

# Newsletter

## Difference Between Change and Transition

**“Change is something that happens to people, even if they don’t agree with it. Transition, on the other hand, is internal: it’s what happens in people’s minds as they go through change. Change can happen very quickly, while transition usually occurs more slowly.” ~William Bridges**

Late last year, the Board put a in process to secure STEC’s next General Manager, utilizing a third party to facilitate an executive search. The Board then completed a profile search and the position was posted in the Spring of 2022. The initial pool of applicants were screened and the result of 16 candidates was further evaluated by the Board Committee with the charge of selecting 4 candidates for final personal interviews by the full Board of Directors.

Events tend to change us, and we all transition in our personal ways. We will be transitioning by saying goodbye to Mike as he approaches his retirement at STEC and welcoming Clif Lange as the new General Manager.

Mike has been serving as STEC’s General Manager for the past eight years. In his years at STEC, he was charged with reorganizing the company and putting structure in place that would carry STEC into the future.

Clif will assume the role of General Manager on or before January 1, 2023. Clif has more than 22 years of cooperative and industry experience. He has served as

STEC’s Manager of Wholesale Marketing and QSE. He currently serves as the Chairman of the ERCOT Technical Advisory Committee, as well as the co-operative segment representative on the Texas Energy Reliability Council.

We welcome Clif in his new role as he leads STEC into the future and wish Mike a happy retirement.



## October 2022 Newsletter

### Inside this issue

|                                   |    |
|-----------------------------------|----|
| Manager’s Message .....           | 2  |
| Board of Directors News .....     | 3  |
| Human Resources .....             | 4  |
| Accounting & Finance.....         | 4  |
| Corporate & Member Services ..... | 5  |
| Power Delivery.....               | 7  |
| Power Supply .....                | 10 |
| Employee Standing Committee.....  | 12 |
| Upcoming Meetings.....            | 13 |
| Years of Service.....             | 14 |
| Scholarship Recipients.....       | 15 |

### Special points of interest

- Clif Lange named the New General Manager of STEC.
- Mike Kezar Last Manager Message

### Mission Statement

South Texas Electric Cooperative’s mission is to provide the infrastructure and services to deliver reliable and economical electric power to a diversified membership.

## MANAGER'S MESSAGE

"Everyone brings joy to a room – some when they enter, and some when they leave."

This is my last Manager's Message. On January 2, 2023, I will officially retire, and bring to a close my tenure with South Texas Electric Cooperative. As I reflect on my 42 years in the cooperative program, I am struck by how quickly time seems to have flown by. The past 8 years and 4 months at STEC, in particular, seems to have passed with the blink of an eye. My strong encouragement to each of you is to savor each moment of each day. Cultivate and value your relationships. Commit to growth and learning each day.

On my wall, I keep a poster of "An Old Rancher's Advice". I have tried to live out the tenets listed on the poster, and I offer them to you here:

1. Your fences need to be horse-high, pig-tight and bull-strong.
2. Keep skunks and bankers at a distance.
3. Life is simpler when you plow around the stump.
4. A bumble bee is considerably faster than a John Deere tractor.
5. Words that soak into your ears are whispered . . . not yelled.
6. Meanness don't jes' happen overnight.
7. Forgive your enemies. It messes up their heads.
8. Do not corner something that you know is meaner than you.
9. It don't take a very big person to carry a grudge.
10. You cannot unsay a cruel word.
11. Every path has a few puddles.
12. When you wallow with pigs, expect to get dirty.
13. The best sermons are lived, not preached.
14. Most of the stuff people worry about ain't never gonna happen anyway.
15. Don't judge folks by their relatives.
16. Remember that silence is sometimes the best answer.
17. Live a good, honorable life. Then when you get older and think back, you'll enjoy it a second time.
18. Don't interfere with somethin' that aint' botherin' you none.
19. Timing has a lot to do with the outcome of a rain dance.
20. If you find yourself in a hole, the first thing to do is stop diggin'.
21. Sometimes you get, and sometimes you get got.
22. The biggest troublemaker you'll probably ever have to deal with, watches you from the mirror every mornin'.
23. Always drink upstream from the herd.
24. Good judgement comes from experience, and a lotta that comes from bad judgement.
25. Lettin' the cat outta the bag is a whole lot easier than puttin' it back in.
26. If you get to thinkin' you're a person of some influence, try orderin' somebody else's dog around.
27. Live simply. Love generously. Care deeply. Speak kindly.

