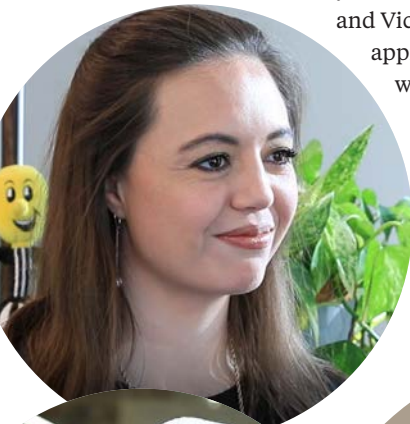
Next, Schriver reported the second wave, changes to the cooperative's governance structure. Major changes to the bylaws included a new director nomination process and new director boundaries. Interested and eligible members seeking nomination now have two paths to the ballot: through the Committee on Nominations and Qualifications or through member petition. The director boundaries were redrawn to reflect our diverse membership, including our urban, suburban and rural areas.

Your co-op continues to persevere through the coronavirus pandemic. Schriver said the lobbies were closed for the health and safety of our members and employees, and will continue to be closed until we understand more about the virus. Throughout the past year and a half, we have managed to keep the workforce healthy and working to take care of you, the members.

Melony Block, Director of Human Resources, reported that COVID-19 cases and exposure has been limited due to protocols in place.

"For the past 19 months, our COVID protocols have allowed our employees working day in and day out serving our members," she said.

Throughout the pandemic, the Member Services team has been available to answer the phone when you



call. The team set up payment arrangements to assist members who have been impacted by the virus.

Growth, the fourth wave, has been a blessing and a challenge over the past year. Schriver said the north Texas region is one of the fastest growing regions in the nation, increasing by one person every four minutes, 15 people per hour, or 362 people a day

Eshbaugh said since last Annual Meeting, we have welcomed nearly 5,000 new members, our member services team answers an average of 800 calls a day, and our field services team conducted more than 9,600 field visits for new service. Maintenance goes hand-in-hand with growth. Kelsey Gustainis, Engineering Manager, reported that engineering, field services and operations departments fulfill the work plan that increases capacity and reliability across the system. Watts said that while we are investing in infrastructure, we continue to keep an eye on the bottom line. Tri-County Electric Cooperative grew by 4.73 percent in 2020 and is on track to grow around five percent in 2021. The average electric co-op grows less than one percent.

Tiffany Whisenant, Senior Lead Member Services Representative, said we track member satisfaction using the American Customer Satisfaction Index. Members scored us an 81 in 2019, an 84 in 2020 and an 85 this year. We continue to improve our service and hope to increase your satisfaction.

In June, the member services team launched a new online service application that provides a better experience and is user friendly. The online member portal and TCEC Connect allow members to track electric use, make payments, report outages and more. Cole Shirley, Manager of Metering and Field Communications, said the AMI meter system provides the daily reads to the member portal and app.

Transparent communication was a primary focus for the communication team. Throughout the many tidal waves, it was our goal to keep members informed. 800873946

Schriver wrapped up the co-op update by thanking the members for joining by phone and online. Rehberg joined him at the podium for the last round of door prizes. More than 175 prizes were given out at the meeting. Survey and Ballot Systems drew winners at random from the pool of members who voted in the election by the deadline. Tri-County Electric Co-op thanks our vendors who donated prizes to the meeting.

The meeting ended with a question and answer session. Schriver answered more than 50 questions from members listening by phone and watching online. Topics included the winter storm, ERCOT, Brazos bankruptcy, rates, and solar.

If you missed this year's meeting, a recording is available at [tcectexas.com/annual-meeting](http://tcectexas.com/annual-meeting). ■

## *I Work for You*



### **JANE HALL**

#### **Work Order Technician Field Services**

Jane Hall is no stranger to the electric utility business. Jane, a 38-year industry veteran, joined the Tri-County Electric Cooperative family in 2007 as a member services representative. In 2019, she transitioned to the field services department to help members establish new service.

As a work order technician, Jane administers member jobs from the first contact through the power turning on. She schedules field site visits with staking technicians, processes easements, and works with the member on completing every step of the process.

Jane says she loves working at the co-op because her days are never the same and there is always something to learn. Additionally, she loves working with the members.

"Co-ops are member-owned and forming a relationship with the local members is special," Jane said.

As a local electric provider, our employees live and work in the communities we serve. Jane says she loves seeing members out in the community, like at the local farmers market, and keeping up with their lives.

"I love being able to hear what people are doing," she said. "You learn so much with daily conversations."

What does Jane love more than helping the members? Working for a company where she can help others. She is an avid supporter of Tri-County CARES, the co-op's benevolent committee that helps in time of need. Jane never misses a chance to participate in the fundraising events, especially when she can dress up!

Jane and her high-school sweetheart, Lee, will celebrate 45 years of marriage at the end of this month. They are proud parents of two adult daughters. ■

