



Cooperative Update

Julie C. Parsley | Chief Executive Officer

Jonathan Greene | Chief Operations Officer — Transmission

Nathan Fulmer | Chief Operations Officer — Distribution

Randy Kruger | Chief Financial Officer

JP Urban | Chief Administrative Officer



CEO Report

Julie C. Parsley | Chief Executive Officer

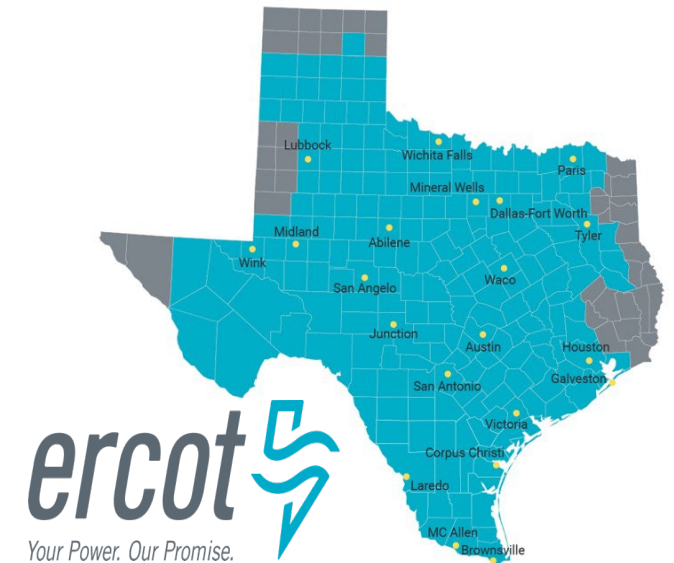
Regulatory Update: PUC

- PUC executes agreement for its first Texas Energy Fund (TxEF) Completion Bonus Grant, awarded to LCRA
 - The TxEF provides loans and grants to support reliability improvements of electric facilities in Texas
 - The PUC's first grant agreement is for LCRA's 188MW Timmerman Power Plant in Caldwell County
 - Timmerman Power Plant Unit 1 is a natural gas plant, capable of starting within 45 seconds and reaching full capacity within five minutes. It connected to the ERCOT grid on August 14, 2025



ERCOT Update

- Real-Time Co-optimization Plus Batteries (RTC+B) now live:
 - Most substantial market design enhancement since 2010
 - Culmination of a multi-year initiative launched in 2019
- Reliability and Efficiency Gains:
 - Projected wholesale market savings > \$1 billion annually
 - Allows timely procurement of Ancillary Services – reduces ERCOT operator manual actions
 - Better congestion management – wider variety of resources dispatched in real time



Employee Toy Drive Brightens the Holidays

Together, PEC employees donated more than **750 toys, plus bikes and scooters** to make the holidays merry and bright for local families across the Hill Country



Giving Is Easy With PEC's Power of Change

- PEC's Power of Change helps fund our charitable giving programs
 - Member Assistance Program
 - Community Grants
 - Education Foundation Contributions
 - United Charities
 - Youth Tour
 - Youth Engagement and Classroom Opportunities
- Sign up today at myPEC.com/change!



December 11 Night Under the Lights!





December Quarterly Report

Jonathan Greene | Chief Operating Officer -
Transmission

Graphite Mine T1 Upgrade

- Completed in November
- Transformer upgrade increases capacity for the substation
- Supports area load growth and improves reliability



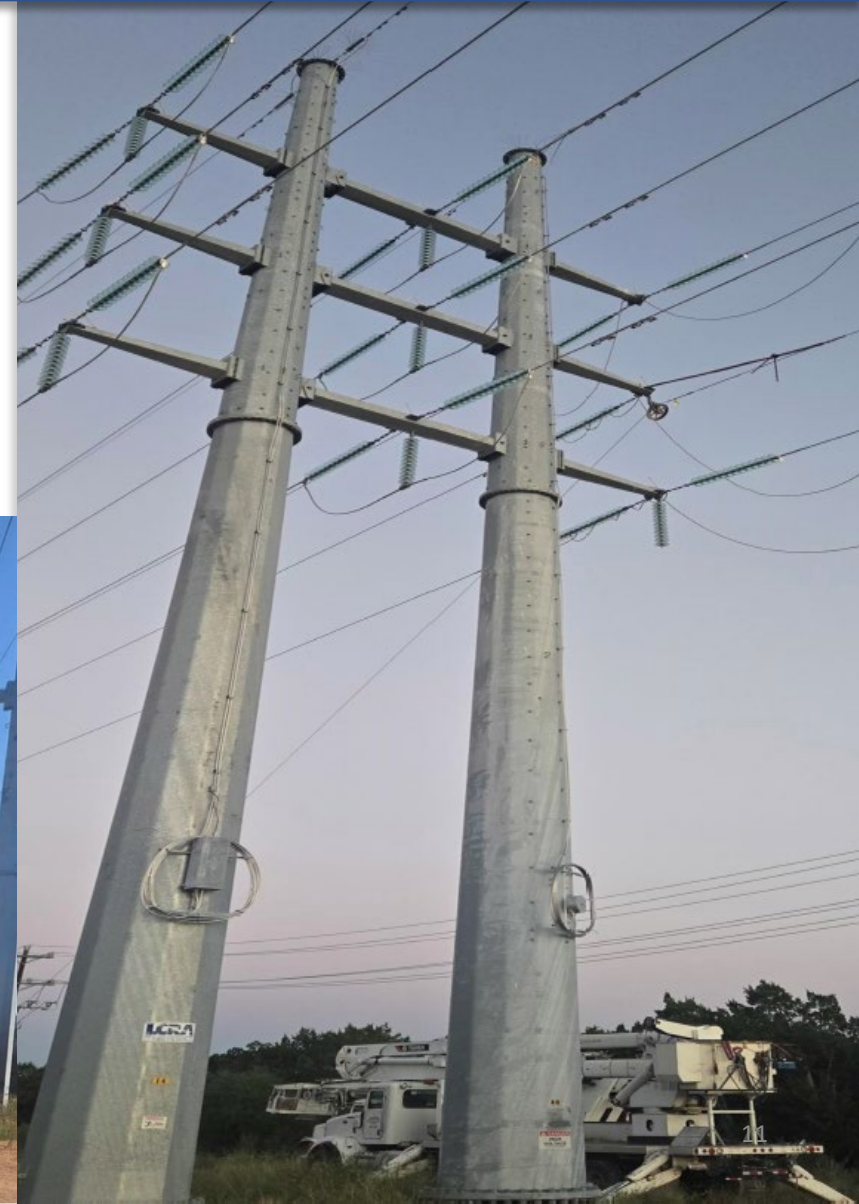
Cedar Valley T1 and T2 Upgrade

- Completed in December
- Transformer upgrades increase capacity for the substation
- Supports area load growth, increases contingencies, and improves reliability



T323 Marshall Ford-Paleface Overhaul

- Construction began in August 2023, completed in October 2025
- This circuit was rebuilt to storm harden the corridor and improve system reliability
- This was a joint project with LCRA TSC