I have thoroughly enjoyed my time at STEC, working with some of the most talented and dedicated individuals I have ever met. I am thrilled that the Board selected Clif Lange to lead the cooperative into the future, and I know that STEC's future is incredibly bright.

My prayer for each of you is for peace, joy, and good health. I will miss you.

# SOUTH TEXAS ELECTRIC COOPERATIVE BOARD OF DIRECTORS NEWS

- STEC’s national General Manager search, through Holmes Executive Search, ended on September 28th as the Board selected Clif Lange as the next General Manager of STEC effective on or before January 1, 2023.
- All nine Members approved revisions to the Wholesale Power Contract Amendment extending the contract term through 2070.
- During a strategic planning workshop on July 28th and 29th, the Board and Senior staff developed six Strategic Priorities to focus on for the next three to five years.
- Jim Harton was nominated as a new Director representing WCEC.
- Senior staff provided status updates on the 2022 Division and Corporate Goals.
- Mike Kezar and Paul Brysch were approved as the voting delegate and alternate voting delegate, respectively, for the NRECA Regions 8 & 10 Meeting.
- The 2023 Committee and Board Meeting Calendar was approved by the Board.
- Cory Allen provided the Avoidable Outage Update for the period of November 1, 2021 to August 6, 2022.
- The CFC Patronage Capital Distribution report was presented by Jane Krause.
- The Projected Operating Results for 2022 were presented to the Board.
- Jane Krause presented the Long Term Debt Financing Update, along with projected capital projects and financial needs for the next ten years.
- The Board approved revisions to the following two Board Policies:
  - No. 201 – Personnel Selection & Dismissal
  - No. 208 – Alcohol and Drug Use & Testing Policy
- The Retirement Security (RS) Plan – 2023 Billing Rates were reviewed and 2023 Medical Insurance Renewal Premiums were approved by the Board.
- Clif Lange presented the 4CP Load Management Updates for June, July, and August.
- The Board approved a minor revision to the Small Industrial Pass-Through Service (SIPS) tariff.

## BOARD OF DIRECTORS

|                        |                               |
|------------------------|-------------------------------|
| Barbara S. Miller      | President                     |
| Ron Hughes             | Vice President                |
| Paul T. Brysch, Jr.    | Secretary/<br>Treasurer       |
| Larry Huesser          | Asst. Secretary/<br>Treasurer |
| Bobby Bauch            | Director                      |
| Brad Bierstedt         | Director                      |
| James Coleman          | Director                      |
| Bruce Elliott          | Director                      |
| Jim Harton             | Director                      |
| Brian Acosta           | Director                      |
| Donald Herrmann        | Director                      |
| Varzavand “Avan” Irani | Director                      |
| Gary Raybon            | Director                      |
| Trey Grebe             | Director                      |
| Blaine Warzecha        | Director                      |
| Trey Ruschhaupt        | Director                      |
| Mike Ables             | Director                      |
| Sammy Condra           | Director                      |

The Board of Directors of South Texas Electric Cooperative, Inc. are rural electric leaders who have either been elected to the Board of their distribution system or are managers of their distribution system. The Board consists of two representatives from each of its nine Member Cooperatives.

## Human Resources



### Welcome to STEC:

Kyle Crider – Operator

Adam Hermes – Maintenance Technician

Jose Catete – Technical Assistant

Cody Fisher – Operator

### **Leadership Development**

STEC kicked off its Leadership Development Program this quarter. The overall goal of the program was aimed at improving the skill sets, abilities, and confidence of current STEC leaders.

Mike Kezar, General Manager kicked off the program by welcoming guest speaker Dave Oakes with Dave Oakes Seminars. “What got you to where you are is not enough to get you to where you need to be as leaders of STEC,” Mike stated. “This training program will ensure you have the tools you need to get you where you need to be.”

Leadership development boosts employee engagement and increases STEC’s ability to deal with gaps in the talent pipeline. Great leaders attract, hire, and inspire great people.

### **Servant Leadership**

Encouraging diversity of thought, creating a culture of trust, having an unselfish

mindset, and fostering leadership in others were the main themes throughout the program.

### **Servant Leadership Pyramid of Characteristics**

- Listening
- Empathy
- Healing
- Awareness
- Persuasion
- Conceptualization
- Foresight
- Stewardship
- Growth of People
- Building Community



## Accounting & Finance

The Purchasing Department is planning to complete the annual physical inventory count in November of this year. The tentative dates for warehouse counts will be October 31st through November 13<sup>th</sup>. Even though we will continue to support the Cooperative during this time we ask that you consider and plan your material requests outside of these dates to reduce traffic and interruption to warehouse personnel during the counting process.

