



Cooperative Update

Julie C. Parsley | Chief Executive Officer

Eddie Dauterive | Chief Strategic Officer

Randy Kruger | Chief Financial Officer

Nathan Fulmer | Vice President, Workforce & Safety

JP Urban | EVP, External Relations



CEO Report

Julie C. Parsley | Chief Executive Officer

Regulatory Update: PUC

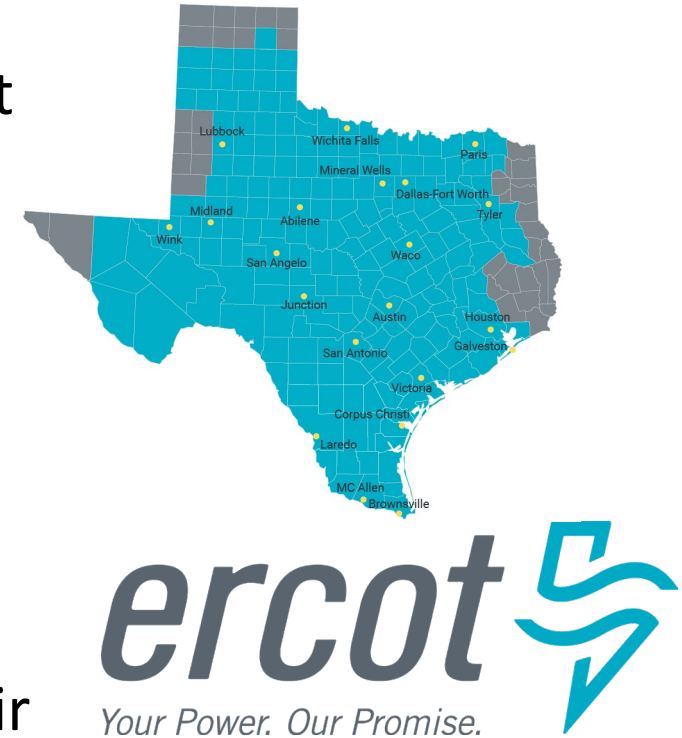
- At the May 23 open meeting, the PUC named Connie Corona as the agency's new Executive Director.
 - Ms. Corona has been with the PUC for 12 years.
- Commissioners are considering a statewide reliability standard.
 - Based on ERCOT-proposed standard of one in 10 year loss-of-load event.
 - On June 3, PEC joined other TDUs at the PUC's request to discuss load shed procedures.
- Generators started the first step in the application process for loans through the Texas Energy Fund's In-ERCOT Generation Loan Program.
 - 125 notices of intent were received.



Connie Corona
Executive Director
Public Utility Commission

Regulatory Update: ERCOT

- May 2024 Capacity, Demand and Reserves (CDR) Report:
 - First CDR that includes new, dramatically higher load forecast from the 2024 Regional Transmission Plan.
 - Anticipating more than 152 GW of potential load by 2030.
 - New CDR includes load that may not materialize.
 - Summer 2025 load is anticipated to be 83,000 MW.
- June and July Monthly Assessment of Resource Adequacy (MORA) show low EEA probability, but risk is higher in August.
- At the June 18 Board meeting, Paul Foster stepped down as Chair of ERCOT board.
 - Bill Flores, current Vice Chair, will step in as Interim Chair.



Legislative Update

- May 28 Runoff Election:
 - Speaker Dade Phelan (R-Beaumont) maintains seat after contested runoff.
 - Alan Schoolcraft (R-McQueeney) defeated District 44 incumbent John Kuempel (R-Seguin).
- House State Affairs Committee met on June 10 regarding interim charge to monitor agencies and programs under its jurisdiction.
 - Committee heard from PUC, ERCOT, and market participants.
 - Discussion continues July 8.
- Senate Business & Commerce met on June 12 regarding interim charges related to electricity market design, the bulk transmission system, and the impact of bitcoin mining.
 - Committee discussed the future of the Performance Credit Mechanism (PCM) and other issues.
 - Committee will meet again in October.



2024 Youth Tour Underway!

- PEC's 2024 Youth Tour delegates are visiting Washington, D.C. this week.
 - 10 students from across PEC's service territory have joined more than 1,500 teens nationwide.
 - Meeting Congressional representatives.
 - Touring historical sites.
 - Seeing government in action.
- PEC has participated in Youth Tour for 59 years.
- Funded 100% through Power of Change donations.



Inaugural Designer/Planner Appreciation Day May 22



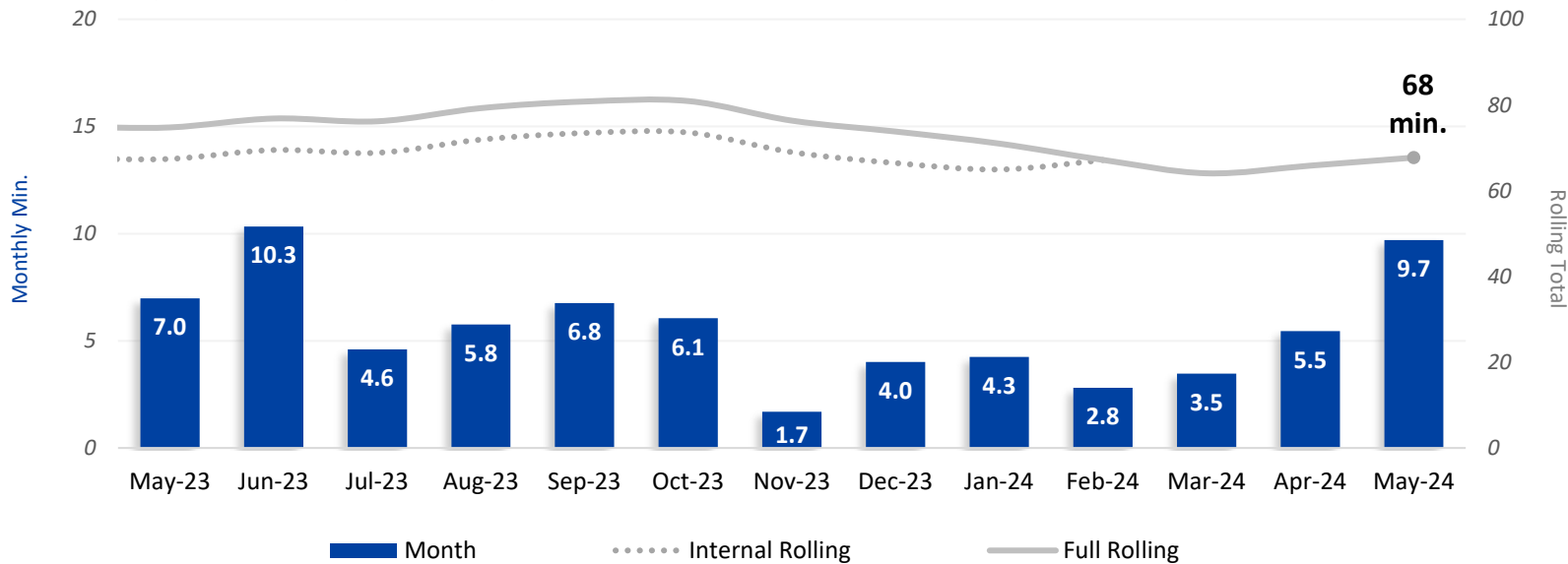


Operations Report

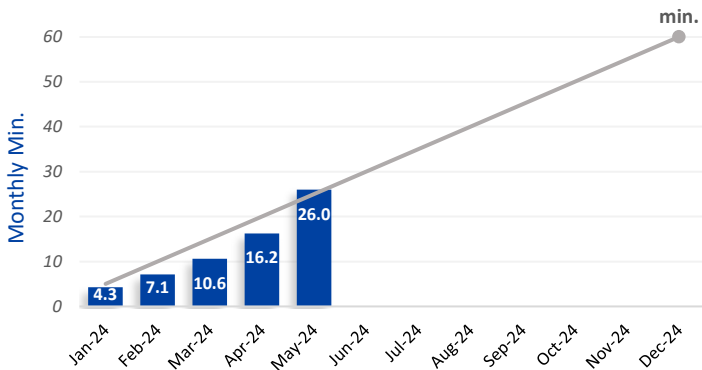
Eddie Dauterive | Chief Strategic Officer

