

SUMMARY REPORT – AD-HOC COMMITTEE ON ONCOR’S RESPONSE TO FEBRUARY 2021 FREEZE/POWER OUTAGE EVENT IN CITY OF STEPHENVILLE

-On February 18, 2021 Mayor Svien appointed an ad-hoc committee of council members and community members to address Oncor’s response in the City of Stephenville and prepare a summary report to be provided to the Governor’s Office.

- The appointed committee members were Ricky Thurman (chair), Justin Haschke (council), Alan Nix (council), Chuck Elliott (City of Stephenville Asst. Fire Chief and citizen), Matt Welch (Tarleton State University Chief of Police and citizen), Richard Petronis (municipal judge and citizen), Donald Jones (retired district judge and citizen), Doug Svien, adjunct member.

-The committee participated in a zoom call with Oncor Area Manager, Pat Ann Wilson on February 18, 2021. Ms. Wilson took questions from the committee members with a promise to research the questions and provide answers. The committee chair provided an email follow-up to Ms. Wilson with a list of questions asked during the zoom meeting.

- Specific topics covered were:

- Oncor’s inability to implement rolling outages, leaving citizens without power for up to 84 hours.
- ERCOT’s load shed requests to Oncor as compared to other distributors
- Reporting systems and communication our citizens and emergency management personnel depended on during the outages
- Proper identification of the city’s critical infrastructure
- Perpetual extended outages occurring in the Legends neighborhood
- Extended outages in the 5th/6th street and downtown areas
- Any other areas identified as needing infrastructure upgrades.

- The committee chair received Oncor’s official response to the questions on March 14, 2021, and the committee chair presented follow-up questions to Ms. Wilson on March 19, 2021. Oncor’s official responses to additional questions was received March 26, 2021.

- Complete questions posed by the committee and Oncor’s official responses are attached to this report.

In Summary...

- Oncor maintains ERCOT’s load shed requirements prevented them from implementing rolling outages.
- Oncor was not requested by ERCOT to shed a disproportionate share of their load.
- The number of Oncor’s feeders available to rotate prevented them from being able to effectively rotate and maintain a balanced rotation of the load.
- Oncor’s communication systems became overwhelmed.
- Oncor will work with city staff to accurately label critical infrastructure to prevent inadvertent system shut downs that were experience in the 2021 freeze event. Since receipt of the answers, Oncor has been in contact with city management on this matter.

- Despite reports from linemen on the ground, Oncor maintains there is not and was not an infrastructure problem that was discovered during the extended outages in the Legends area during the 2018 ice storm, requested to be upgraded by local Oncor staff but not funded by the corporation. However, Oncor is expediting an upgrade to the infrastructure in that area to be completed prior to summer 2021.
- Despite the grossly inaccurate reporting of outage status and expected restoration time for a number of local Oncor customers, Oncor maintains their reporting system is largely accurate
- Oncor states there are no other areas in Stephenville which extended outages were caused by infrastructure issues.
- Oncor failed to address extended outages related to the 5th/6th area, which were reported to city staff and mentioned in both the initial questions and follow-up questions.

QUESTIONS POSED TO ONCOR AREA MANAGER PAT ANN WILSON DURING FEBRUARY 18, 2021 ZOOM CALL AND RESPONSES PROVIDED MARCH 14, 2021

- You mentioned that Oncor was unable to implement rolling outages because the amount of load ERCOT requested Oncor to shed made it impossible to accommodate on a rolling basis.

For the first hour of the load shed event on 2/15/21 Oncor had no issues maintaining 15-30 minute rotations. As ERCOT requested additional significant blocks of load the number of feeders required to be de-energized grew and as a result more feeders were off for longer periods of time before the rotation came back to them.

As feeders that were out for longer periods of time were rotated on, the load (primarily heating) from customer equipment drew larger sustained peaks due to cold load. In order to compensate, more feeders had to be de-energized to maintain the rotation and comply with the ERCOT instructed load shed amounts. Through this load shed event, a number of feeders with critical public impacting infrastructure or generation support were brought to Oncor's attention and were actively removed from the rotational list.

This cold load effect, growing ERCOT load shed requirements, and the inclusion of additional feeders on the non-rotation list compounded to a position where some areas of Oncor's territory were unable to effectively maintain a rotation until ERCOT directed Oncor to add additional load back to the system. Once additional load was permitted Oncor was able to more effectively maintain load rotation system wide.

- Did ERCOT request a disproportionate load be shed by Oncor vs. other distributors?

No. Load shed obligations are governed by section 4.5.3.4 of the ERCOT Nodal Operating Guides which allocate load shed obligations based on the previous year's Transmission Service Provider peak loads. Oncor's percentage allocation at the time of the event was 36.01%.

- Why were other distributors able to handle the rolling outages if the request was proportionate to the size and market share your system holds?