T358 Cedar Valley-Friendship Storm Hardening

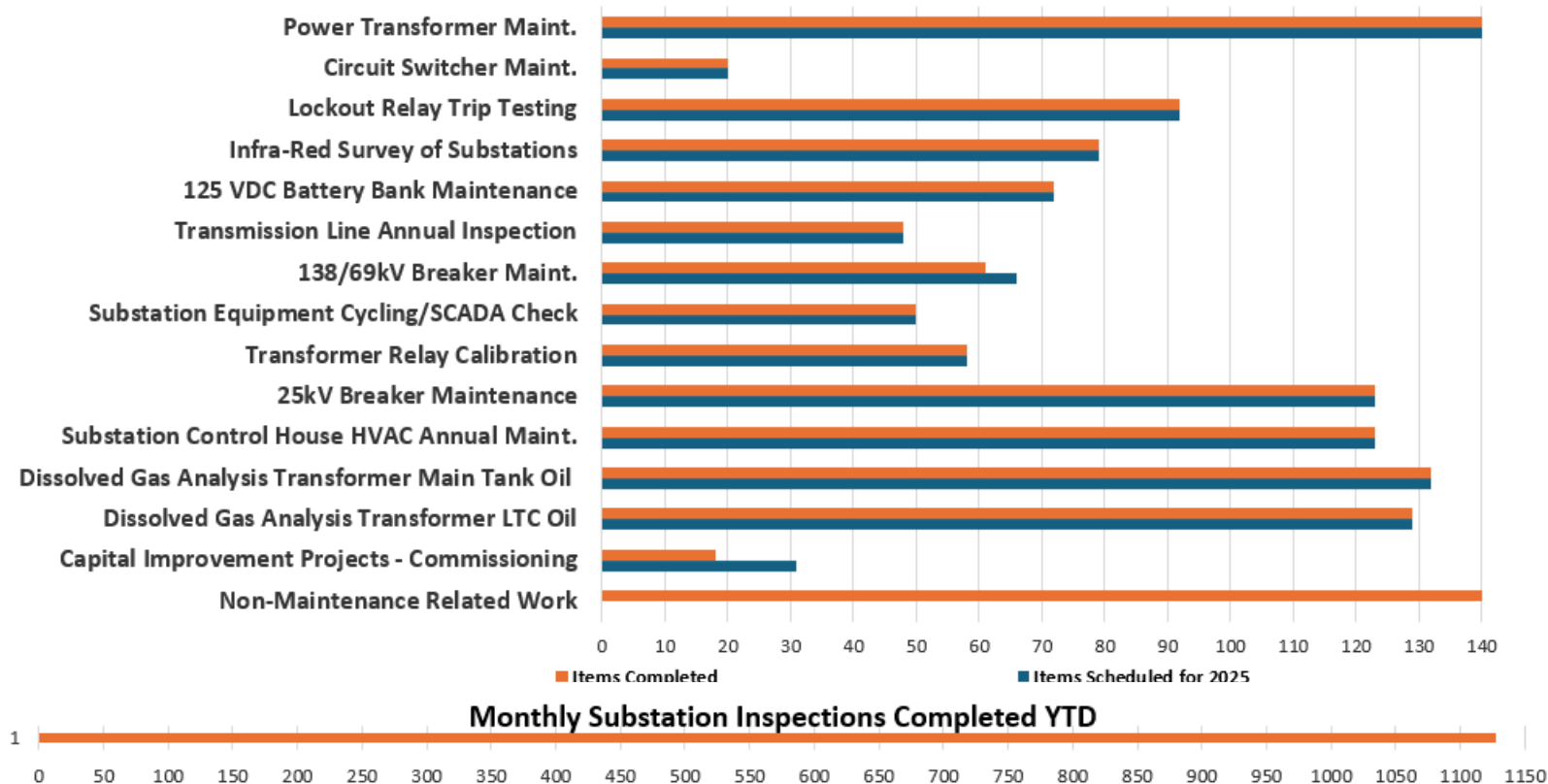
- Construction began in July and will complete in December
- This circuit was rebuilt to storm harden this corridor and improve system reliability



System Maintenance

2025 Transmission Maintenance

- Equipment maintenance is completing as scheduled
- Completed **1,128** substation inspections, and **228** corrective repairs
- ERCOT Weatherization Inspections – **11** substation inspections were conducted with no findings
- 2025 NERC Audit – TRE & FERC staff toured Leander and Blockhouse substations with no findings



System Performance

System Performance

- Transmission system availability is high, performance metrics are comparable to 2024

ITOA (*Integrated Tools for Operations Application*) Project Completion

- ITOA is an outage coordination app for use across PEC, with ERCOT, and with neighboring utilities
- Replaces internally-developed tool with industry leading tool used throughout North America
- Provides better visibility and functionality across departments in planning and scheduling capital projects and maintenance activities
- Transition to go-live in December after more than a year of selection and implementation
- Initial training completed for critical staff; training for other PEC users will be provided in early 2026

Winter Operations

- Completed winter preparations, including all ERCOT and internal training
- Completed winter assessments within Planning, Operations, and Maintenance
- TCC staff will continue to monitor the system for any necessary changes to PEC operations plans

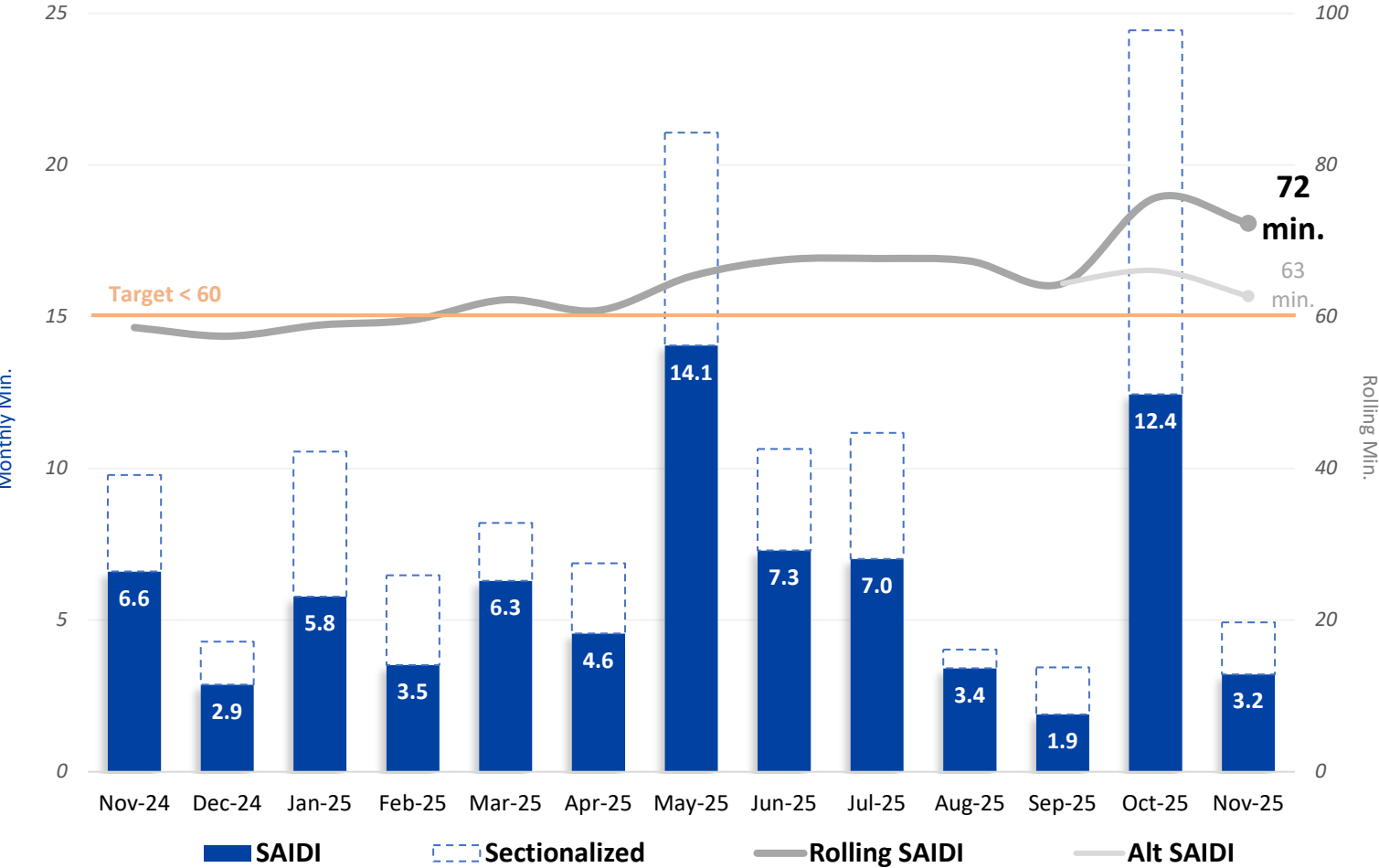


Operations Report

Nathan Fulmer | Chief Operations Officer -
Distribution

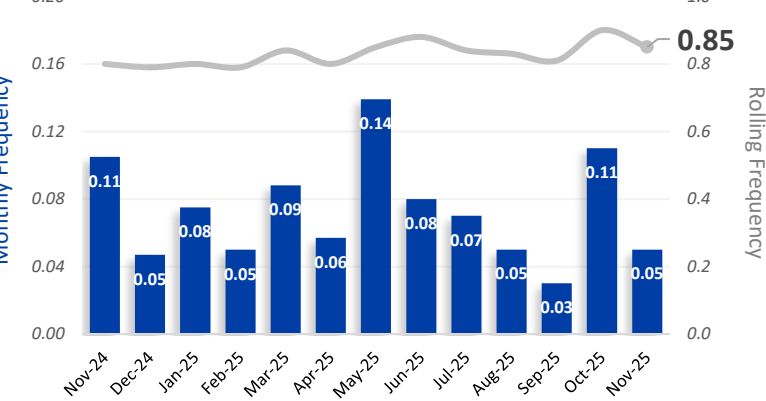
SAIDI System Average Interruption Duration Index

