



**DARRYL  
SCHRIVER**

PRESIDENT/  
CHIEF  
EXECUTIVE  
OFFICER

# We are in this Together

**EVERY SEPTEMBER**, as we head into fall, we take the time to look back on the co-op's past year. I have been at Tri-County Electric Cooperative for five years now and have enjoyed taking the tradition to the next level. This year's theme – *We're in this Together* – resonates with me personally, especially as we take on challenges together. I take our vision to heart and do everything in my ability to take care of you, our member-owners, even through these difficult times.

Last year's theme was *A Year of Tidal Waves*, and quite frankly, I feel the waves are continuing. This past year has not been easy, but your co-op has been right by your side through every wave. We are truly in this together.

Transparency is one of our top priorities. In this magazine, you will find:

► **Annual Meeting Notice.** As a cooperative organization, we are required to notice the members of membership meetings. Your invitation and official notice for the 83rd Annual Meeting of the Members is located on the front inside cover. The Annual Meeting is virtual to accommodate our growing membership and provides members the opportunity to participate by streaming online or listening by phone.

► **Annual Report.** The Annual Report covers events from the past year and includes financials from the fiscal year ended March 31, 2022. This serves as an open book into your cooperative. 800762931

► **2022 Election Ballot.** Your member-specific ballot is located on the back of this magazine. Three director seats are up for election and candidate biographies are on pages AR 12 – AR 14. Members who vote by the deadline will receive a \$25 bill credit and will be entered into the door prize drawing. Winners will be announced at the Annual Meeting.

I encourage you to take the time to review the information and to vote in the election. This cooperative is your cooperative. You are not just a customer or consumer; you are a member and an owner. Staying up-to-date on the operations and financials is just a small time commitment, but multiplies in benefits.

## Power Costs

Electricity is ingrained in our daily lives. When your co-op was formed 83 years ago, electricity was a commodity that helped improve lives of rural Americans. Now, electricity is a necessity. Here at Tri-County Electric Co-op, we understand that in today's world electricity is beyond a convenience and we do everything we can to ensure the flow of safe, reliable power to member homes and businesses.

Beyond that, we do everything in our power to keep costs low and electric rates manageable. This summer, members have seen higher electric bills due to higher wholesale power costs and increased kWh consumption to beat the triple-digit heat. Power costs across the state have increased due to the dramatic increase in natural gas prices. As you may know, natural gas is the predominant fuel used to generate power in the ERCOT grid. This summer has been one of the hottest, and driest, on record. According to the National Weather Service we had more than 40 days of triple-digit heat this summer. Electric use for Texans is extremely high, and this July ERCOT hit a new all-time summer peak.

I understand how increased electric use and high power costs are impacting members. At my own home, we used more than double the power this summer than one year ago. We track our electric use on TCEC Connect to help control our consumption, but when we opened the recent bill it was a high bill to foot. As a member myself, I am right there with you. 257106021

Please know your co-op is here to take care of you during these times. Our member service team is here to help, all you have to do is reach out to us.

We are in this together. ■

**Earn a \$25 bill  
credit by voting  
in this year's  
director election!**

# WE'RE IN THIS TOGETHER

## A MESSAGE FROM YOUR PRESIDENT/CEO & BOARD CHAIRMAN



**DARRYL  
SCHRIVER**

PRESIDENT/  
CEO

As a member-owned electric cooperative, we take on each day putting your best interest at the forefront. We think of the member every day, every decision. This past year has been full of challenges, but we have persevered. Looking back, I think we encountered some of the toughest challenges in the co-op's history, including the fallout from the historic Winter Storm Uri, continued impacts of the coronavirus, and unprecedented power costs due to high natural gas prices.

We continue to work through the bankruptcy of our wholesale power supplier, Brazos Electric Power Cooperative. If you did not know, Brazos filed for Chapter 11 bankruptcy on March 1, 2021. This put Tri-County Electric Co-op, and the other 15 member-cooperatives, in a difficult situation that is far from over. We are 18 months into this predicament, and the entire time have held true to our promise: to take care of you, our members, and leave no stone unturned to make the best decision for the entire membership.



**MAX  
WADDELL**

BOARD  
CHAIRMAN

Growth remains as a challenge for the co-op, and our communities. More and more people are moving to the north Texas region, including businesses, and we must work to meet the needs of current and future members. Tri-County Electric Co-op's territory is seeing this growth. Over the past year, our system has grown by 5,231 meters, or 4.28% growth.

Maintaining a member-focused mind-set through every challenge is what helps us meet your needs. We continue to search for ways to connect with you and hear your feedback. In April, our engineering team hosted the My Energy survey to understand how our members are using grid technologies and how you wish to use these devices. Our 2021 American Customer Satisfaction Index (ACSI) survey data showed you give us an 85% satisfaction rating. While this is up four points over the 2019 score, we still want to improve. We are listening to your wishes, questions and concerns and we are working on it. Though we are not perfect, we are doing everything in our power to take care of

you, our member-owners.

We are proud of the 240 employees who work day-in and day-out to take care of you. Together we navigated these difficult challenges, and we will continue to be by your side through future trials. We are truly in this together.

This Annual Report is designed to give you a look at your co-op, including its financial health, milestones and highlights. Pages AR 8 - AR 9 are an open book of the financial statements. You will notice negative operating margins. We have tightened the belt this past year and cut costs in areas. Still, your co-op remains financially sound. In fact, the board of directors approved a \$4.996 million capital credits retirement. Members who received electric service in 2002 and/or 2003 can expect a bill credit or check this month. The remaining pages include information on reliability and community involvement, all things that your co-op holds near and dear.

Tri-County Electric Co-op was formed in 1939 by local residents. Our 83-year history is important because it makes us who we are today. However, it is not our focal point. We remember the past, but look forward to the future. In the future, we look forward to many more years of taking care of you, our member-owners, and finding creative, innovative solutions to bring safe, reliable power to our communities while watching the bottom line.