Reliability

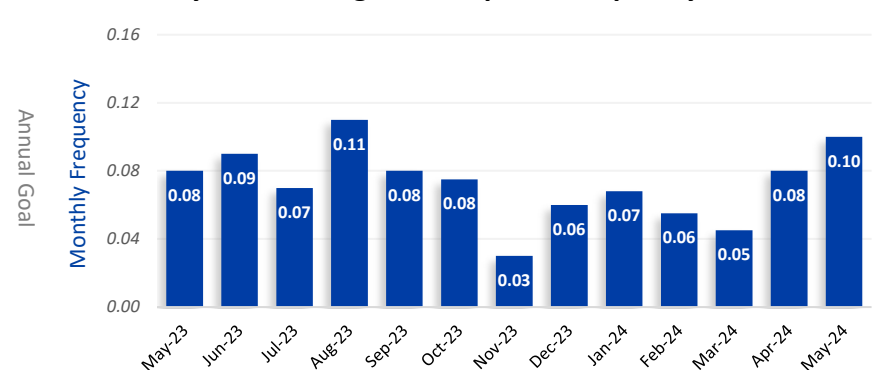
SAIDI System Average Interruption Duration Index



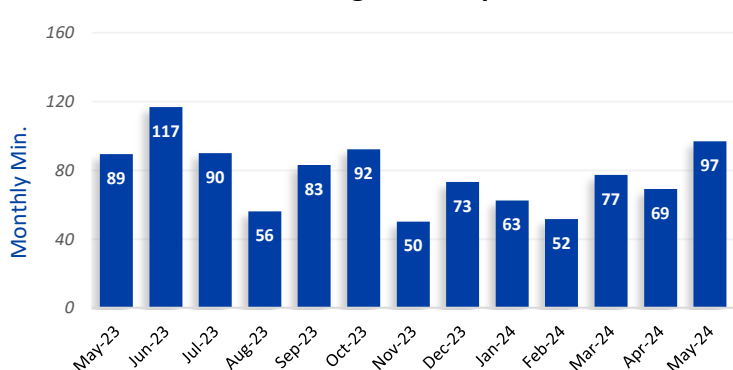
2024 Year-to-Date SAIDI



SAIFI System Average Interruption Frequency Index



CAIDI Customer Average Interruption Duration Index



Storm Damage

Severe Lightning Event

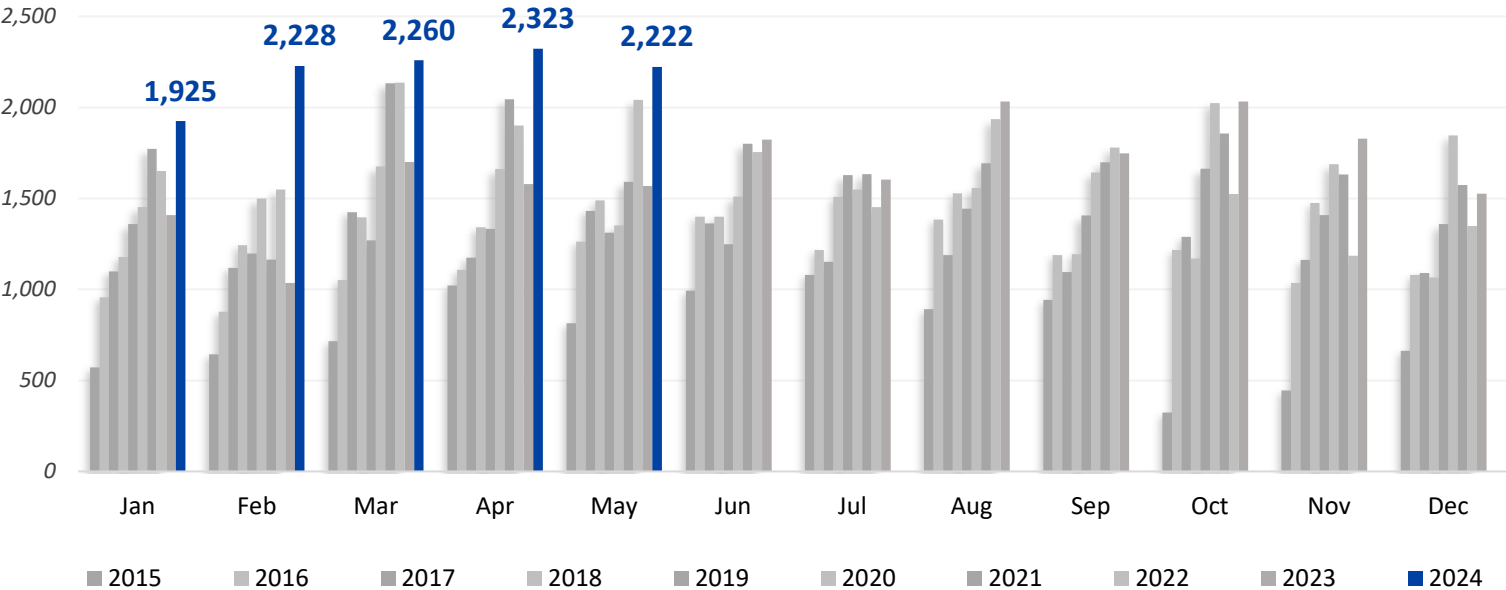
Cedar Park District: May 16 - 17

- A feeder from the Nameless Substation experienced eight trips due to lightning, ultimately locking out the circuit.
- 23 insulators were damaged by lightning.
- Cedar Park crews, along with transmission crews, were able to make permanent repairs.
- Worked with critical infrastructure on this span to make sure both their primary and backup feeds available.

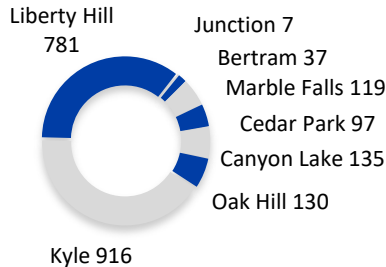


System Growth

Line Extensions Completed 2020: 19,458 2021: 20,592 2022: 20,262 2023: 19,886 2024 YTD: 10,958



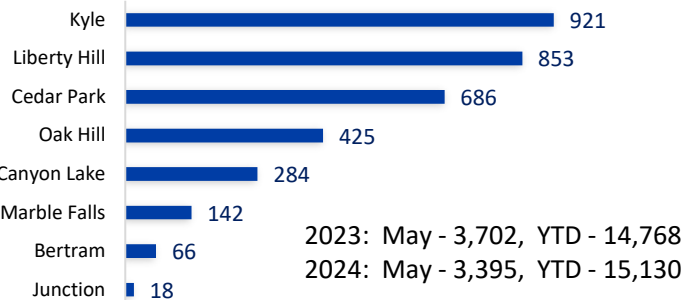
Line Extensions
Per District (2,222)



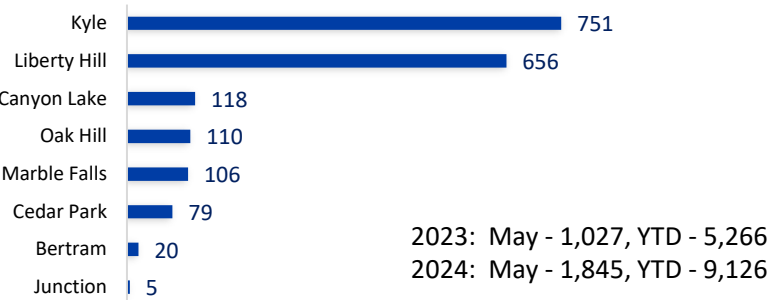
Miles of Distribution Line:
Overhead: 17,768 (70%)
Underground: 7,518 (30%)
Total: 25,286



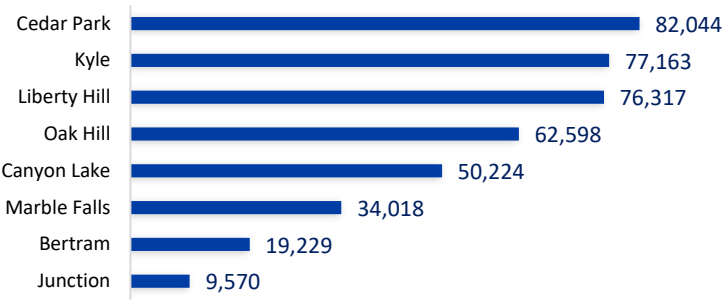
Member Applications (3,395)



Meter Growth (1,845)



Meter Totals (411,163)



AMI Deployment

Deliveries and Exchange Schedule (as of June 1)

Estimated completion dates dependent on continued fulfillment of meter delivery.