Accounting is preparing the Operating Budget for 2023. Thank you to all for getting in your budget worksheets. Our goal is to have the initial draft of the Operating Budget to the Administrative & Operating Committee at the November committee meeting with the final draft presented at the December committee meeting.

The San Bernard Electric Cooperative, Inc. asset transfer application has been filed with the Public Utility Commission and hopefully will be approved in October. Once approved, accounting will be adding the fixed assets and loan assumptions to our books.

## Safety/Security

### Department of Transportation (DOT)/Security

STEC has approximately 50 Commercial Driver's License (CDL) holders. These drivers operate bucket trucks, digger trucks, and heavy-duty trucks to haul equipment. When STEC personnel are hired on or transfer positions, they may be required to obtain a Class A CDL or upgrade their current Class B CDL. (Class A Permits the holder to operate any combination of vehicles with a gross combination weight rating of 26,001 pounds or more, provided the gross vehicle weight rating (GVWR) of the vehicle or vehicles towed exceeds 10,000 pounds).

Previously to obtain a Class A Texas CDL, one would obtain a medical certification, study the Texas Commercial Motor Vehicle Driver's Handbook, take the written test, and then go down to the Department of Motor Vehicles (DMV) and take their driving test.

On February 7, 2022, the Federal Motor Carrier Safety Administration (FMCSA) implemented an additional program. CDL drivers obtaining their Class A CDL for the first time or upgrading their Class B CDL, now have to go through the Entry Level Driver Training (ELDT) program.

### LEARN MORE ABOUT FMCSA'S CDL PROGRAM

Entry-level driver training is just one requirement to qualify for a CDL. Visit the FMCSA website, <https://www.fmsca.dot.gov>, to learn more about FMCSA's CDL program, how it helps keep our Nation's roads safe, and what it means for prospective and current CDL drivers.

Recently STEC became an ELDT Training provider. New and current employees receive the theory (classroom) portion, the range driving and road driving at the Sam Rayburn Facility. STEC also offers this training to its members to assist them with getting their personnel qualified to obtain a Class A Texas CDL.

With STEC being part of the critical infrastructure, physical security is paramount. STEC currently has armed Security Officers at all three Power Plants.

Each Security Officer has the responsibility to monitor the entrance and exit gates at Sam Rayburn, Pearsall, and Red Gate Power Plants. They check IDs for each contractor and visitor that pass through the gates to ensure the safety and security of each facility.

In addition to monitoring the gates, they conduct rounds and check the perimeter of each location to ensure there has not been a breach in the fencing of the facility. They monitor security cameras not only for the facility, but for the surrounding substations as well.

STEC's Security Officers assist in emergency situations that may arise at a facility. If you notice anything suspicious, please sure to report it.

## Environmental Department

Internal environmental audits were conducted in August and all the sites passed with flying colors. There were a few reminders to make sure labels aren't faded and suggestions on how to handle waste, but no major issues or concerns were found.

Instead of the regular safety meeting in September, the environmental department conducted annual training on environmental awareness. This included covering the SPCC (Spill Prevention Control and Countermeasures) plans for each site as well as SWP3 (Storm Water Pollution Prevention Plan). This is very important for each employee to be aware of and is good knowledge in general. If you see something (spills, dumping, etc), say something. We are all responsible for taking care of our property and the environment. With that being said, here are a few reminders about spills and



runoff that you can implement, whether on your own property or out in public:

- Prevent the spread, either by physical barriers or buckets to catch a leak.
- Absorb liquid if hazardous to the environment. Sand and cat litter are good absorbents.
- Dispose of waste. TCEQ is a good resource if needed.
- Clean the area.

Spills, such as motor oil or gasoline can easily soak into the ground and kill plants, animals, and even contaminate your drinking water. So, remember to take precautions and clean up spills, leaks, and drips.

# 10 A USER'S GUIDE: WAYS TO PROTECT YOUR PERSONAL DATA

## 1 Don't click that link!

**What to do:** Don't click links in emails. Instead, type the URL you want directly into the browser.

**Why:** According to Microsoft, phishing is still the number one favorite method of cyber-attacks.



## 2 Use two-factor authentication

**What to do:** Use a second factor for logging into accounts.

**Why:** If you have a robust two or multi-factor in place, you are much less likely to lose personal data due to phishing.



