

OUR ERCOT SYSTEM EMERGENCY RESPONSE

Charles Elk

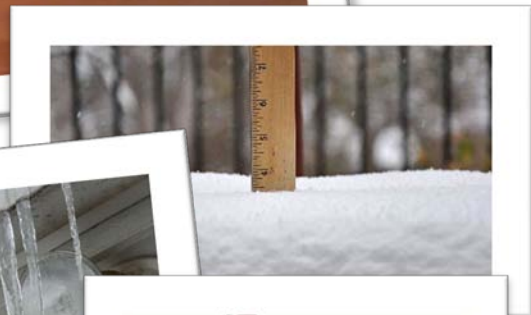
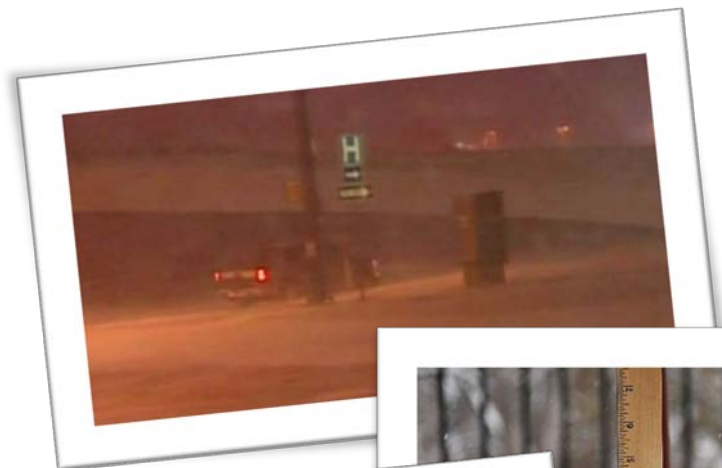
February 15, 2012

WE DELIVER.