Meters exchanged since
deployments restarted:

198,604

Total RF meters installed
coop-wide:

343,879

Projected full completion:

3rd Qtr 2024

Projected district completions:

CP: Oct. 23	MF: Jun. 24
KY: Feb. 24	BT: Jul. 24
OH: Jun. 24	CL: Aug. 24

Marble Falls Exchanges:

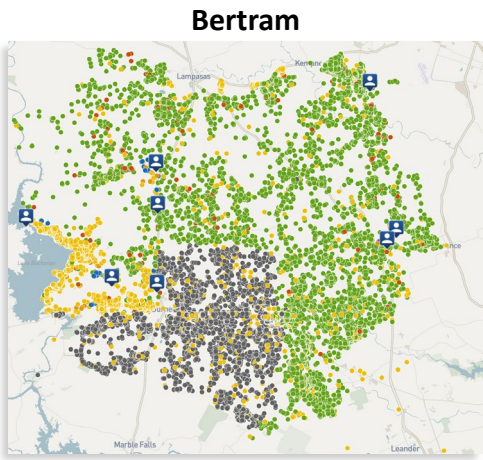
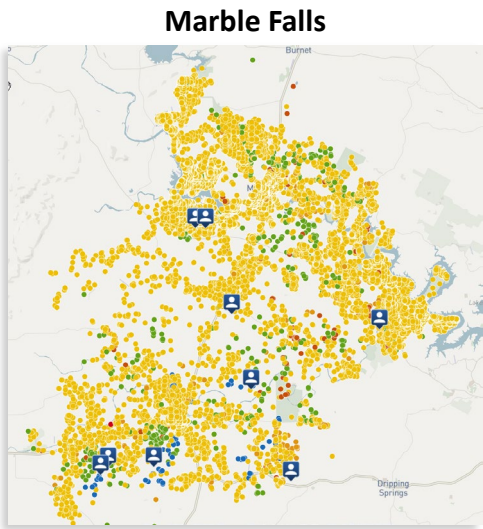
- Placed: 22,676
- Remaining: 1,491

Bertram Exchanges:

- Placed: 2,803
- Remaining: 14,156

Correspondence Completed (in May):

- Letters: 3,238
- Emails: 2,713
- Calls: 11,020
- Texts: 9,184





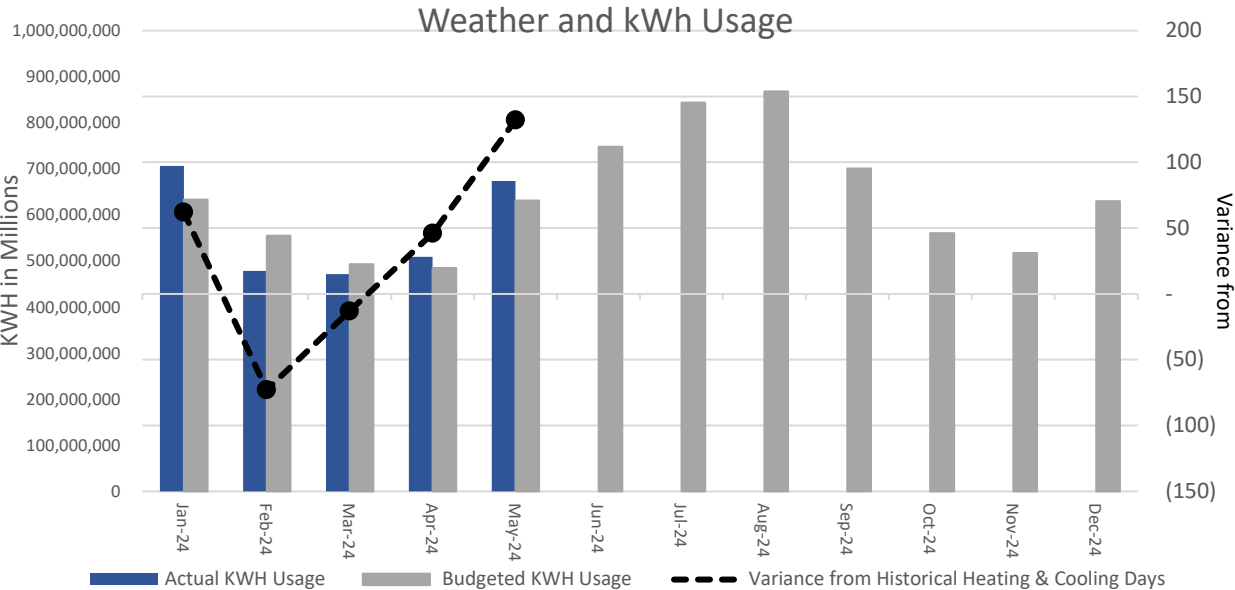
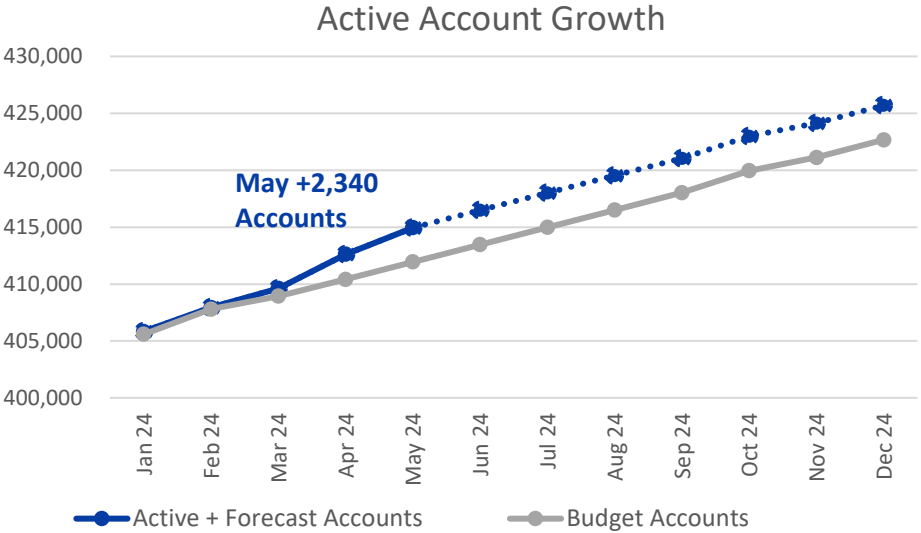
May 2024 Financial Report

Randy Kruger | Chief Financial Officer

Finance at a Glance – May 2024

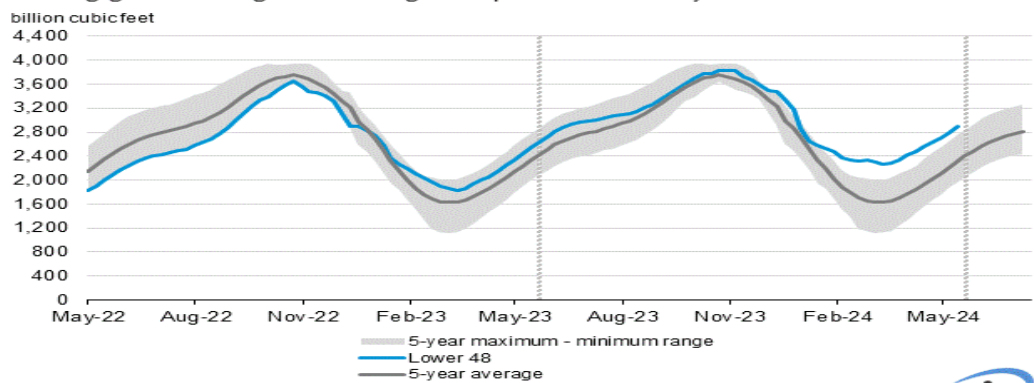
	MTD (\$ in millions)			YTD (\$ in millions)		
	Actual	Budget	Variance	Actual	Budget	Variance
MWH Sold	673,258	631,187	42,071	2,838,597	2,796,378	42,219
Gross Margins	\$ 29.8	\$ 29.7	\$ 0.1	\$ 143.6	\$ 142.9	\$ 0.7
Net Margins	\$ 1.1	\$ 2.1	\$ (1.0)	\$ 10.2	\$ 7.6	\$ 2.6
EBIDA	\$ 13.6	\$ 14.6	\$ (1.0)	\$ 71.4	\$ 69.3	\$ 2.1
Revenue O/(U)	\$ 4.7	\$ 5.8	\$ (1.1)	\$ (2.0)	\$ (0.3)	\$ (1.7)
EBIDA(X)	\$ 18.2	\$ 20.4	\$ (2.2)	\$ 69.4	\$ 69.0	\$ 0.4

	Liquidity Coverage
Cash & Marketable Securities	\$ 20,641,027
Short Term Facilities	505,000,000
Less: Short Term Borrowings	79,544,383
Available Liquidity	\$ 446,096,644
Liquidity Coverage (Days)	212