TX Avg SAIDI in 2024 = **153 min.** reported by the Dept. of Energy



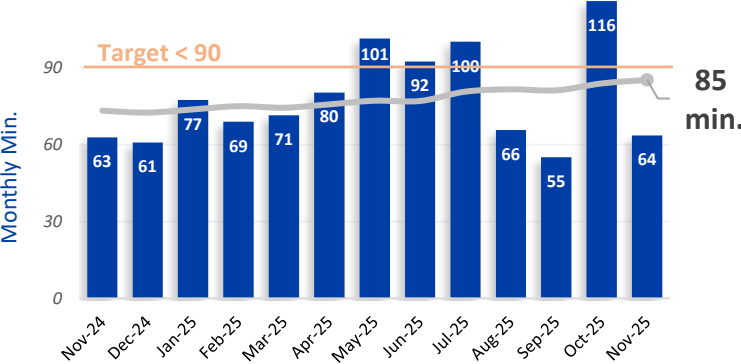
SAIFI System Average Interruption Frequency Index

Target < 1.0



CAIDI Customer Average Interruption Duration Index

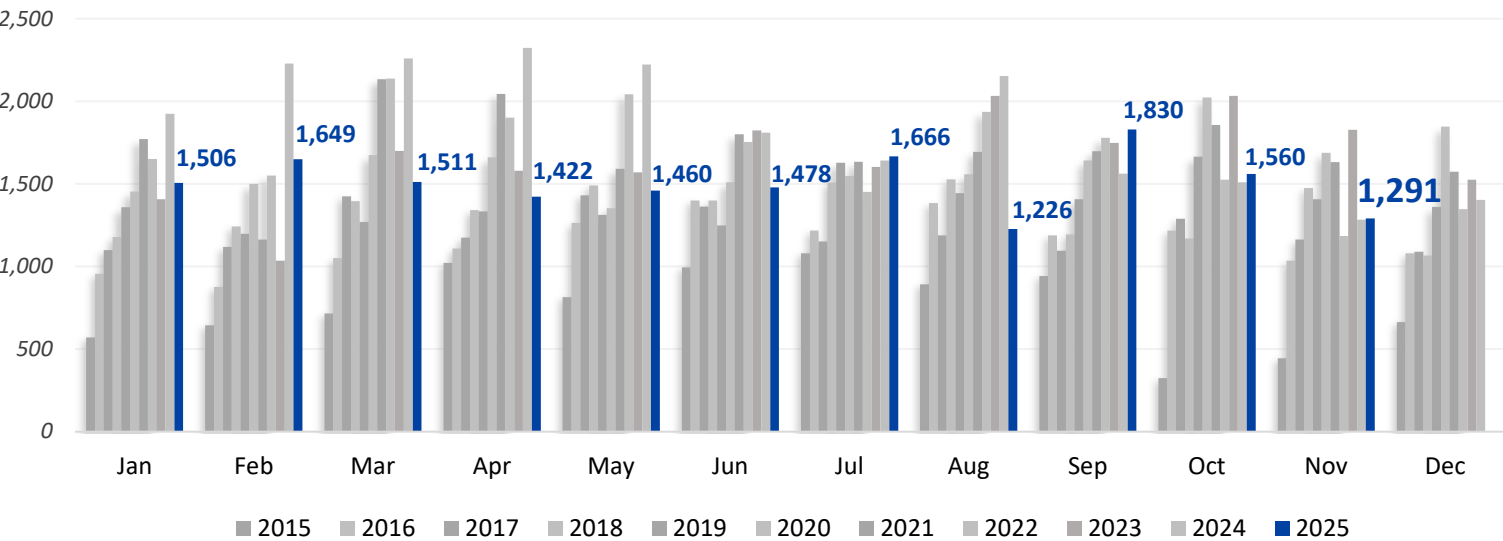
Target < 90



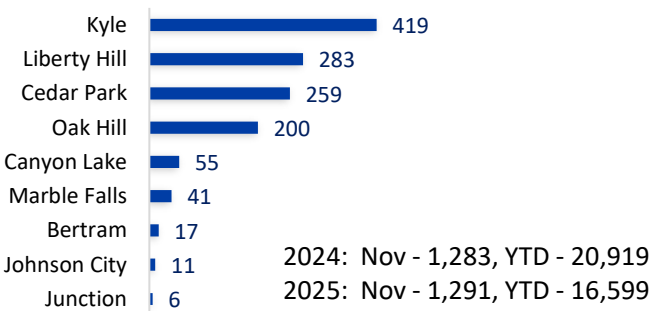
System Growth

Line Extensions Completed

2023: 19,886 2024: 22,323 2025 YTD: 16,599



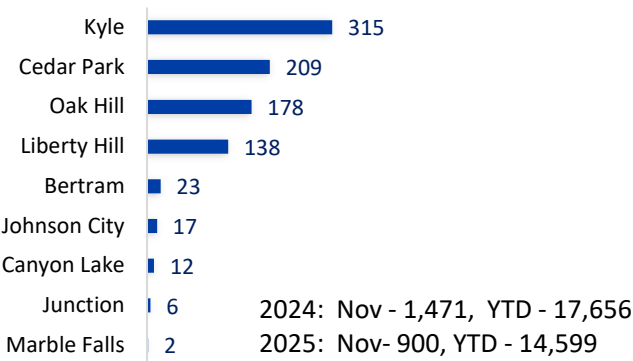
Line Extensions by District



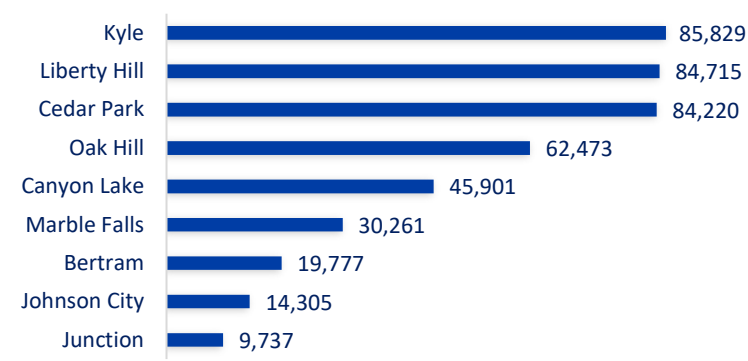
Miles of Distribution Line:

Overhead:	17,841	(69%)
Underground:	8,138	(31%)
Total:	25,979	

Meter Growth (900)

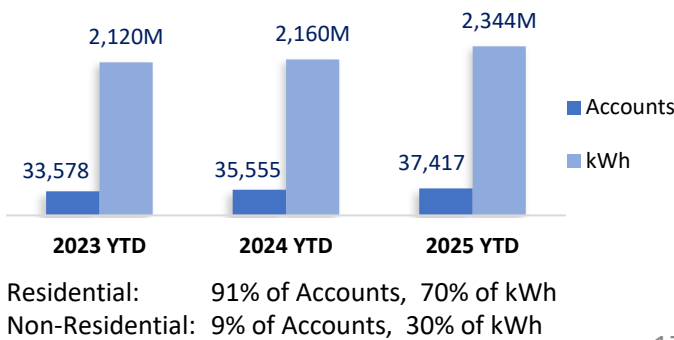


Meter Totals (437,218)



Residential & Commercial

Non-Residential Accounts and Consumption YTD



Safety & Technical Training Update

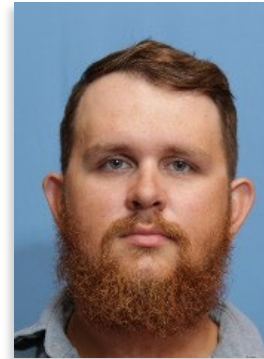
Department Highlights

Training and Classes

- Hosted five days of continued education focused on grounding and bonding practices to mitigate hazardous induced voltages, attended by 101 Journeyworkers and Year 4 apprentices.