## 3 Delete recorded conversations

**What to do:** Regularly delete any recorded conversations used by your personal assistant.

**Why:** There have been cases where Alexa revealed personal data to unknown persons without consent.



## 4 Keep it clean — delete old files

**What to do:** Make sure you keep data replication to a minimum. Delete old files you don't use.

**Why:** There can never be 100% security, but reducing the places that can be compromised helps lessen your risk.



## 5 Be less social

**What to do:** Minimize the amount of personal data you have on social media platforms.

**Why:** Information like your pet's name or mother's maiden name is sometimes used to recover account logins. Don't give hackers an easy way into your online accounts!



## 6 Don't sync for sync's sake

**What to do:** Disable automatic file and media sharing whenever possible.

**Why:** A lot of devices set up cloud syncing when you first configure the device. Check if you really want to store these data in the cloud.



## 7 Keep off the beaten track

**What to do:** Disable location tracking on each app.

**Why:** A recent study of almost 1 million Android phones demonstrated that apps regularly harvested tracking data.



## 8 Let sleeping Bluetooth lie

**What to do:** If you are not using Bluetooth, switch it off.

**Why:** Bluetooth vulnerabilities can allow data to be siphoned off your device.



## 9 Encrypt stored data

**What to do:** Encrypt any data you store on hard drives and use an email encryption tool if you share personal data.

**Why:** Encryption is a layer of protection that can prevent lost or stolen data from being exposed.



## 10 Patch your devices

**What to do:** Keep your computers and mobile devices patched and up to date.

**Why:** Software vulnerabilities allow malware to infect your device, which can steal data and login credentials.



### Sources

1. Stolen PII & Ramifications: Identity Theft and Fraud on the Dark Web, Armor Blog
2. Identity Fraud Hits All Time High With 16.7 Million U.S. Victims in 2017, Javelin Research
3. Security Intelligence Report (SIR), Microsoft
4. 2018 Data Breach Investigations Report, Verizon
5. Alexa user gets access to 1,700 audio files from a stranger, TechCrunch
6. Woman says her Amazon device recorded private conversation, sent it out to random contact, KIRO 7
7. Binns, R., et al., Third Party Tracking in the Mobile Ecosystem, Association for Computing Machinery
8. The Attack Vector "BlueBorne" Exposes Almost Every Connected Device, Armitis
9. Breach Level Index, Gemalto

© 2019 InfoSec Institute. All rights reserved.

**INFOSEC**  
INSTITUTE

## Line Crew

Brett's crew raised the conductor on the Red Bluff to Vanderbilt line after it was found to not meet the minimum height clearance. Replaced stolen pole grounds on ten structures on the Riverside to CORUS 69 kV line. Performed documented patrol on the Kittie West to West George West 69kV line as well as the Clay West 69 kV lone. Performed energized pole top rehab on two structures on the Kittie West to West George West 69 kV line. Replaced one pole on the El Campo to Nada 69 kV line that went down during a storm. Delivered a 60' pole to Mathis area for SPEC. Re-paired broken static guy links on the Van Hum GOAB to Olivia GOAB 69 kV line. Repaired a broken insulator on the Kamey to Port Lavaca 69 kV line. Repaired a broken insulator on the Rayburn to Loop 463 138 kV line. Replace a blade and contact assembly on the Kamey GOAB that was making inadequate contact.

Andrew's crew preformed pole top rehab on thirty-five structures on the San Miguel to San Miguel GOAB 69 kV line. Assisted the ROW tree trimmers with removal of four palm trees on the Val Verde to AEP Weslaco Switch 138 kV line. Removed five bird nests at Nada, two bird nests at El Campo and three bird nests at Industrial Park. Replaced one pole on the Driscoll to Ricardo 69 kV line. That was taken down by a tractor. Performed ROW cleanup of the seven storm pole replacement on the Sodville to West Sinton 69 kV line. Cleared a fault on the low side capacitor bank at Riverside Sub. resulting in a station outage.

Both crews worked together to replace seven structures on the Sodville to West Sinton Switch 69 kV line that went down during a storm on August 12th .

Pearsall crew Installed the mobile at Frio Town substation and replaced the high side SMD-50 fuses with SMD -1A fuses and replaced a cross arm on the high side structure of the station. Replaced two poles on the Batesville 138 to Crystal City switch 69 kV line. This completed the pole replacement project on this line section. Conducted bird nest removal at various stations. Began construction of the temporary substation at Castroville.

## System Operations

System Operations has been busy during August and September with many transmission and substation outages. High winds, lightning strike and component failures resulted in a long list of outages. We welcome the milder weather we have experienced the past few weeks.