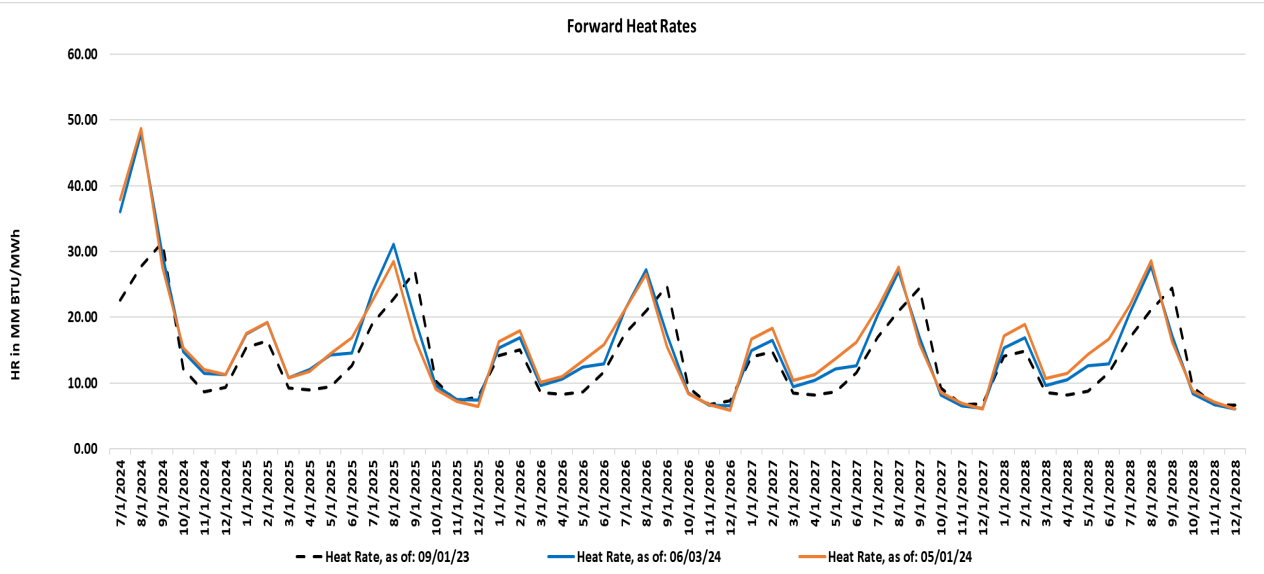
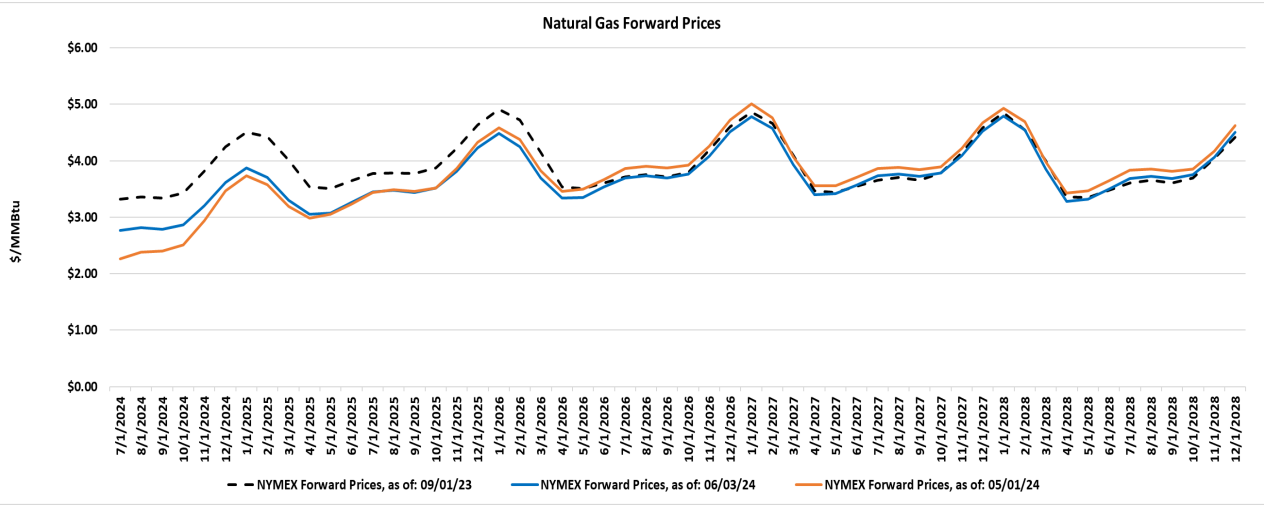
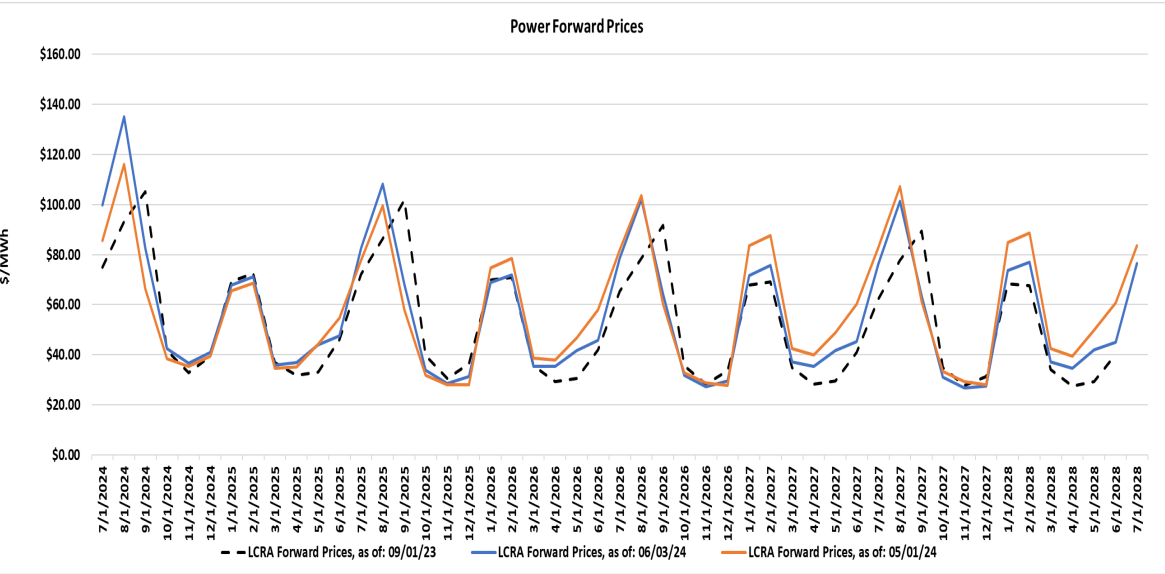
Power Market Fundamentals

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 2019 through 2023. The dashed vertical lines indicate current and year-ago weekly periods.