Assessments

- Completed 12 apprentice assessments as part of the apprenticeship program.
- Finalized and posted 2026 assessment schedules which includes a total of 38 weeks of training for lineworker apprentices.
- Audit Success: The technical training team received high marks from Northwest Line College during their annual audit, excelling in both classroom settings and education delivery.



Neil Dodson
Regional
Operations
Supervisor
Oak Hill

Employee Spotlight

Partnering with Technical Services to install equipment critical for sectionalization, Neil's line crew has helped to lower SAIDI in the Oak Hill district by **47%** (6 minutes) and have moved 3 feeders off the Top 10 Worst Performing Feeders List.

Equipment installed

- 683 Fault Indicators
- 23 MVIs Removed
- 69 CMRs

2024 Outages

- 660 outages
- 65,748 members
- 11.96 SAIDI min.

2025 Outages

- 538 outages (122 fewer)
- 35,518 members affected (30,230 fewer)
- 5.97 SAIDI min.

Night Work Exercises

Pilot training for night restorations:

- On November 5, Year 3 Apprentices worked a 3pm -11pm shift for evening training on a broken-arm and down-pole scenario.
- Preparing to continue this at all levels:
 - Y1: Night climbing, transformer change-out
 - Y2: Night EPZ grounding, building transformer banks
 - Y3: Night hot-work
 - Y4: Night switching





November 2025 Financial Report

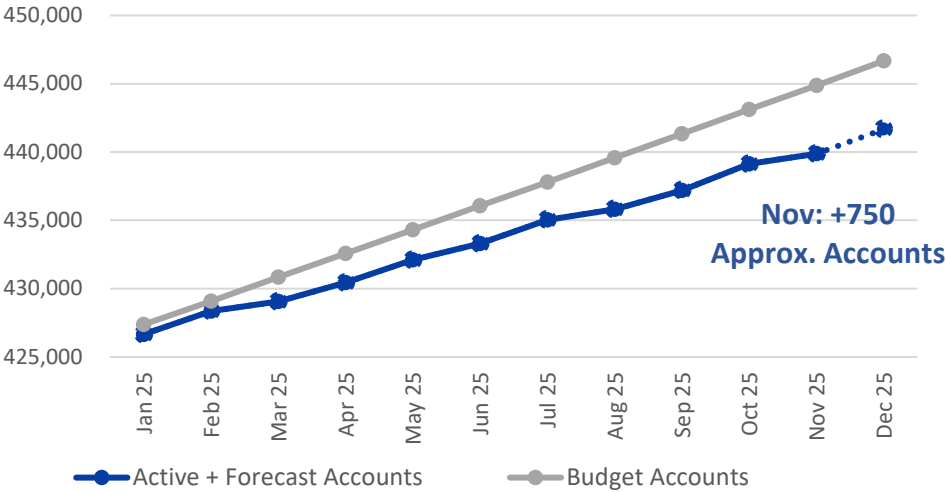
Randy Kruger | Chief Financial Officer

Finance at a Glance – November 2025

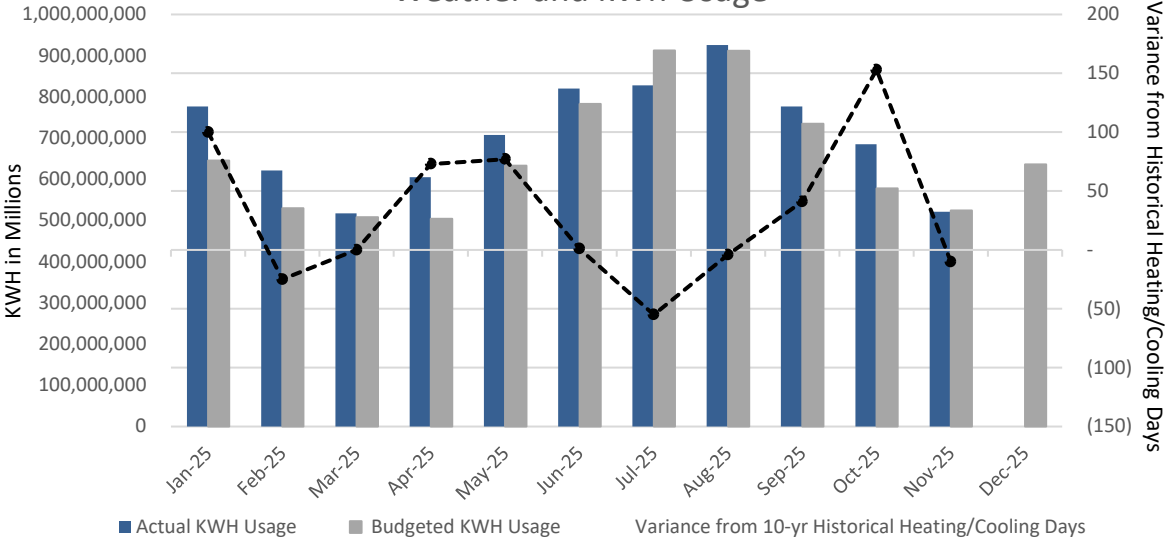
	MTD (\$ in millions)			YTD (\$ in millions)		
	Actual	Budget	Variance	Actual	Budget	Variance
MWH Sold	521,111	524,047	(2,936)	7,785,764	7,265,882	519,882
Gross Margins	\$ 30.6	\$ 30.9	\$ (0.3)	\$ 376.5	\$ 368.7	\$ 7.8
Net Margins	\$ 2.2	\$ 3.4	\$ (1.2)	\$ 78.7	\$ 67.8	\$ 10.9
EBIDA	\$ 13.8	\$ 15.3	\$ (1.5)	\$ 203.4	\$ 194.8	\$ 8.6
Revenue O/(U)	\$ 2.3	\$ 2.3	\$ (0.0)	\$ 35.4	\$ (1.1)	\$ 36.5
EBIDA(X)	\$ 16.0	\$ 17.7	\$ (1.7)	\$ 238.8	\$ 193.7	\$ 45.1

	Liquidity Coverage
Cash & Marketable Securities	\$ 176,463,769
Short Term Facilities	605,000,000
Less: Short Term Borrowings	181,512,114
Available Liquidity	\$ 599,951,655
Liquidity Coverage (Days)	253