On August 15th, William "Scooter" Weibel took over as the new Chief System Operator after working in SYOPS as a System Operator.

Brett Kasper passed his ERCOT certification test on August 18th. He has now passed both the NERC and ERCOT certification test and is on shift.

Bobby Fojt passed his NERC certification test on September 8th and is now working towards passing his ERCOT test.

## Valley Office News



Alberta Switch Station

### Alberta Switch Station

Assembly of the transformer bushings, radiators, fans and grounding is complete. Vacuum oil-filling occurred on August 5. Testing of SCADA alarms and distribution breakers will continue through August. Transformer, circuit interrupter and relay commissioning will be complete in mid-October.

### Southmost Substation

The contractor has completed the equipment jumpers, pulled and terminated control cables, installed the transformer containment pit and have completed their scope of work.

Assembly of the bushings, radiators, fans and grounding on the new 22.4/29.8/37.3 MVA, 138/34.5kV transformer began in early August. The transformer was vacuum filled in late August. Commissioning will begin in late October.

### Antenna Replacements

Communication troubleshooting occurred on the Heidelberg-Burns, Burns to AEP



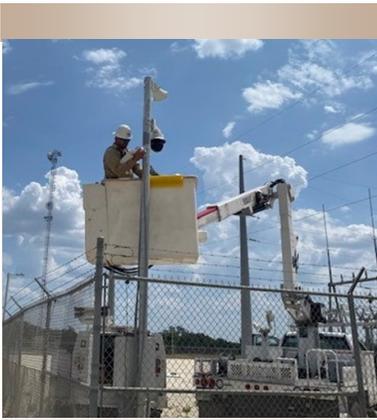
Antenna Replacements



Southmost—Permanent 35kV Installation

North Rio Hondo and at Lasara-E. Raymondville 138kV lines. Yagi antennas were replaced and realigned at Heidelberg, Burns and Lasara Substations in September. Before the troubleshooting, the signal reading was -100dB and after the replacement and adjustment the signal reading was -70dB. The optimal operating range is -60dB to -80dB.

## Technical Services Department



*Security equipment installation at Oaks.*



*Amos Brown and Matt Noviskie (SBEC) performing checkout at the Colorado substation.*



*Bo Alvarez installing a cellular radio at the Laredo substation.*

### New Workstations in Sysop

During the 2021 Winter storm, System Operations called in employees from several outside departments to support their restoration efforts. As a result of that experience, a decision was made to expand the operator desk space to increase efficiency during these types of events.



*Operator console and workstations in the Sysop control room.*

Recently, two additional operator desks were installed to provide SCADA workstations for use during emergency events, storm restoration, or training activities. Phones and two workstation PCs were installed for use by the Operators or support personnel.

### Oaks Substation Security

The department continued with new installations of enhanced video security at selected stations. Work has been completed at the Oaks substation and turned over to the Security and System Operations Departments for monitoring.

This work included fiber cable pulls, indoor and outdoor cabinet assembly and the mounting of cameras, speakers, and radar units throughout the station. Assembly of similar equipment for the Rossville station has begun.

### SBEC Transition Project

One of the most exciting STEC projects for this year is the integration of substation assets from the San Bernard Electric Cooperative locations. During the past several weeks, STEC personnel, along with our SBEC counterparts, have completed the initial communications, metering and RTU data verification between the SBEC stations and the STEC SCADA system.

This end-to-end testing of telemetry values and device alarms was used to verify the SCADA database and display programming. A plan for the permanent transitioning of substation communications has been developed and will be implemented when the asset transfer filing is officially approved by the PUC.

### Cellular Radio Installations

One of the Power Delivery Department's goals for this year was to provide remote Engineering access to substation devices at selected far West area substations. These upgrades will also allow technicians access to station meter and recloser event logs for troubleshooting purposes.

This effort consists of replacing the existing 900 MHz point to multipoint communications with a 4G/LTE cellular radio capable of providing a network link. Technicians then work with the STEC I.T. department to establish a secure, encrypted link between STEC systems and the substation devices.

# Technical Services Department

## Substation Projects

The Technical Services department has been busy with several substation projects the last few months. These included the final commissioning of the new Auto transformer station at Red Gate and adding distribution feeders at Pioneer, Uvalde, and Dilley. The Castroville substation also receiving a second transformer and two new feeders.

Maintenance activities include monthly testing of primary and backup communications systems including microwave radios, PBX phone systems, satellite and leased phone circuits, mobile radio systems, physical access equipment and public address systems.