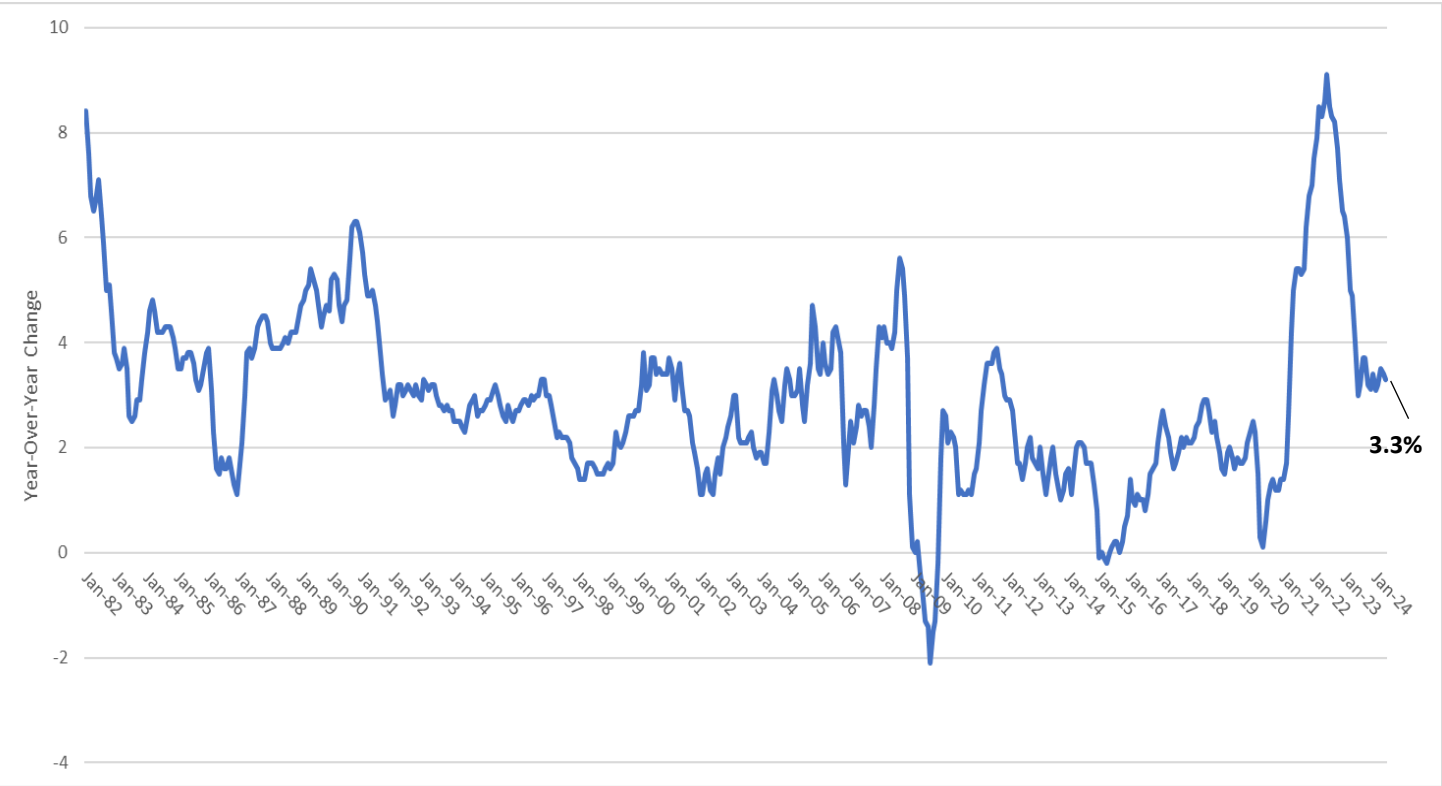
As of May 31



Inflation

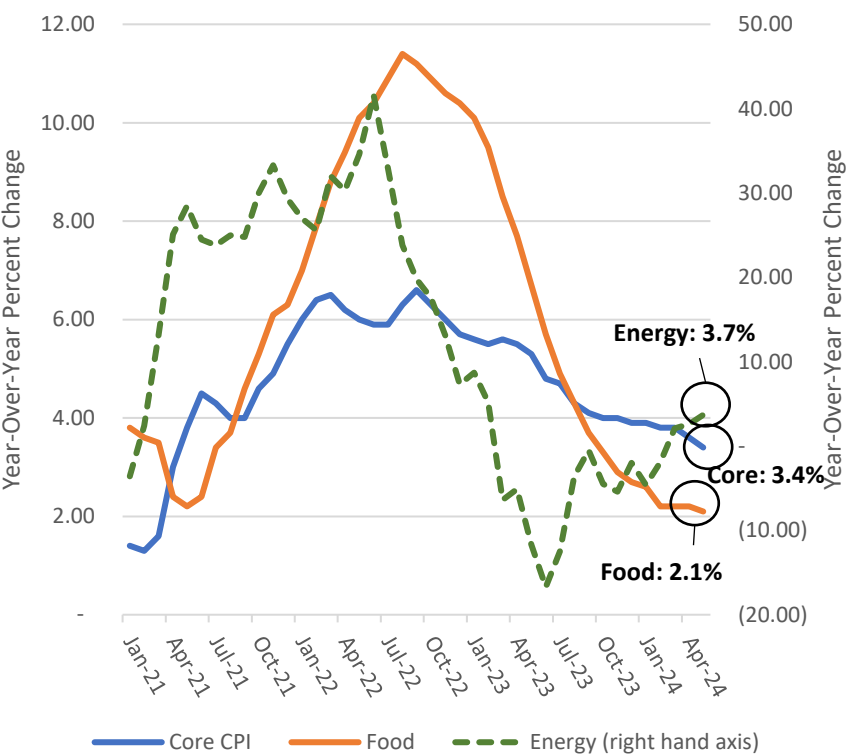
Overall CPI decreased to 3.3% YoY from 3.4% YoY in April; Core CPI decreased to 3.4% YoY. Energy prices are up 3.7% YoY driven by sustained increases to electricity prices (+5.9%), fuel oil (+3.6%), gasoline (+2.2%), and utility gas services (+0.2%).

CPI Jan 1982 to May 2024



Source: U.S. Bureau of Labor Statistics

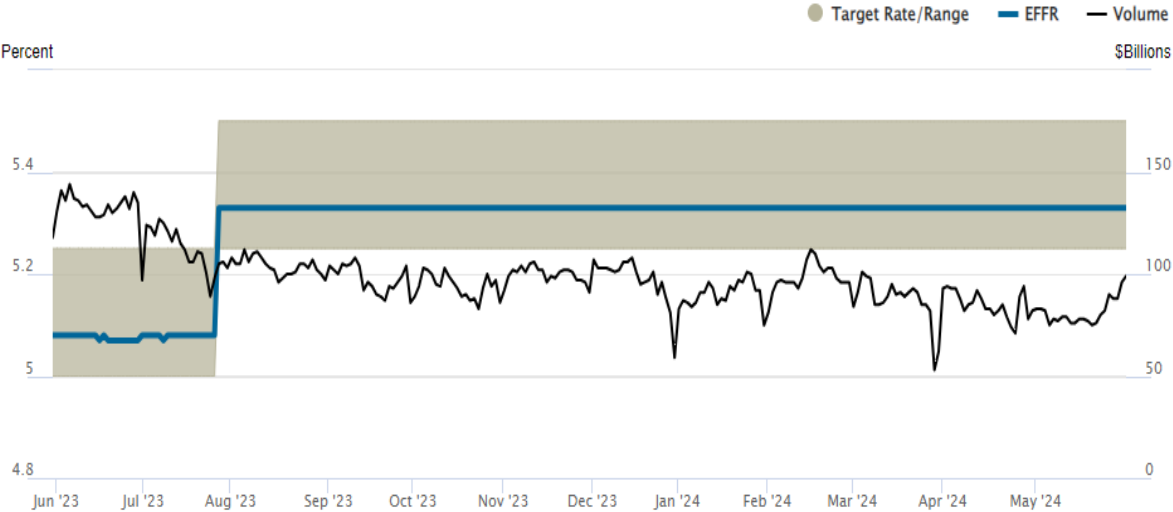
Core CPI, Food and Energy
Jan 2021 to May 2024