Active Account Growth

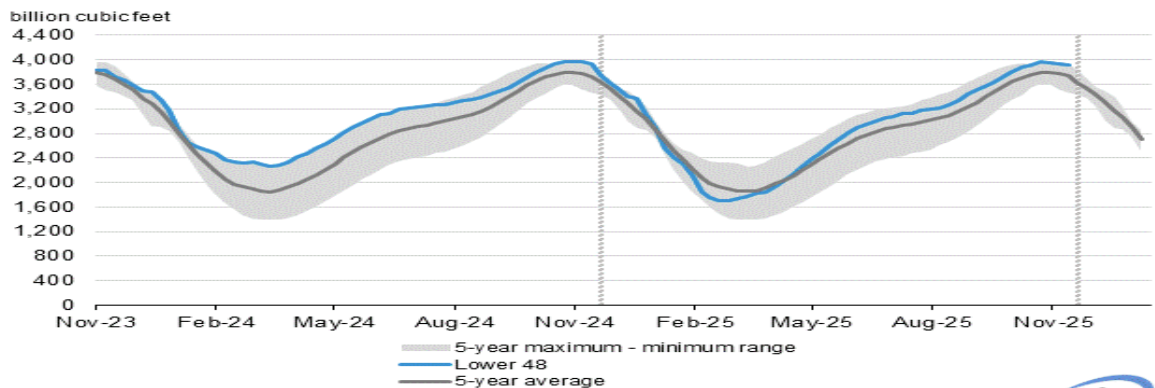


Weather and kWh Usage



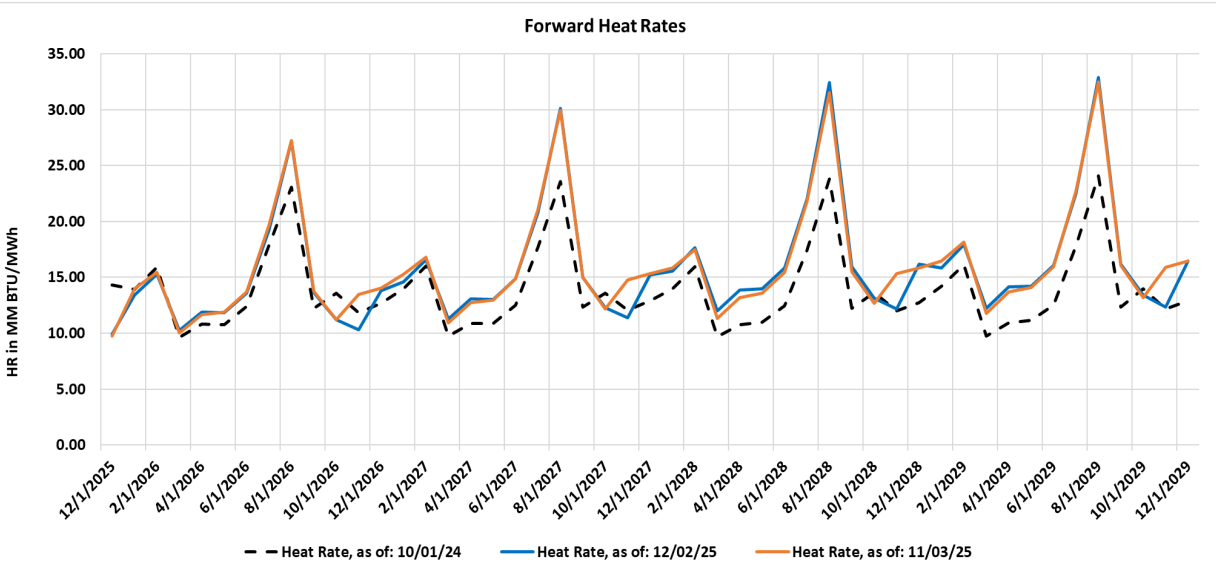
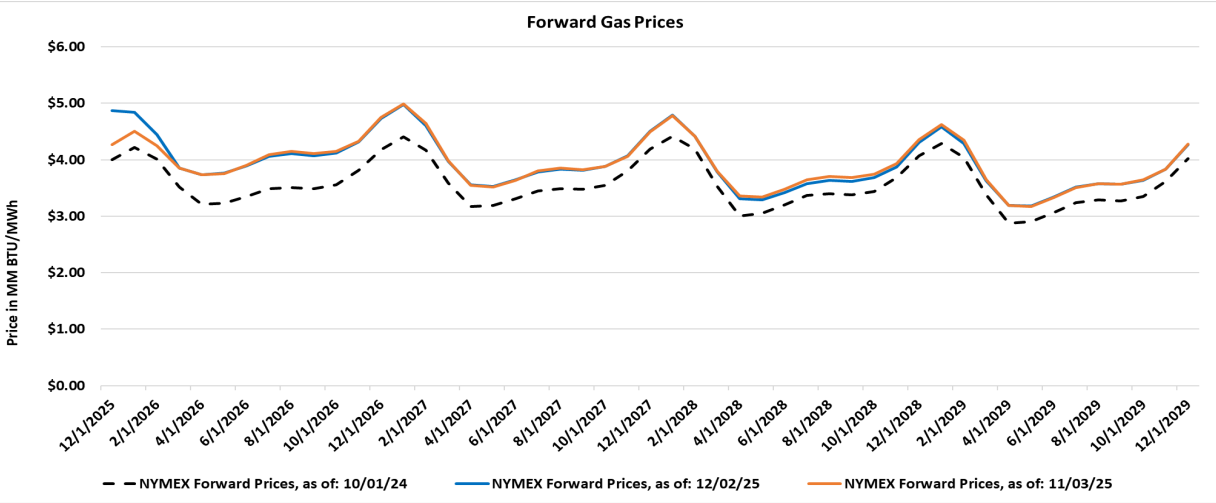
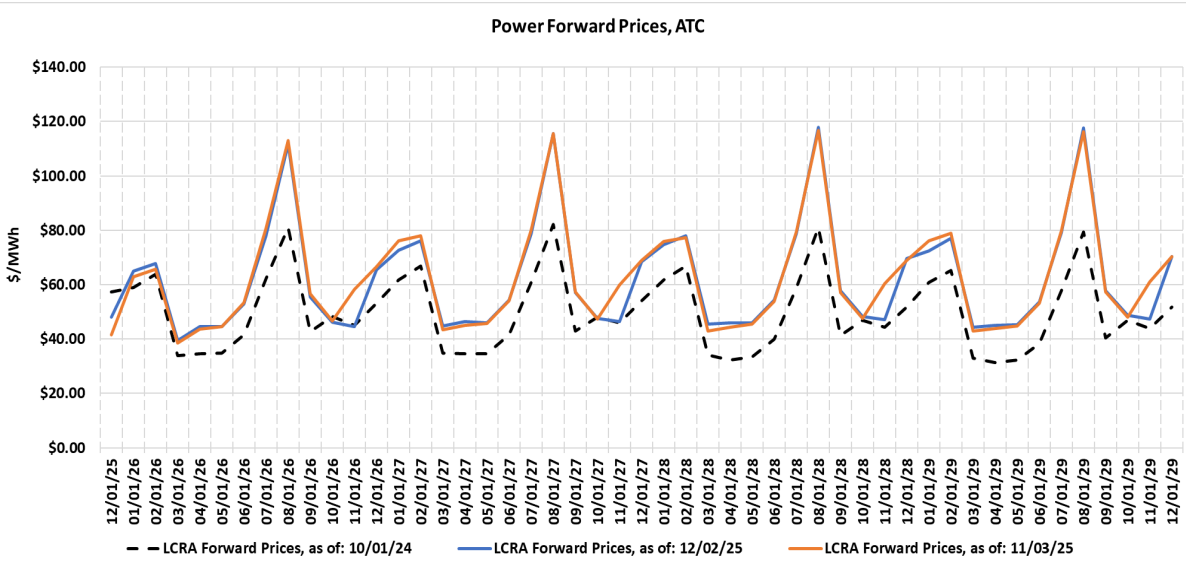
Power Market Fundamentals

Working gas in underground storage compared with the 5-year maximum and minimum



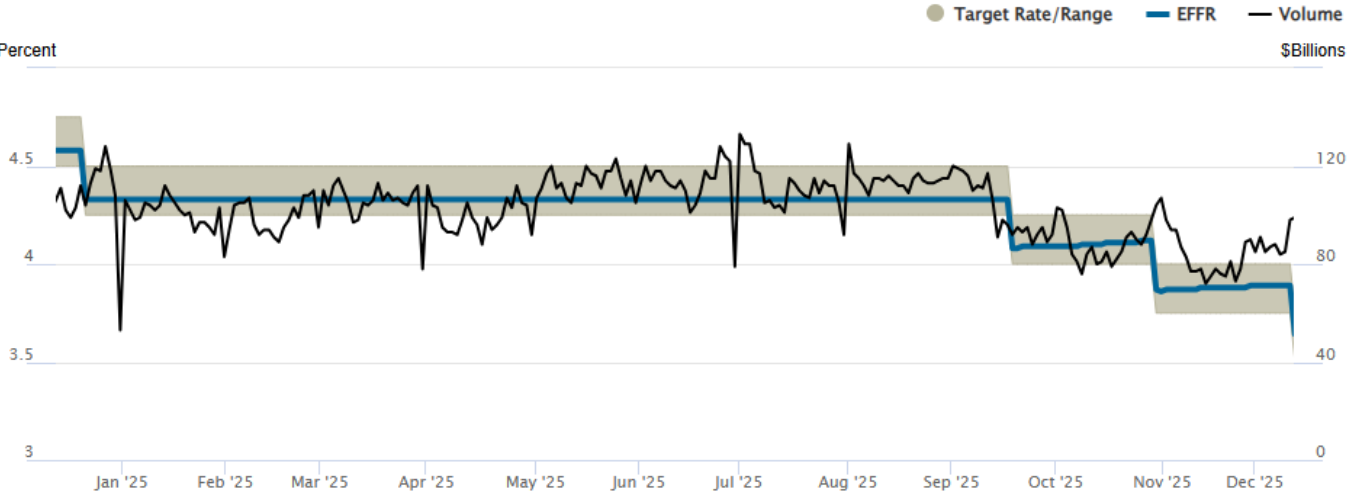
Data source: U.S. Energy Information Administration
Note: The shaded area indicates the range between the historical minimum and maximum values for the weekly series from 2020 through 2024. The dashed vertical lines indicate current and year-ago weekly periods.