Oncor cannot speak to the practices or capabilities of other Transmission/ Distribution Service Providers but it should be recognized that there are many variables that effect each customer's individual experience.

Oncor strives to maintain a duration of 15-30 minutes for all feeders identified for rotation during a load shed event. As ERCOT requests for additional load to be removed from the system the number of feeders that must be removed to meet this requirement increases. This results in a longer "off" time for customers.

In an extended or deep rotation such as the event experienced on 2/15/21 – 2/17/21, the number of feeders available to rotate are significantly reduced. This is due to a combination of load balancing through rotation (de-energizing the same load as Oncor is energizing) and ERCOT load shed requirements. At the deepest levels of load shed some

of Oncor's territories may be unable to effectively maintain a rotation until ERCOT directed Oncor to add additional load back to the system. Once additional load was permitted Oncor was able to more effectively maintain load rotation system wide.

- The reporting system used to notify consumers of repairs sent members of our community notifications that power had been restored to their residence at a period of time in the future. After our call, I received a report from someone who was out but received a notice that they had been restored. When they attempted to report the outage again, the system said they are in a known outage area. This causes trouble for residents who have been forced to stay elsewhere, sometimes out of town, when they return to find the notification was inaccurate.
 - What is being done to improve the notification system in order to keep residents off of dangerous roads for unnecessary trips to their home?

Given the significant amount of calls being received during the first few days of the event, the channels to report outages experienced intermittent issues. Although we quickly worked with our carrier providers to increase the availability of the platforms for each of the reporting channels, during the peak time of power outages, (1) AT&T's systems were unable to support the large increase in volume of calls, which caused some Oncor customer calls to fail to connect or drop; and (2) our SMS/text delivery vendor's systems were only able to process a fraction of the increased volume of inbound and outbound text and web communications on February 15, 2021 (Storm day 1). For future instances, Oncor will work with message delivery partners, outage reporting partners and AT&T to perform additional stress testing and to the fullest extent possible increase bandwidth.

- How do we make sure our city's critical infrastructure does not get dumped on the next blackout? (i.e. the pump station that was offline for hours and put our citizens within 2 hours of losing water service and fire protection)
 - What can be done to ensure these systems are accurately labeled in the future to prevent what so many other cities have also faced with their water/sewer systems going offline?

We know that a significant number of water facilities and other critical infrastructure were affected by the severe weather combined with the load shed event. As soon as these were escalated to us, we responded as quickly as we could while still complying with load shed requirements. We will be working with these communities in the coming months to understand what occurred and how we can do work together to better mitigate these issues if at all possible during future events.

I want to be sure I have all critical infrastructure identified, and will be working with Mr. Barnes and staff to achieve that.

- Research request following 2018 ice storm by local Oncor crews for upgrades to the Legends golf course area and why that request was not granted.

While the current management was not in place in 2018 and cannot provide definitive answers as to those workers' or supervisors' subjective intent, we can say that Oncor's conductors are and were properly sized to meet anticipated load and weather condition. In restoring power, under these unprecedented circumstances, our crews would have used an abundance of caution to be sure that as load was restored and heating units and other appliances began cycling on due to record low temperatures that our system would not become dangerously overloaded. While there may have been quicker ways to restore power, those could have resulted in damage to the electrical system that would have required much more time in labor and sourcing replacement equipment.

- What is realistic time frame and cost to make necessary upgrades to this neighborhood that will solve this perpetual problem?

Upgrades to the feed at the Legends Golf Course area are being expedited and plan to be completed before summer begins. Oncor will not provide the cost to make the upgrades as this is not something that the city or any customer would be responsible to pay for.

- At the time of our call, ERCOT showed 0 outages with UCS, 0 outages with TNMP and 638 Outages with Oncor for Erath County (as of 3:15:13 PM. Your response was that information was inaccurate because the area with remaining outages in Stephenville was all on one ticket, so the numbers provided to ERCOT were not updating. However, by 6:15:47 pm the report had in fact updated to show 619 outages. Although the difference in the numbers shows that the system actually was updating, it was still grossly inaccurate. Screen shots of both reports are attached for your reference.
 - How can our emergency management team accurately monitor the situation without accurate information being fed to them?

Oncor relies on the same information and have found it largely accurate. In some rare occasions our software may mis-predict what customers are affected by the damaged facilities. This can occur when communication equipment is down limiting our ability to communicate with meters or when equipment in the field was installed or changed without the required updates in our electronic maps being updated yet. There is usually a delay between construction and as-built updates. Again, this only occurs on a very small percent of our reported outage events.

- Do you have another alternative for real time monitoring that will help our emergency management staff better understand the situation our citizens are living with?

Not at this time. Over the next few months, we will be meeting with city leaders, emergency personnel, first responders, and business leaders across our service territory for an extensive conversation about lessons learned and how we can improve our service and communication to the community after this event.