Source: U.S. Bureau of Labor Statistics

Interest Rates

Federal Funds Rate



Source: Federal Reserve Bank of New York 06/03/2024

10-Year Note



Source: The Wall Street Journal 06/03/2024



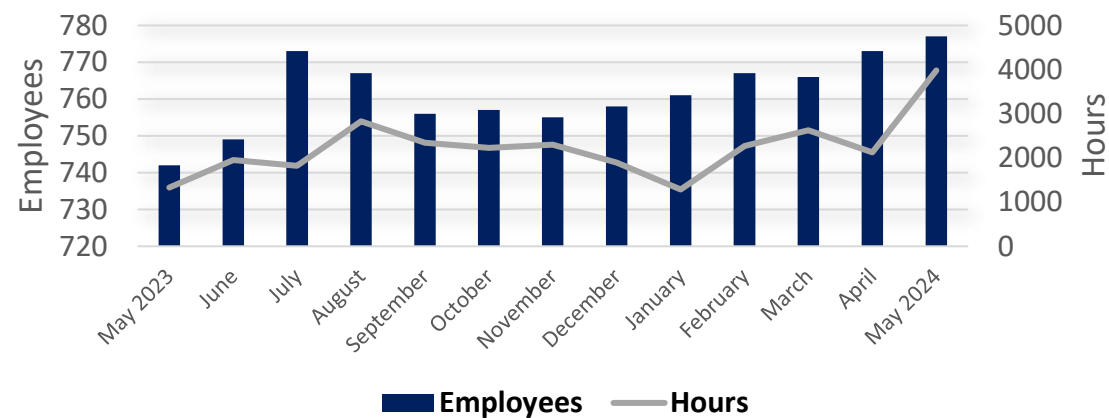
Workforce and Governance Report

Nathan Fulmer | Vice President, Workforce & Safety

May Employee Development

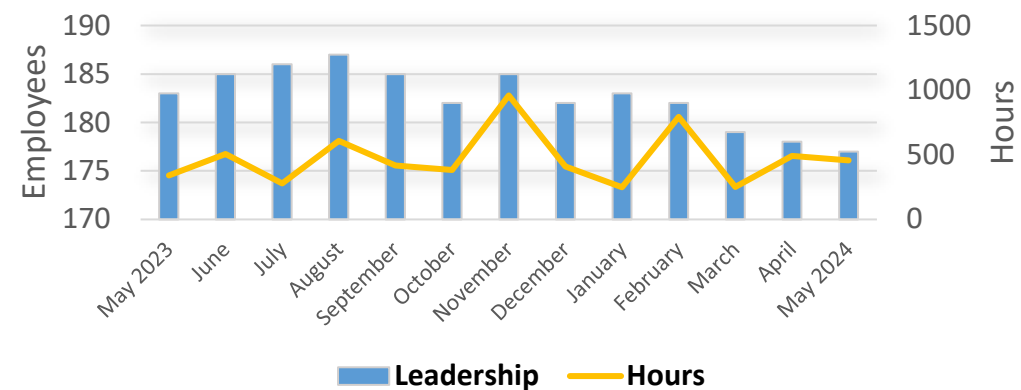
Employee Training

Hours for employees and leadership overall by month



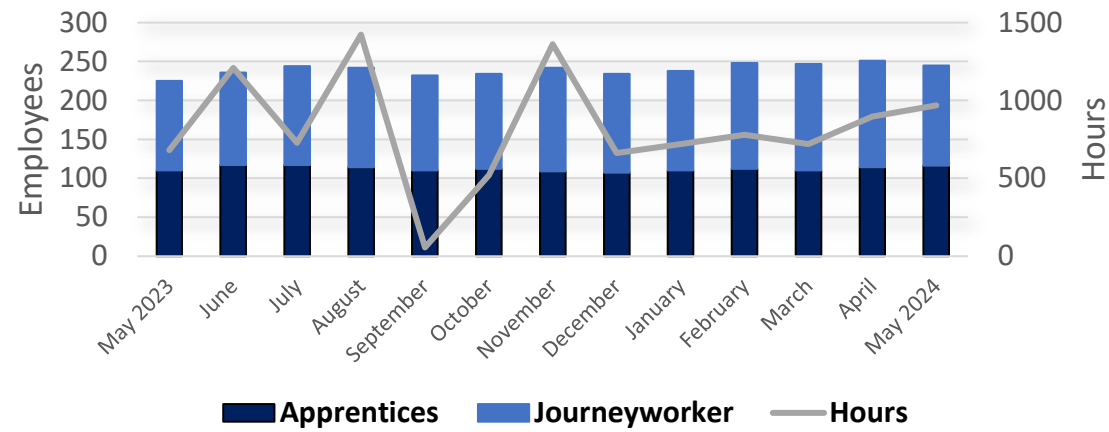
Leadership Training

Hours for employees and leadership overall by month



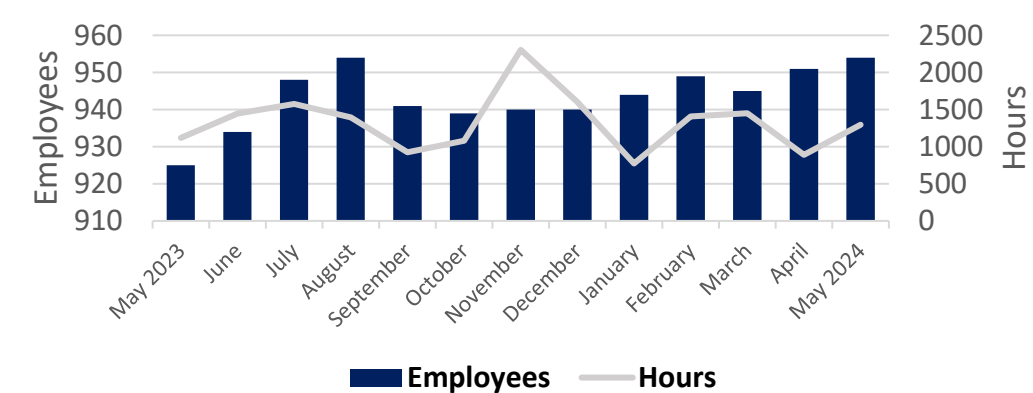
Apprentices & Journeyworker Training Hours

Hours trained for Apprentices & Journeyworkers per month



Safety Training Hours

Safety training hours per month



HR and Safety + Technical Training

Department Highlights

- Safety alert for all employees regarding heat safety.
- Conducted another Level Up: Learning to Lead session for managers.
- Technical Training staff attended TLRA build day and NLC career fair.
- Completed Trans Banker class for Northern operations districts.
- Hosted UAV training for two days.
- 41 job site safety observations, including 14 conducted by Operations management.
- 43 structured safety meetings.

Safety Incentive Award Winners



**Jackie Davis-
Rodriguez**
Regional Inventory
Representative
Canyon Lake



Rene Martinez
Supply Chain
Supervisor
Oak Hill

HR Revamps Orientation for New Employees

- PEC is sending out welcome packages to new hires before Day 1 to help introduce them to PEC's culture, values, and leadership.
- Offering more flexibility with start dates.
- HR is surveying employees to gauge their onboarding experience, taking into consideration how we can further enhance how we onboard new employees.





Community and Member Engagement

JP Urban EVP, External Relations

Solar Car Derby Set for June 28

- Camp Save-a-Watt is in full swing with more than 700 campers registered!
 - 75% increase in registrations over 2023.
- Hosting third annual Solar Car Derby next week for campers and families.
 - Friday, June 28 at 10 a.m.
 - Putters and Gutters in Marble Falls.
 - Build a solar car, meet Wattson Raccoon, and enjoy games and activities.
- Campers will have the chance to meet PEC lineworkers in person next month.



PEC United Charities Supports 263 Organizations

- Over the last month, PEC's United Charities distributed more than \$294,000 in support to 263 organizations.
- Program was created by PEC employees in 1988 and is funded through voluntary payroll contributions and Power of Change.



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Sign up today and get a \$20 bill credit! Bundle with paperless billing and save an additional \$30 every year!





Appreciation and Look Ahead

Employee Shoutouts*



Angela Fry
Member Relations
Agent
Marble Falls



Nancy Reinecke
Member Relations
Agent 2
Oak Hill



Sarah Fischer
Energy Services
Advisor, Senior
Kyle



**Darren
Donhauser**
Journeyworker
Johnson City



Russell Albright
Journeyworker
Canyon Lake

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

Offices Closed July 4 for Independence Day

- Text “Outage” to 25022.
- Report an outage 24/7 at map.pec.coop or by calling 888-883-3379.
- Make a payment 24/7 at pec.smarthub.coop, using the SmartHub mobile app, or by calling 844-886-9798.



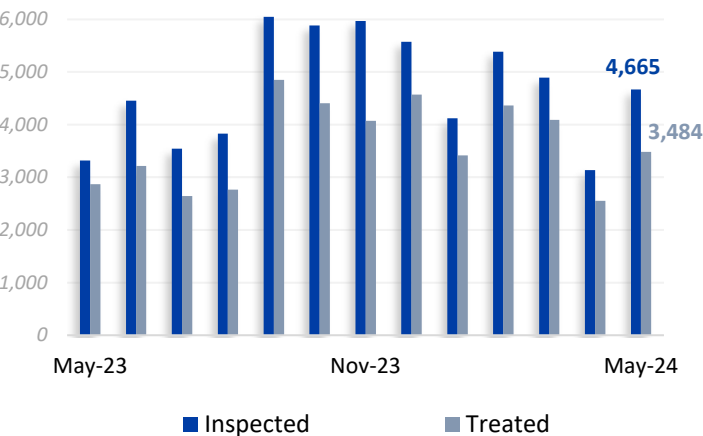
Appendix Pages

Distribution Maintenance

Pole Testing & Treatment (PTT)