As of Dec 4, 2025



Interest Rates

Federal Funds Rate



Source: Federal Reserve Bank of New York 12/12/2025

2-Year Note



Source: *The Wall Street Journal* 12/12/2025



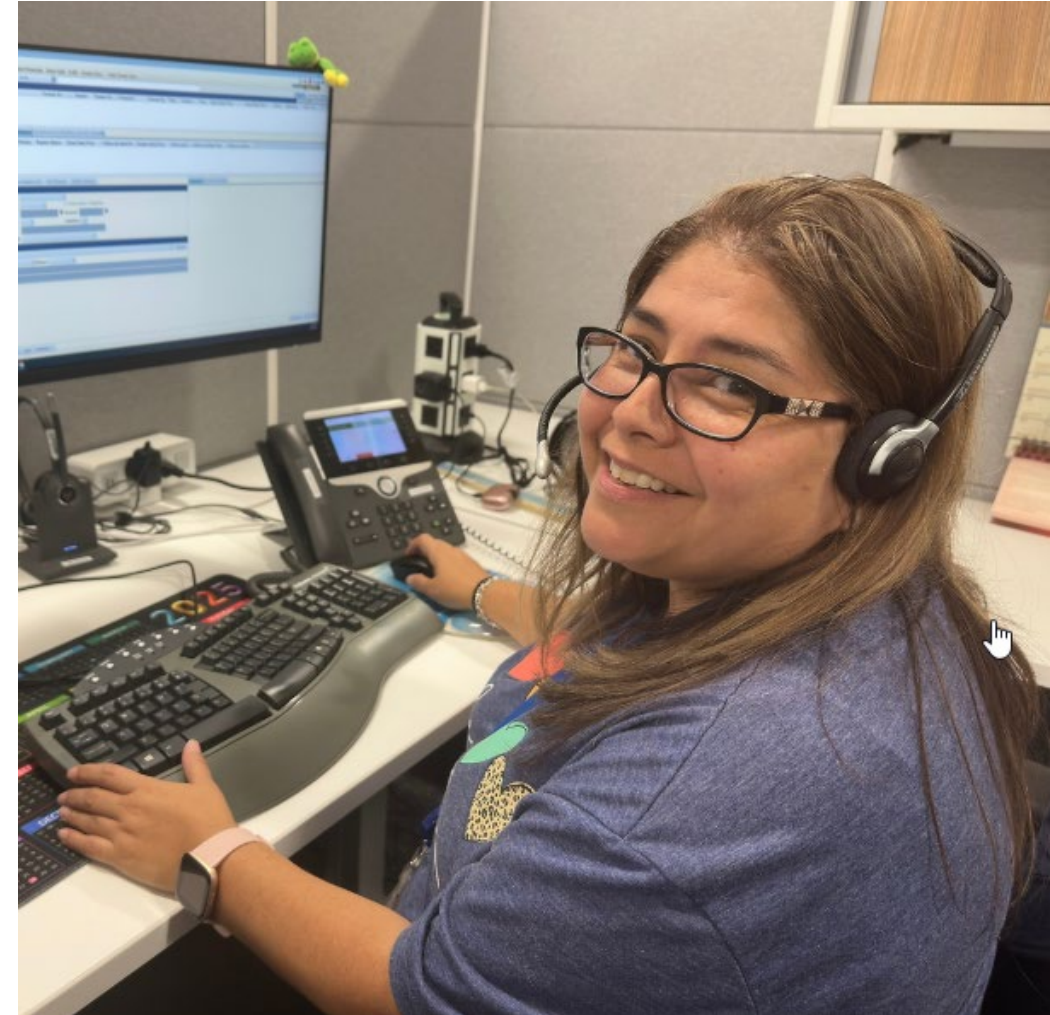
CAO Report

JP Urban | Chief Administrative Officer

Member Relations Report

November Member Relations Metrics

- Calls handled: 16,256
- Chats handled: 1,074
- Applications for existing service
 - Online: 1,922 (29%)
 - Phone: 4,642 (71%)
- Member experience satisfaction rating: 4.61 out of 5
- Member experience first contact resolution: 84.25%
- 92.62% of members say they would enjoy working with the same agent again



System Enhancements

- New application portal is open for establishing distributed generation accounts.
- Will modernize the member and installer experience with enhanced transparency.
- Tiered application workflows are correlated to project sizes and fees structures:
 - Tier 1: < 50 KW
 - Tier 2: 50 KW - 1 MW
 - Tier 3: 1 MW - 10 MW

DG Application Volumes:

- 2023: 2,635
- 2024: 2,355
- 2025 YTD: 1,657

Implementation Status:

- Tier 1 - 2: Active
- Tier 3: EOY 2025

PEC Hosts Inaugural Job Shadow Day





Appreciation and Look Ahead

Employee Shoutouts*



Terran Wilson

Member Relations
Agent
Oak Hill



Marcos Marichalar

Field Construction
Coordinator
Johnson City



Carly Welch

Member Relations
Agent 2
Marble Falls



Priscilla Chapa

Member Relations
Analyst
Oak Hill



Heather Peterman

Member Relations
Analyst
Marble Falls

**These were selected from the hundreds of shoutouts PEC receives each month*

PEC Offices Close December 24-25, January 1

Happy Holidays!

- Text “Outage” to 25022
- Report outages 24/7 online or by calling 888-883-3379
- Make a payment 24/7 online or with the SmartHub app





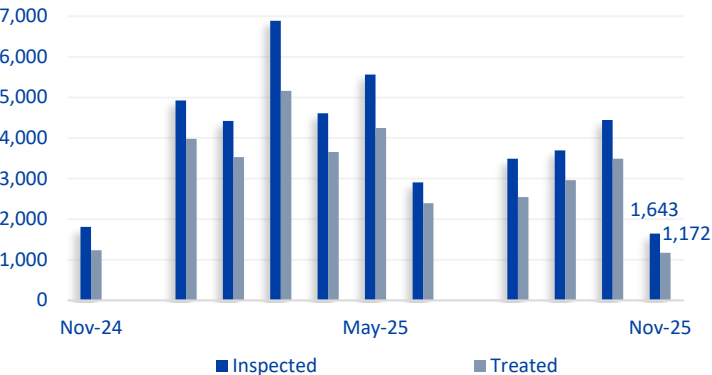
Appendix Pages

Maintenance & Technical Services

Pole Testing & Treatment (PTT)

Poles Inspected & Treated

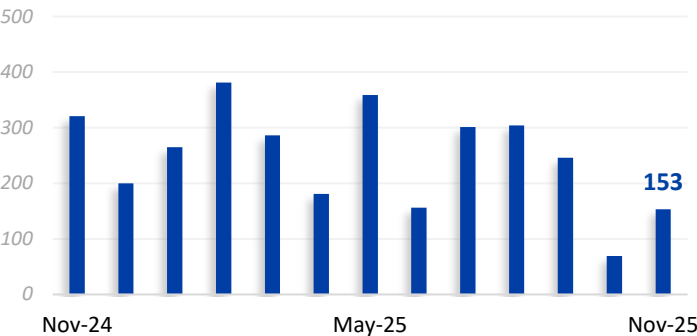
2024 YTD: Inspections - 43,271 Treated - 33,916
2025 YTD: Inspections - 42,589 Treated - 33,144



