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IMPORTANT INFORMATION ABOUT ELECTRICITY LOAD SHEDDING AND WHAT IT COULD MEAN TO YOU.

The Electric Reliability Council of Texas (ERCOT) manages the flow of electric power to more than 26 million Texas customers. ERCOT is responsible for ensuring that the supply of electricity is sufficient to meet customer demand (load) for electricity in most of the state.

When electric supply provided by all available power generation is not enough to meet customer demand for power, ERCOT begins emergency operations. During an ERCOT Energy Emergency, when there is not enough generation to meet customer demand for power and all other operational tools have been exhausted, power demand must be lowered to avoid

uncontrolled blackouts. Typically, before calling for controlled customer outages, ERCOT may ask customers to voluntarily reduce electric usage. As a last resort, once the highest level of Energy Emergency is met, ERCOT will direct electric utilities to cut power to customers in order to reduce the customer demand for electricity on the ERCOT grid. This is also called "directed load shed."

Electric utilities, including New Braunfels Utilities (NBU), are obligated to immediately implement load shed procedures as directed by ERCOT.

DURING ERCOT DIRECTED LOAD SHED:

- Customers must be prepared for a possible power outage without advanced warning. As much as possible, efforts will be made to provide advanced notification of ERCOT directed load shed, but circumstances do not always allow that to happen.
- In accordance with NBU policy and guidelines, customers designated as critical load are not guaranteed an uninterrupted supply of electricity. It is the responsibility of the customer to arrange for alternative sources of electric power in the event of a local outage, or ERCOT directed load shed event.
- Customers dependent on electric-powered medical equipment, such as those designated in the NBU Critical Care Active Account Program, are encouraged to have a solid back-up plan in the event they lose electricity. It is important to note that these customers are not exempt from load shed and may lose power during the highest level of an ERCOT Energy Emergency. Anyone who depends on electricity for life-sustaining equipment should have a solid back-up plan in place.
- Applications and procedures to be considered a medically vulnerable residential customer, or a critical load customer, can be found on NBU's website at:

nbutexas.com/cs-resources

New Braunfels Utilities will prioritize power delivery to customers
whose service is critical to the community during an emergency or
those whose service provides major support to the integrity of the
electric system during an emergency. Examples include hospitals,
major airports, and 911.

- Load shed is a mandatory emergency order from ERCOT based on a shortfall of power generation. Therefore, NBU may not have the information to notify individual customers if they may lose power, when they may lose power, or how long the load shed event may last.
- In an extreme Energy Emergency ERCOT may require electric utilities
 to shed large amounts of load over long periods of time. In these
 instances, electric utilities like NBU may not have the ability to
 rotate outages without risking the stability of the entire electric
 grid. When this happens, some customers may not have power for
 an extended period of time. These outages are critical for ensuring
 the integrity of the state's electric grid and preventing an uncontrolled
 system-wide blackout, which could be long-lasting and have a
 significant impact on all aspects of life.
- New Braunfels Utilities, like all electric utilities in ERCOT, is required to comply with all ERCOT directions for cutting power until ERCOT ends the Energy Emergency.
- The NBU website has tips at nbutexas.com/energy-action-days to help customers reduce electricity use and stay safe at times when load shedding events may be implemented.

New Braunfels Utilities is committed to ensuring the safe and reliable delivery of electricity to its community. While NBU may not control the issues or conditions that require ERCOT's order to shed load, we will do everything possible to restore electricity when we are able to safely do so. We will also work to keep our customers informed about the situation through local media outlets, digital media, and direct communications.