## Employee Community Service

In what has become a yearly tradition, STEC employees donated volunteer time to help with the annual Warrior’s Weekend event in Port O’Connor.

STEC employees assisted in setting up signs and retail booths, loading and unloading supplies, and kitchen setup for use. The event assists wounded combat veterans from all over the country with a relaxing weekend of fishing and fellowship with the local community.



SCADA checkout at Uvalde



Garland Hencerling, Jim Smith, Scott Perry, David Jeager and James Boehm serving at the Warrior’s Weekend event.

# Engineering Department

An open house public meeting was held in Tilden, TX on October 17, 2022, and in Hebbronville, TX on October 18, 2022, where representatives from the Engineering Department provided input on STEC’s plans to file an application to amend our Certificate of Convenience and Necessity (CCN) with the Public Utility Commission of Texas (PUCT). The purpose of the application will be to design and construct approximately 100 miles of new 345kV double-circuit transmission line from the San Miguel switching station at the San Miguel Power Plant to the proposed AEP Texas Cruce Station. There was a very large attendance from the landowners and community members at both meetings.





*Gabriel Mainez is inspecting a recently installed turbocharger during the 24K maintenance*



*Jose Arriazola is inspecting reconditioned prechambers and cylinder heads during the 24K*



*STEC Red Gate Maintenance Technicians Marcos Banda and Gilberto Pena perform annual maintenance on the diesel driven fire pump.*



## Pearsall Power Plant

Pearsall Power Plant Maintenance team completed the 24K maintenance interval for gensets 1,10,12&21. The 24K maintenance involves reconditioning the 2 turbochargers, reconditioning the prechambers for the fuel system, performing multiple safety functionality checks and completing measurement records. Plant staff continues working together as a team to make sure all work is completed in a safe and efficient manner. Pearsall staff started the 24K maintenance interval for engine 1 on 9/26/22 and continued the 24K maintenance for engines 10,12&21. Engine 11 is currently undergoing the 24K maintenance and is expected to return to service on 10/28/22.

## Red Gate Power Plant

Red Gate Power Plant Staff hosted a tour for State Senator Charles Schwertner on September 20th, 2022 and for the STEC Board of Directors on October 28th 2022. Plant staff did a great job hosting both visits and their hard work cleaning and maintaining the facility was much appreciated.



*Before and After Clean Up*

Plant staff have been focused on reducing oil consumption on the engines at the Red Gate Plant. They have identified several areas for improvement and started implementing fixes that will reduce waste oil disposal costs from \$1/gallon to \$0.01/gallon.

Red Gate Power Plant personnel continue performing repairs on damaged cables caused by broken exhaust bellows and have taken measures to protect the cables from future damage with the addition of insulating sleeves around the exposed cables.