Underground Equipment

Pad Restorations

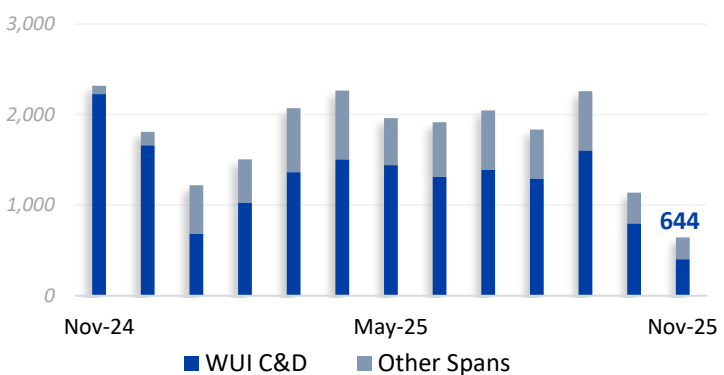
2024 YTD: 3,744
2025 YTD: 2,701



Vegetation Management

Span Clearings

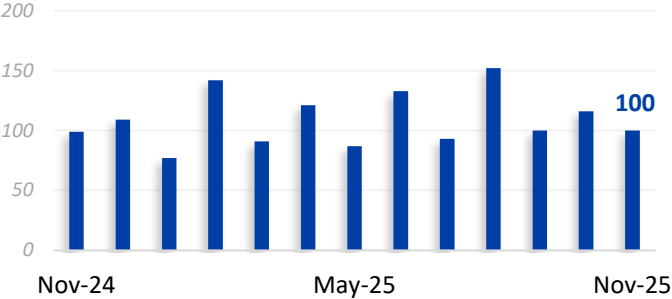
2024 YTD: Encroachments Completed - 21,750
2025 YTD: Encroachments Completed - 18,864



Technical Services

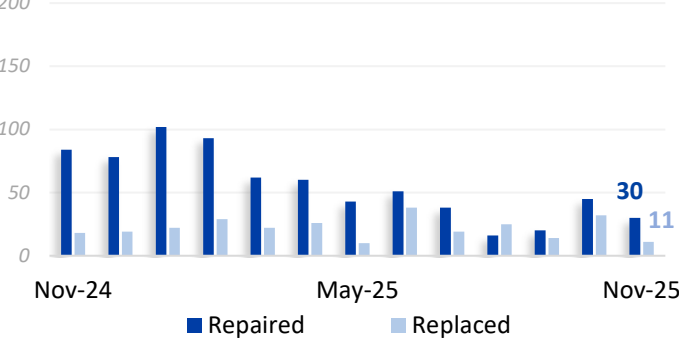
Equipment Inspections

2024 YTD: 1,616
2025 YTD: 1,212



Equipment Repaired or Replaced

2024 YTD: Repaired - 765 Replaced - 226
2025 YTD: Repaired - 560 Replaced - 248



Planning Engineering Projects

Project	Completion	Percent Complete
Load Projection Study	Feb 2025	100%
2025 CIP Project Maps	Feb 2025	100%
Capacitor Settings	Mar 2025	100%
4CP Study	Apr 2025	100%
Summer Contingency	May 2025	100%
UFLS Study	Jul 2025	100%
CIP (1 st Draft) Study	Jul 2025	100%
CIP (Final Draft) Study	Aug 2025	100%
Mock UFLS Study	Dec 2025	0%
20-Year Plan Study	Dec 2025	70%
Winter Contingency	Dec 2025	100%

Large Project Updates

Johnson City - Haley Road Phase II Yard Expansion

Construction underway with expected completion EOY 2025.

Junction Warehouse Expansion and Fleet Building

Construction complete, contractor working on final punch list items with move in expected in December 2025.

Liberty Hill Materials Yard Expansion

Construction underway with expected completion January 2026.

Liberty Hill Warehouse Expansion

Design and construct +/- 15k sf. warehouse and convert existing warehouse and training area to staff space. Design consultant chosen, contract pending review and approval.

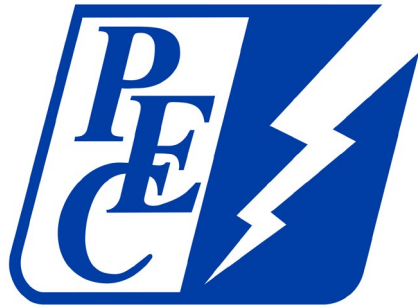
Bertram Yard Expansion

Expand material yard into adjacent property. Grade and stabilize base. Install perimeter fencing, lighting, and new gate along Hwy 29. Construction expected to begin in Q2 2026.

Generator Refresh

Replacement of end-of-life back-up generators at Kyle, Cedar Park, Bertram, Canyon Lake, and Haley Rd is underway. Currently evaluating proposals for design work, replacements began in Q4 2025 with completion in 2026.