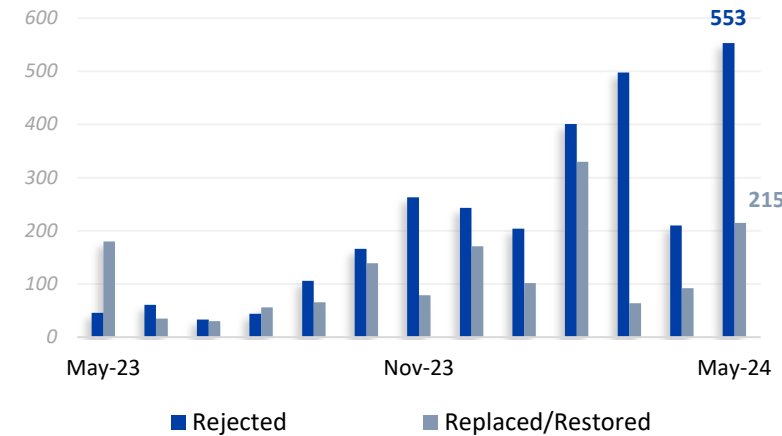
Poles Inspected & Treated

2023 YTD: Inspections - 16,633 Treated - 13,683
2024 YTD: Inspections - 22,195 Treated - 17,906



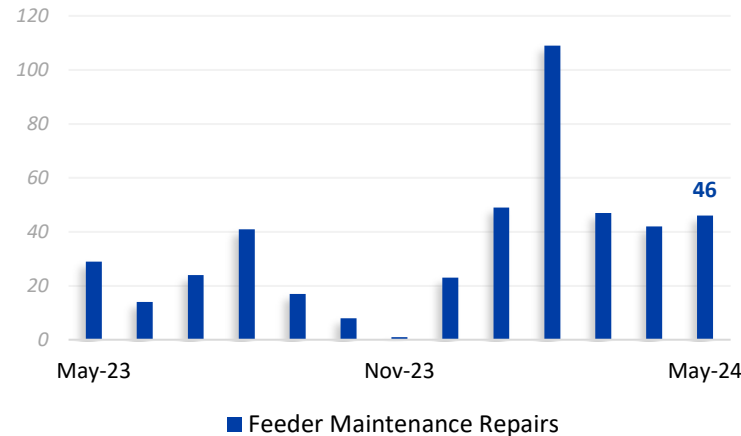
Poles Rejected & Replaced/Restored

2023 YTD: Rejected - 261 Restored - 494
2024 YTD: Rejected - 1,866 Restored - 803



UAV Inspection Maintenance Items

2023 YTD: Repairs Completed - 119
2024 YTD: Repairs Completed - 293



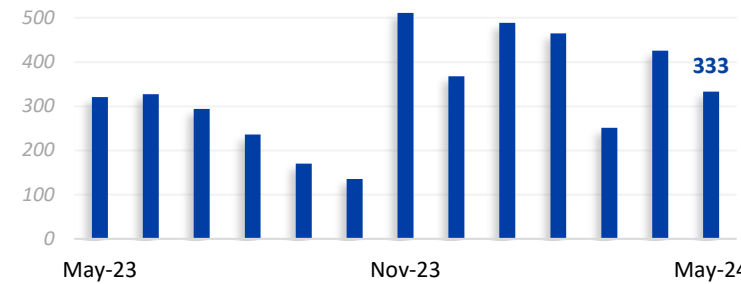
Vegetation Management

LiDAR Assessment Audits Completed:

Type	May '23	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr '24	May '24
C&D WUI Ph 3	134	46	15	10	8	6	49	131	269	217	218	147	101
C&D WUI Ph 1	1,389	1,011	579	988	876	1,257	696	681	1,031	1,363	1,288	754	743
C&D Other Ph 3	207	250	141	193	179	164	140	91	125	286	321	207	121
C&D Other Ph 1	860	604	523	754	517	640	552	522	520	1,164	1,204	1,037	744
All C&D	2,590	1,911	1,258	1,945	1,580	2,067	1,437	1,425	1,945	3,030	3,034	2,148	1,711

Underground Equipment

2022 YTD: Pad Restorations - 1,499
2023 YTD: Pad Restorations - 1,964

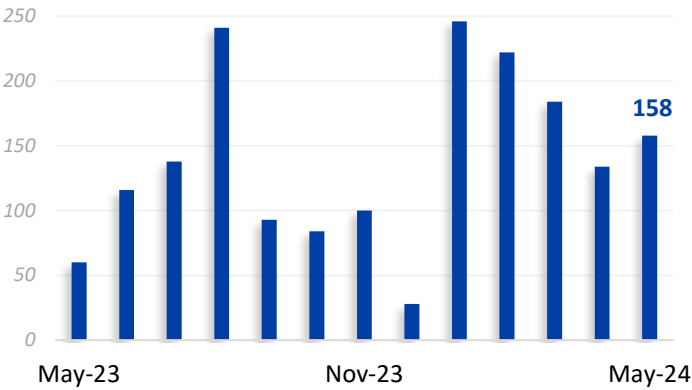


Distribution Maintenance

Technical Services

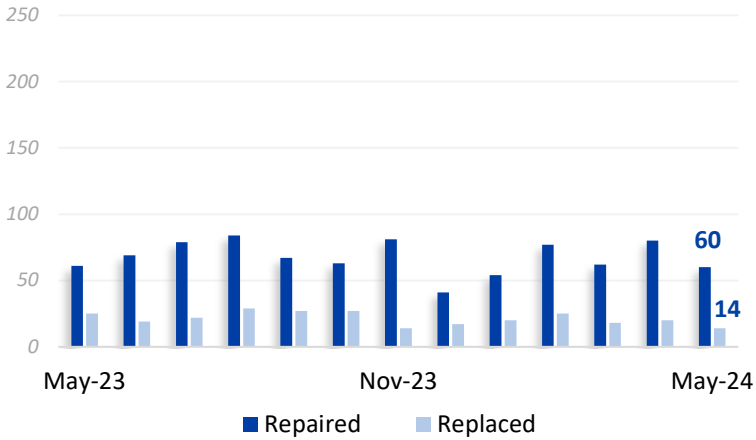
Equipment Inspections

2023 YTD: 378
2024 YTD: 939



Equipment Repaired & Replaced

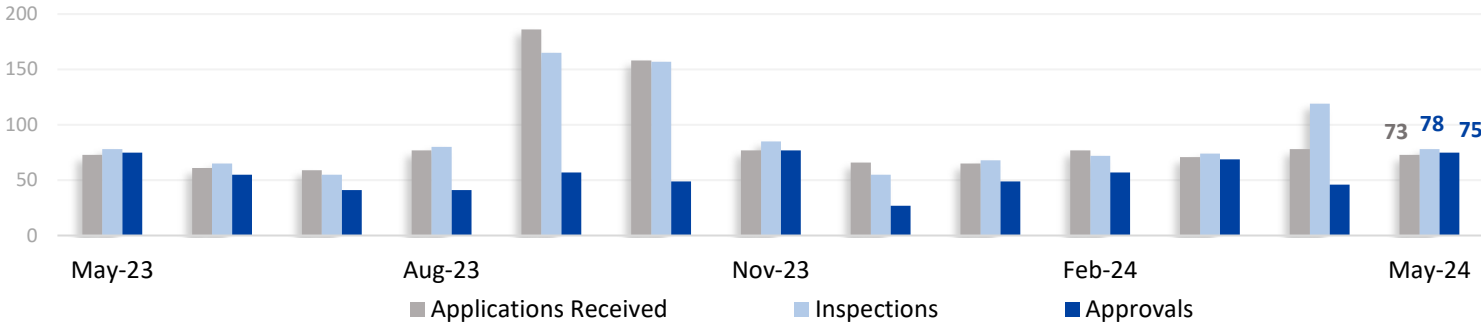
2023 YTD: Repaired - 309 Replaced - 146
2024 YTD: Repaired - 312 Replaced - 97