Oncor primarily relied on media releases and our existing social media channels to share updates with customers, beginning with ERCOT's initial call for conservation on February 14th. A regular cadence of releases (10 total) and social postings (187 total) were shared throughout the week, primarily emphasizing the

continued lack of generation, resulting inability to perform rotating outages as expected, ongoing winter weather impacts and commitment to powering customers back on as soon as conditions allowed.

We fully recognize there are opportunities to improve how we communicate with our customers. As an example, Oncor phone lines and reporting systems experienced a record influx of inquiries as a result of the emergency, which prevented some customers from getting into contact with Oncor staff in a timely manner. To put it into context, Oncor received more calls from customers on February 14th and 15th than in all of 2020.

Oncor will work with its providers to perform additional stress testing and, to the fullest extent possible, increase communication channel bandwidth. Oncor will utilize the messaging platforms to send more frequent notifications and updates about the status of the event, as well as the work being performed and estimated times for areas to have power restored.

- Please identify any other areas of Stephenville with known infrastructure issues that contributed to extended blackout periods for your customers and our citizens, (Example: 5th/6th street area) and how those areas will be addressed in addition to the Legends Golf Country neighborhood.

There were no other areas in Stephenville that Infrastructure issues caused extended blackouts.

FOLLOW-UP QUESTIONS POSED TO ONCOR AREA MANAGER PAT ANN WILSON MARCH 19, 2021 AND RESPONSES PROVIDED MARCH 26, 2021

- Re: Oncor's inability to maintain rolling outages
 - Your answer indicated that once ERCOT allowed additional load to come back on, Oncor was able to resume rotational outages in some areas. To date, in personal conversations, we have not been able to identify a Stephenville resident who experienced recurring rotational outages. People either never went off, or they went off and stayed off for many hours or days. Maybe we just haven't found the right people to ask. **If you can identify an area of Stephenville that you are certain experienced recurrent rotational outages, please do so.**

Oncor's Response:

Our records indicate that there are about 10 feeders that serve different parts of Stephenville and its surrounding areas. Those feeders represent approximately 11,000 residential premises. Of those 10 feeders, four were subject to the load shed events. All 10 feeders had other outages not related to the load shed events. Those outages were instead related to the effects of the winter storm, such as open switches, blown fuses, and overloaded transformers. As previously explained, because ERCOT made multiple requests for load shedding and additional feeders were removed from the rotation to

provide power to critical public-impacting infrastructure and generation support, it was not possible for Oncor to rotate outages in some areas.

- Re: 2018 Legends upgrade request
 - You indicated that the “conductors were and are properly sized for the anticipated load”
 - The following answer, you indicated “upgrades to the feed coming in to Legends are being expedited”.
 - While an expedited solution to this perpetual issue is overdue and appreciated, it is worth pointing out that your answers are contradictory. When there is a question about a specific issue or area, the answer does not match the corporate message. **If Legends conductors "were and are properly sized for the anticipated load", why are "upgrades to the feed coming in to Legends being expedited"?**

Oncor's Response:

Oncor's previous answers were not contradictory. The conductor in the feeders that serve the Legends Golf course area are sized in accordance with Oncor's technical specifications are appropriate to serve the load in that area. The upgrade scheduled to be performed in the area is intended to prepare the system for future growth and to provide additional switching capabilities to enhance the reliability of the system.

- While it is understood Oncor is a privately held corporation, the company's unwillingness to share the cost of the upgrade highlights the lack of transparency of the organization that our citizens depend on, in many cases, for life sustaining services with no ability to select a more reliable alternative. The cost is likely an embarrassing show of greed or, at best, mismanagement when compared to the \$545 million net profit in 2018, \$651 million net profit in 2019, and \$565 million through the third quarter of 2020.
- We understand there has been a management change. **Does a corporation the size of Oncor, responsible for delivering such a critical (and monopolized) service to millions of people, not have a system in place to track system improvement needs submitted by the boots on the ground? There is no paper trail?**

Oncor's Response:

Oncor continuously tracks its system maintenance and capital needs and receives input on those needs from across the Company, including input from field personnel. Each year, Oncor evaluates and prioritizes system needs.

- You have indicated there are no other areas of Stephenville which experienced extended outages due to infrastructure.
 - **Please provide an explanation as to why the 5th/6th Street area, extending south and east to the Bosque River and W South Loop was continuously without power in excess of 30 hours.**
 - It should also be noted the downtown area including city hall and the county courthouse as well as at least one hotel remained dark for a similar period of time.

Oncor's Response:

Early on February 15, 2021, the outages at the City Hall and the American Value Inn were caused by the load shed event. As the cold weather continued and premises continued to cool, load on the system increased, and a protective device on the feeder serving those two locations opened and caused the extended outage for both locations.