Appendix to November 2025 Financial Presentation to the Board

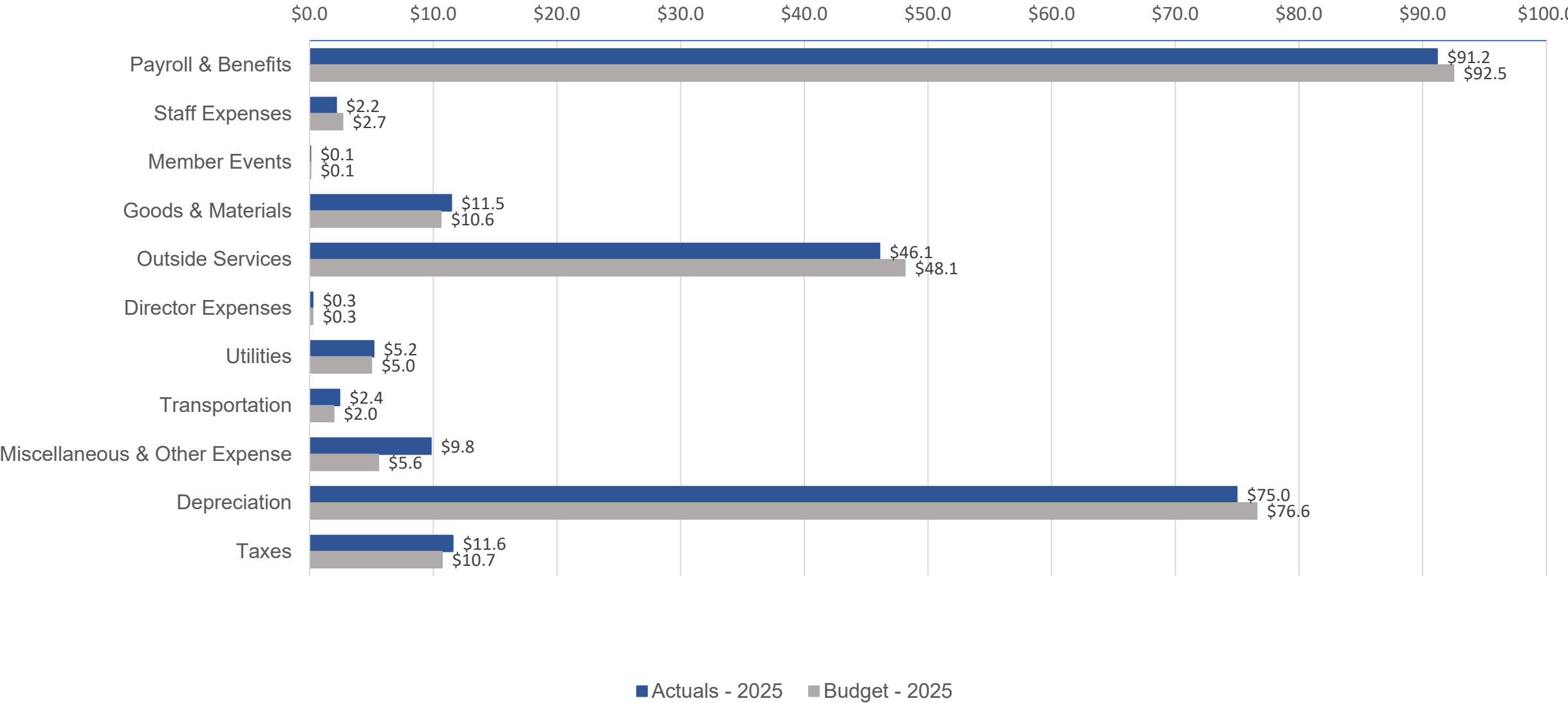
Randy Kruger | Chief Financial Officer

Financial Performance

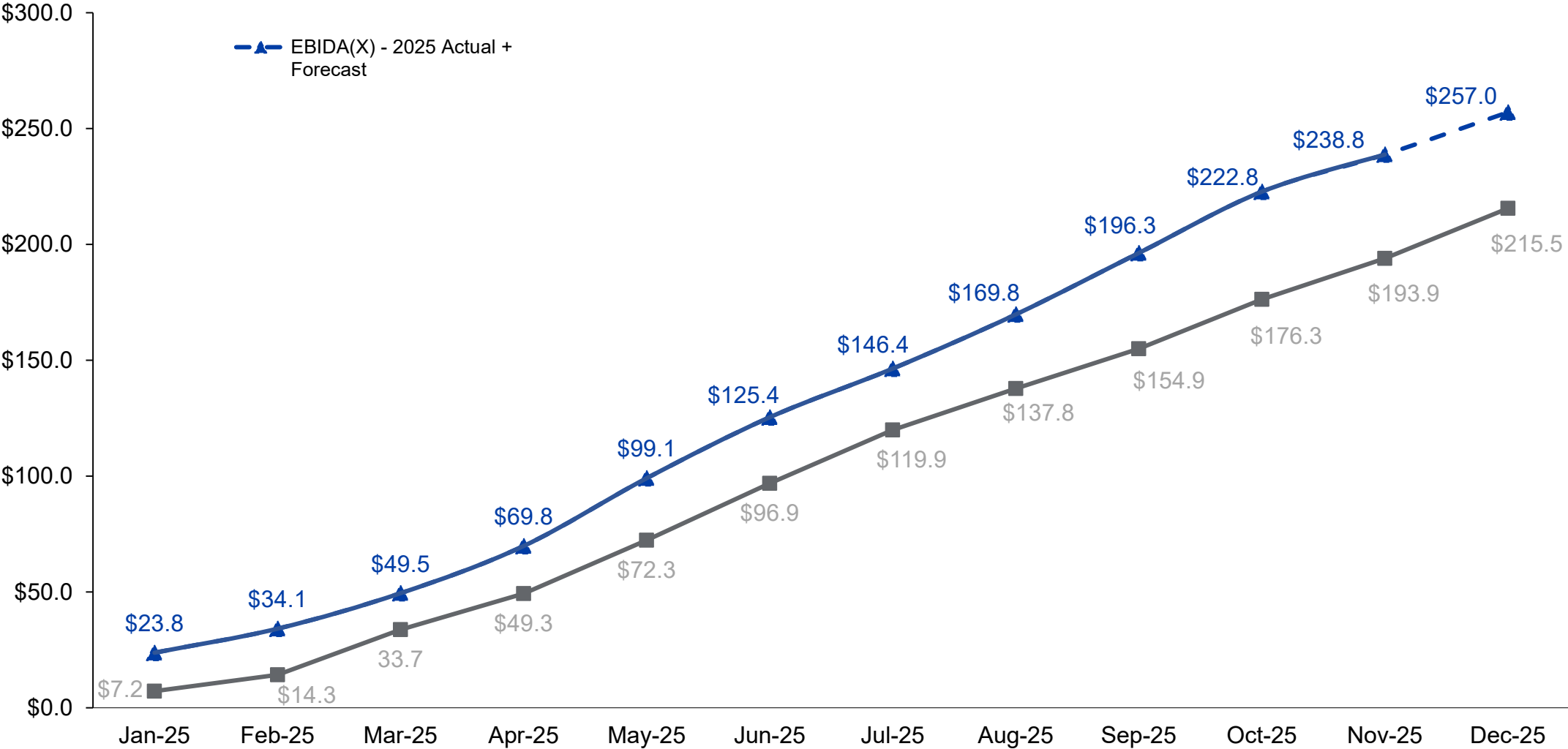
	MTD			YTD			Annual	2024 to 2025 % Change
	Actual	Budget	Prior Year	Actual	Budget	Prior Year	Budget	
Gross Margins	\$ 30,637,081	\$ 30,876,036	\$ 26,725,617	\$ 376,471,484	\$ 368,656,823	\$ 342,260,513	\$ 400,301,897	10.00%
Operating Expenses Ex. Depreciation	19,611,464	15,629,877	16,134,695	180,213,186	177,528,172	164,566,499	193,600,990	9.51%
Depreciation	6,950,119	7,143,704	6,492,215	74,976,454	76,588,049	80,299,496	83,735,262	
Interest Expense	4,612,018	4,763,896	4,451,630	49,692,648	50,476,380	47,792,934	55,458,822	
Other Income	(2,743,794)	(92,000)	(191,361)	(7,096,375)	(3,714,000)	(6,036,400)	(3,873,000)	
Net Margins	\$ 2,207,274	\$ 3,430,559	\$ (161,562)	\$ 78,685,571	\$ 67,778,222	\$ 55,637,984	\$ 71,379,824	
EBIDA	\$ 13,769,411	\$ 15,338,159	\$ 10,782,283	\$ 203,354,673	\$ 194,842,651	\$ 183,730,414	\$ 210,573,907	10.68%
Over (Under) Collected Revenues	2,269,425	2,334,557	7,511,105	35,439,963	(1,102,427)	23,446,495	4,966,279	
EBIDA(X)	\$ 16,038,836	\$ 17,672,716	\$ 18,293,388	\$ 238,794,636	\$ 193,740,224	\$ 207,176,909	\$ 215,540,186	
Total Long-Term Debt							\$ 1,351,315,034	
Debt Service							84,882,554	
Debt Service Coverage Ratio							2.49	
Equity as Percent of Assets							38.5%	
Net Plant in Service							\$ 2,292,525,089	
Capital Improvement Spend							\$ 238,626,599	
Energy Sales kWh	521,111,249	524,047,098	500,526,410	7,785,763,523	7,265,882,425	7,306,720,004	7,910,451,206	6.56%
Energy Purchases kWh	555,199,416	557,538,991	532,474,904	8,145,228,635	7,730,196,138	7,773,106,387	8,415,380,400	4.79%
Active Accounts				439,215	444,884	422,929	446,678	3.85%

Cost of Service (in millions)

YTD Actuals vs Budget through November 2025



EBIDA(X) Year to Date (in millions)



CIP Spend

Construction Category & Description	Non MultiYear YTD Actuals	Brd Appr MultiYear YTD Actuals	Total YTD Actuals	YTD Budget	Variance (Over)/Under Budget	Annual Budget
<u>Distribution</u>						
200 Tie Lines (new construction between existing lines)	9,486,858	90,170	9,577,028	13,812,550	4,235,522	14,793,728
300 Conversions or Line Changes	18,297,442	8,662,466	26,959,908	23,144,766	(3,815,142)	25,001,608
600 Miscellaneous Distribution Equipment	45,272,728	-	45,272,728	49,779,715	4,506,987	54,370,706
700 Other Distribution Items	971,779	-	971,779	358,683	(613,095)	391,422
Distribution Total	\$ 74,028,806	\$ 8,752,636	\$ 82,781,442	\$ 87,095,715	\$ 4,314,272	\$ 94,557,465
<u>Substation</u>						
400 New Substations, Switching Stations and Meter Points	7,914,774	5,392,148	13,306,922	17,569,647	4,262,725	20,969,733
500 Substations, Switching Stations and Meter Point changes	9,075,525	28,498,371	37,573,896	40,817,887	3,243,991	43,621,140
Substation Total	\$ 16,990,299	\$ 33,890,519	\$ 50,880,818	\$ 58,387,534	\$ 7,506,716	\$ 64,590,873
<u>Transmission</u>						
800 New Transmission Lines	294,208	13,830	308,038	833,477	525,439	1,125,657
1000 Line and Station Changes	5,080,093	27,257,763	32,337,855	43,391,083	11,053,227	49,195,185
Transmission Total	\$ 5,374,301	\$ 27,271,593	\$ 32,645,894	\$ 44,224,560	\$ 11,578,666	\$ 50,320,843
<u>General Plant</u>						
2000 Facilities	7,871,882	6,889,617	14,761,499	16,825,229	2,063,731	17,789,898
3000 Information Technology	1,785,495	-	1,785,495	6,539,349	4,753,854	7,017,520
4000 Tools & Equipment	545,321	-	545,321	458,333	(86,988)	500,000
5000 Vehicles	7,082,511	-	7,082,511	4,583,333	(2,499,178)	5,000,000
Total General Plant	\$ 17,285,209	\$ 6,889,617	\$ 24,174,826	\$ 28,406,245	\$ 4,231,419	\$ 30,307,418
Accrued WIP & Prepaid Aid	\$ (12,436,391)	\$ -	\$ (12,436,391)	\$ -	\$ 12,436,391	\$ -
Total Capital Improvement Plan Spend	\$ 101,242,224	\$ 76,804,365	\$ 178,046,589	\$ 218,114,053	\$ 40,067,464	\$ 239,776,599



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