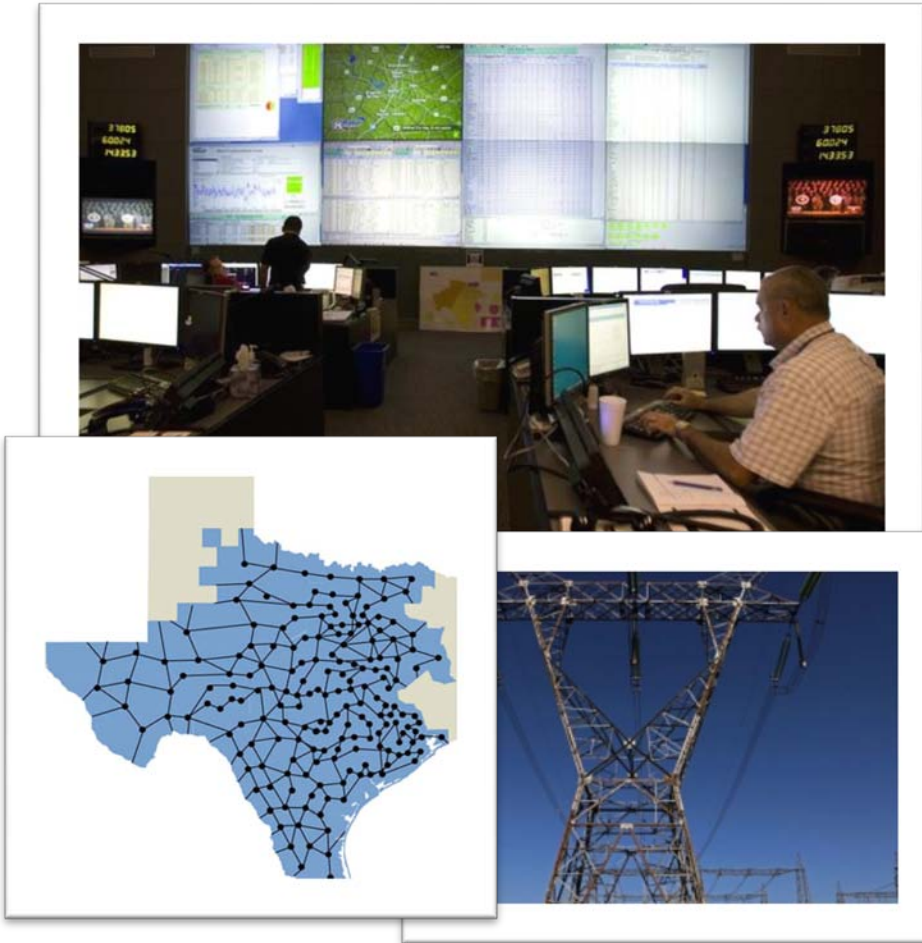


ERCOT EMERGENCY OVERVIEW – FEB. 2, 2011

- **Unprecedented emergency – After a major snow and ice storm, the unplanned loss of generation during a period of high demand forced ERCOT to direct utilities to shed 4,000 MW of load, which:**
 - Caused the largest load-shedding event in our service area's history.
 - Impacted more than 1.3 million, or 45% of our customers, in rotating outages throughout the event.
- **Rapid response ensured grid stability – We quickly acted on ERCOT's emergency directive based on extensive preparation, training and simulation participation we regularly conduct.**



EMERGENCY LOAD SHEDDING

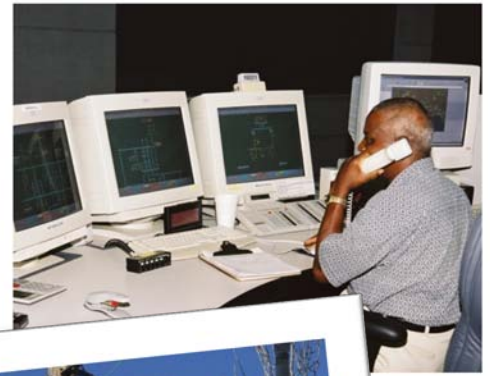


- Necessary when electric supply cannot support the level of demand.
- Executed under the direction of the grid operator ERCOT.
- Employed by utilities as an emergency response measure.
- Utilized to restore stability to Texas' electric grid.
- Is executed manually using a pre-planned process, or automatically through the use of under-frequency relays.

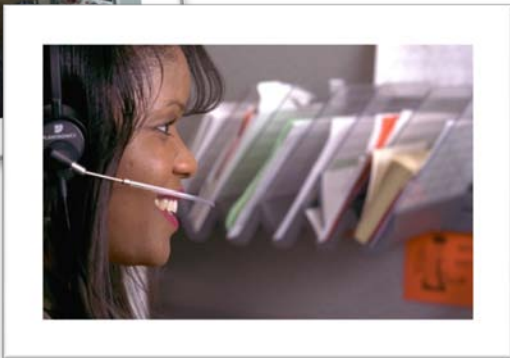
Without the ability to shed load during times of imbalance, Texas' electric grid would become unstable, leading to a blackout scenario affecting millions of customers that could last for days.

OUR EMERGENCY PREPARATION

- We maintain emergency planning processes.
- We train our workforce to address emergency situations through:
 - ERCOT-led drills
 - Annual Black Start and Short Supply training
 - Annual Emergency Restoration Plan drills
- We maintain and test our under-frequency relays, which shed load automatically when frequency drops to prescribed levels.
- We review our load shed plan twice per year to ensure we can provide the prescribed load shed amounts when directed.



POST-EVENT ASSESSMENTS AND ACTIONS



- We studied our load shed priorities and reviewed feeders.
- We worked with our customers to make sure critical loads have been identified.
- We discussed with our customers how the emergency load-shedding processes worked, including how they can receive the same ERCOT notifications we do.
- We developed special customer communications related to outages and power restoration, including:
 - An outage map located at www.oncor.com
 - A new customer texting pilot