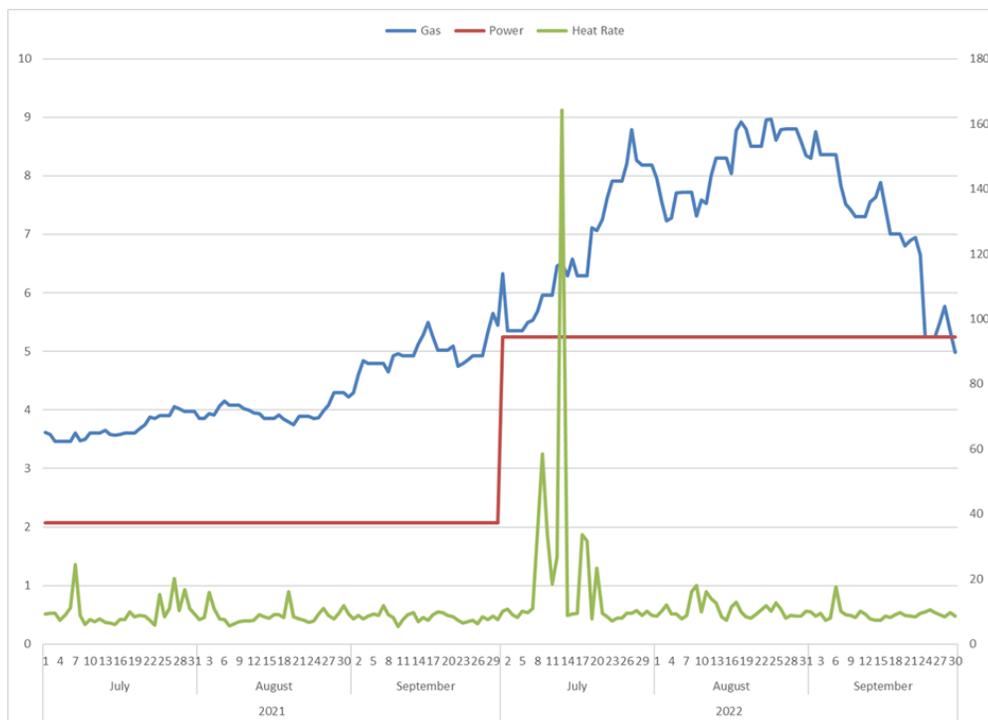
## Wholesale Marketing

### CONGRATULATIONS CLIFF

We would also like to congratulate our department manager, Clif Lange, on his promotion to STEC General Manager. He has been a dedicated employee in the Wholesale Marketing/QSE Department for the last 22 years. He spent six years as a QSE Operator, nine years as the Assistant Manager of Wholesale Marketing/QSE, and seven years as the Manager of Wholesale Marketing/QSE. We wish him the best of luck in his new chapter with STEC.

The QSE has been busy over the past quarter with 4CP management. 4CP (4 Coincident Peak) is the method ERCOT uses to assign transmission system costs to distribution utilities. According to the Public Utility Commission of Texas (PUCT), “A TSP’s transmission rate shall be calculated as its commission-approved transmission cost of service divided by the average of ERCOT coincident peak demand for the months of June, July, August, and September (4CP), excluding the portion of coincident peak demand attributable to wholesale storage load. A TSP’s transmission rate shall remain in effect until the commission approves a new rate. The TSP’s annual rate shall be converted to a monthly rate. The monthly transmission service charge to be paid by each DSP is the product of each TSP’s monthly rate as specified in its tariff and the DSP’s previous year’s average of the 4CP demand that is coincident with the ERCOT 4CP.” Thus, if you consume less power during these ERCOT 4CP hours, you can lower your transmission charges for the next year. The QSE staff monitor demand very closely during the 4CP months to manage the STEC load to notify Members of a potential 4CP peak to aid them in times to reduce demand during the peak intervals in each of these 4 months. 4CP “season” started off busy this June with STEC requesting load management 12 days. A new ERCOT record peak was set 4 times over the month. July was busy as well. With temperatures rising, STEC requested load management 10 days, and ERCOT set new record peaks 12 times over the month. In fact, the current ERCOT record peak was set in July at 80,124 MW. This was over 6,000 MW higher than the last ERCOT peak, set in August 2021. Things slowed some in August, with load management requested by STEC over 3 days but picked back up some in September with 10 days of load management. This year STEC successfully notified the Members on the actual ERCOT 4CP of each month.

2022 continued to be marked by higher natural gas prices. The chart below depicts the Gas Price in blue, the average price over the quarter and the implied daily heat rate. You can see the impact of the gas price can have on the price of power. Other than some clear volatility in the month of July, the implied heat rate for 2022 was in the relative range of the year prior. To note, too, is that gas prices in late September are at levels seen at the beginning of early July as well as September 2021.



## Employee Standing Committee



## Giving Back to Our Communities

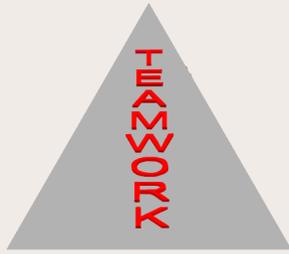
Employee  
Volunteer  
Hours  
as of 09/24/22

Charitable  
Giving &  
Corporate  
Support

341

\$40,499





**CORE VALUES**

- Safety
- Integrity
- Teamwork
- Communication

**November 2022**

|  |           |
|--|-----------|
| Safety Committee   | Nov 1     |
| Employee Standing Committee  | Nov 3     |
| HR/Health & Wellness (Substation, SYSOP, Power Plant, Tech Services Transmission & Wholesale Marketing-Sam Rayburn Location) | Nov 8     |
| HR/Health & Wellness (Admin, CMS, Acct & Finance, and Engineering—Sam Rayburn Location)                                      | Nov 8     |
| HR/Health & Wellness (Red Gate Power Plant & Donna)  | Nov 9     |
| HR/Health & Wellness (Pearsall Location)   | Nov 10    |
| Safety Meeting (Power Supply, Engineering, SYSOP & Administration-Sam Rayburn Location)                                      | Nov 14    |
| Safety Meeting (Transmission, Substation & Tech Services-Sam Rayburn Location)   | Nov 15    |
| Safety Meeting (Red Gate & Donna Location)   | Nov 16    |
| Safety Meeting (Pearsall Location)   | Nov 17    |
| Committee / Board Meeting  | Nov 29-30 |
| Supervisor Meeting   | Nov 30    |

*Upcoming Meetings*

**South Texas Electric Cooperative**

2849 FM 447  
P.O. Box 119  
Nursery, Texas 77976  
361.575.6491  
[www.stec.org](http://www.stec.org)



**December 2022**

|  |           |
|--|-----------|
| Employee Standing Committee  | Dec 1     |
| HR/Health & Wellness (Substation, SYSOP, Power Plant, Tech Services Transmission & Wholesale Marketing-Sam Rayburn Location) | Dec 6     |
| HR/Health & Wellness (Admin, CMS, Acct & Finance, and Engineering—Sam Rayburn Location)                                      | Dec 6     |
| HR/Health & Wellness (Red Gate Power Plant & Donna)  | Dec 7     |
| HR/Health & Wellness (Pearsall Location)   | Dec 8     |
| Safety Committee   | Dec 8     |
| Committee / Board Meeting (San Antonio)  | Dec 14-15 |
| Supervisor Meeting   | Dec 15    |
| Safety Meeting (Power Supply, Engineering, SYSOP & Administration-Sam Rayburn Location)                                      | Dec 19    |
| Safety Meeting (Transmission, Substation & Tech Services-Sam Rayburn Location)   | Dec 20    |
| Safety Meeting (Red Gate & Donna Location)   | Dec 21    |
| Safety Meeting (Pearsall Location)   | Dec 22    |

# Years of Service



## Power Delivery

|                  |          |
|------------------|----------|
| Allen Moeller    | 30 years |
| Dwain Garber     | 25 years |
| Bradley Graham   | 25 years |
| Steve Bolle      | 20 years |
| Arthur Gifford   | 20 years |
| Cynthia Haynes   | 20 years |
| Terry Vaughn     | 20 years |
| Ty Haschke       | 20 years |
| Brett Temple     | 20 years |
| Travis Gillig    | 15 years |
| Matthew Bernhard | 15 years |
| Bobby Fojt       | 10 years |
| Kyle Janak       | 10 years |
| Carlos Barrera   | 10 years |
| Arturo Martinez  | 10 years |
| Coby Schunka     | 5 years  |
| Amy Seglar       | 5 years  |
| Brent Bengs      | 5 years  |

## Administration

|                |         |
|----------------|---------|
| Michelle Gloor | 5 years |
|----------------|---------|

## Accounting & Finance

|                  |          |
|------------------|----------|
| Kimberly Perry   | 20 years |
| Christine Carter | 5 years  |

## Corporate & Member Services

|                   |          |
|-------------------|----------|
| Hector Guerra Jr. | 10 years |
| Noel Martinez     | 10 years |
| Omar Quezada      | 5 years  |

## Power Supply

|                |          |
|----------------|----------|
| Delton Marbach | 30 years |
| David Obregon  | 25 years |
| Jason Andrews  | 20 years |
| Johnny Stacy   | 20 years |
| Lewis McFadin  | 20 years |
| Kafia Delgado  | 20 years |
| John Garza     | 15 years |
| Donnie Herrera | 10 years |
| Gilberto Pena  | 5 years  |
| Jacob Elliott  | 5 years  |
| Michael Pena   | 5 years  |
| Ruben Tellez   | 5 years  |
| Marcos Banda   | 5 years  |
| Bryan Gonzalez | 5 years  |
| Eric Gomez     | 5 years  |
| Efrain Pena    | 5 years  |
| Jesus Serna    | 5 years  |
| Jared Toles    | 5 years  |
| Inri Duran     | 5 years  |

# Scholarship Recipients



*Brooke Grones and Rebecca Hauboldt  
Daughter of Kelly & Scott Grones*



*Carson Jander and Rebecca Hauboldt  
Son of Dwight & LeAnn Jander*

*Not pictured is Akira Casasola  
Son of Franz Casasola & Aiko  
Nakada*



*Joshua Munoz and Rebecca Hauboldt  
Son of Mary Jane & Ysidoro Munoz*



*Jenny Marbach, Reese Stastny, Danielle Talley and Rebecca Hauboldt  
Daughter of Delton & Katrina Marbach  
Daughter of James & Cindy Stastny  
Daughter of Jason & Kendra Talley*



*Holly Gifford, Julianna Sierra and Rebecca  
Hauboldt  
Daughter of Mike & Jessica Kezar*



*Kaitlyn Gandara and John Coyle  
Daughter of Lionel & Brenda Gandara*