Pole Contacts

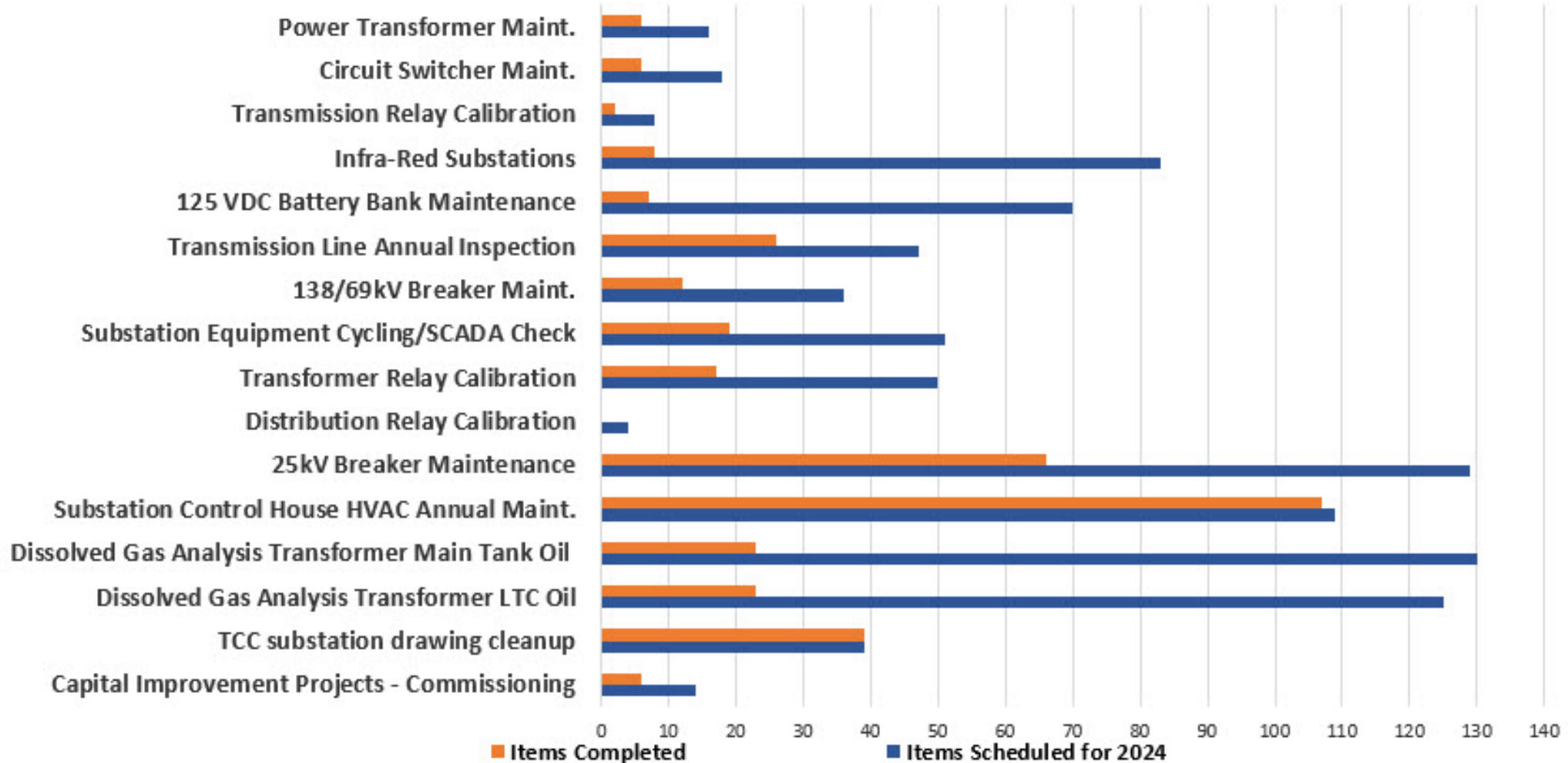
Applications Received & Permits Issued

2023 YTD: Received - 298 Inspected - 304 Approved - 258
2024 YTD: Received - 364 Inspected - 411 Approved - 296



Substation & Transmission Maintenance

2024 Itemized Maintenance By Equipment



Planning Engineering Projects

Project	Completion	Percent Complete
2024 CIP Project Maps	Feb 2024	100%
PEC System Arc Flash	Feb 2024	99%
Load Projections Study	Mar 2024	100%
Capacitor Settings	Mar 2024	97%
4CP Study	Apr 2024	100%
Summer Contingency	May 2024	100%
UFLS Study	Jun 2024	50%
CIP (1st draft) Study	Jul 2024	90%
2 Year System Protection Coordination Review	Jul 2024	85%
CIP (Final) Study	Aug 2024	0%
Mock UFLS Study	Dec 2024	0%
Winter Contingency	Dec 2024	0%

Substation Engineering Projects

District	Phase	Description	Start	Completion	Percent Complete
Oak Hill	Construction	Upgrade line protection relay panels	Apr 2021	May 2025	100%
Junction	Construction	Upgrade transformer and add line breakers	May 2021	Jan 2024	100%
NA	Engineering	Upgrade circuit switchers and relay protection on 3 mobile substations	Nov 2021	Jun 2024	100%
Liberty Hill	Construction	Construct new substation	Dec 2021	Feb 2024	100%
Liberty Hill	Construction	Add third power transformer	Apr 2022	Feb 2024	100%
Kyle	Construction	Add third power transformer	May 2022	Feb 2024	100%
NA	Engineering	Develop configuration for engineering to have access to RTU settings/events	Nov 2022	Jan 2025	25%
Kyle	Construction	Construct new substation	Feb 2023	Jan 2025	100%
Liberty Hill	Construction	Construct new substation	Feb 2023	Jan 2025	100%
Oak Hill	Engineering	Upgrade two power transformers	Feb 2023	Feb 2025	100%
Cedar Park	Construction	Add third power transformer	Feb 2023	Apr 2025	100%
Liberty Hill	Construction	Upgrade power transformer	Feb 2023	May 2024	100%
Bertram	Engineering	Add Circuit Switcher on power transformer	Mar 2023	Jul 2025	93%
Kyle	Engineering	Construct new substation	Apr 2023	Oct 2025	5%
Kyle	Construction	Install capacitor bank	May 2023	May 2024	100%
Liberty Hill	Construction	Install capacitor bank	May 2023	May 2024	100%
Liberty Hill	Construction	Add second power transformer	Aug 2023	Jun 2024	100%

Substation Engineering Projects (cont'd)

District	Phase	Description	Start	Completion	Percent Complete
Cedar Park	Engineering	Circuit switcher upgrade and capacitor panel replacement	Jan 2024	Oct 2025	100%
Kyle	Engineering	Capacitor panel replacement	Jan 2024	Nov 2025	100%
Kyle	Engineering	Upgrade line protection relay panels	Jan 2024	Dec 2024	100%
Kyle	Engineering	Upgrade line protection relay panels	Jan 2024	Dec 2024	100%
Canyon Lake	Engineering	Reinsulate Low-side of Substation to allow voltage conversion to 24.9 kV	Jan 2024	Jan 2025	100%
Marble Falls	Engineering	Upgrade line protection relay panels	Jan 2024	Jan 2025	100%
Oak Hill	Engineering	Upgrade two power transformers	Jan 2024	Apr 2025	0%
Liberty Hill	Engineering	Construct new substation	Jan 2024	Sep 2025	1%
Marble Falls	Engineering	Construct new substation	Jan 2024	Oct 2025	0%
Oak Hill	Engineering	Upgrade line protection relay panels	Jan 2024	Jan 2026	66%
Canyon Lake	Engineering	Upgrade line protection relay panels and replace power transformer	Feb 2024	Nov 2025	70%
Cedar Park	Engineering	Upgrade two power transformers	Apr 2024	Dec 2025	63%
Cedar Park	Engineering	Add third power transformer and revise the bus	Apr 2024	May 2026	51%
Oak Hill	Engineering	Upgrade two power transformers	May 2024	Jan 2026	59%
Kyle	Engineering	Construct new substation	Jul 2024	May 2026	44%
Bertram	Engineering	Upgrade power transformer	Jun 2024	Dec 2025	59%
Oak Hill	Engineering	Upgrade two power transformers	Oct 2024	Apr 2026	39%
Canyon Lake	Engineering	Upgrade line protection relay panels	Oct 2024	May 2026	0%
Liberty Hill	Engineering	Add second power transformer	Nov 2024	May 2026	33%
Kyle	Engineering	Add third power transformer	Nov 2024	May 2026	33%
Cedar Park	Engineering	Add second power transformer	Nov 2024	May 2026	33%

Transmission Projects

District	Phase	Description	Completion	Percent Complete
Liberty Hill	Construction	Harden transmission line to meet severe weather requirements	Dec 2023	99%
Junction	Procurement	Extend Junction Tap to new substation bay	Feb 2024	100%
Liberty Hill	Construction	Harden transmission line to meet severe weather requirements	May 2024	99%
Marble Falls and Cedar Park	Construction	Overhaul (Phase 2)	May 2024	55%
Liberty Hill	Procurement	Developer funded transmission line relocation	May 2024	45%
Kyle	Engineering	Transmission line overhaul	Jan 2025	50%
Oak Hill	Procurement	Harden transmission line to meet severe weather requirements	May 2025	50%
Cedar Park	Procurement	Harden transmission line to meet severe weather requirements	May 2025	50%
Canyon Lake	Engineering	Replace 1 structure at substation	May 2025	10%
Marble Falls and Canyon Lake	Engineering	Transmission line overhaul and conversion to 138kV	Dec 2025	15%
Oak Hill	Engineering	Harden transmission line to meet severe weather requirements	Dec 2025	10%
Canyon Lake	Engineering	Transmission line overhaul and conversion to 138kV	Sep 2026	5%
Oak Hill	Engineering	Harden transmission line to meet severe weather requirements	Dec 2026	10%

Large Project Updates

Liberty Hill Fuel Island

Plans complete, contractor selected. Working on contract and permit.

Johnson City

Haley Road laydown yard and truck canopies, base material being installed, expected completion October 2024.

7,000 sq. ft. facilities storage building complete.

Junction

Site work, fencing, new entrance, Fleet building, and warehouse expansion bid package being completed. Bids came in over budget.

Marble Falls

Perimeter fence and new gate complete. Fuel Island in design.



Facility Management Metrics

PEC Facilities staff completed 2090 work orders YTD.

	Goal	2024	2023
Avg Response Time	< 1 day	.14 days	.21 days
Completed On-Time	> 90%	80%	84%
Proactive Work Orders	> 80%	97%	96%
Satisfaction Rating	> 95%	97.4%	97.3%



Appendix to May 2024 Financial Presentation to the Board

Randy Kruger | Chief Financial Officer

3. Financial Report

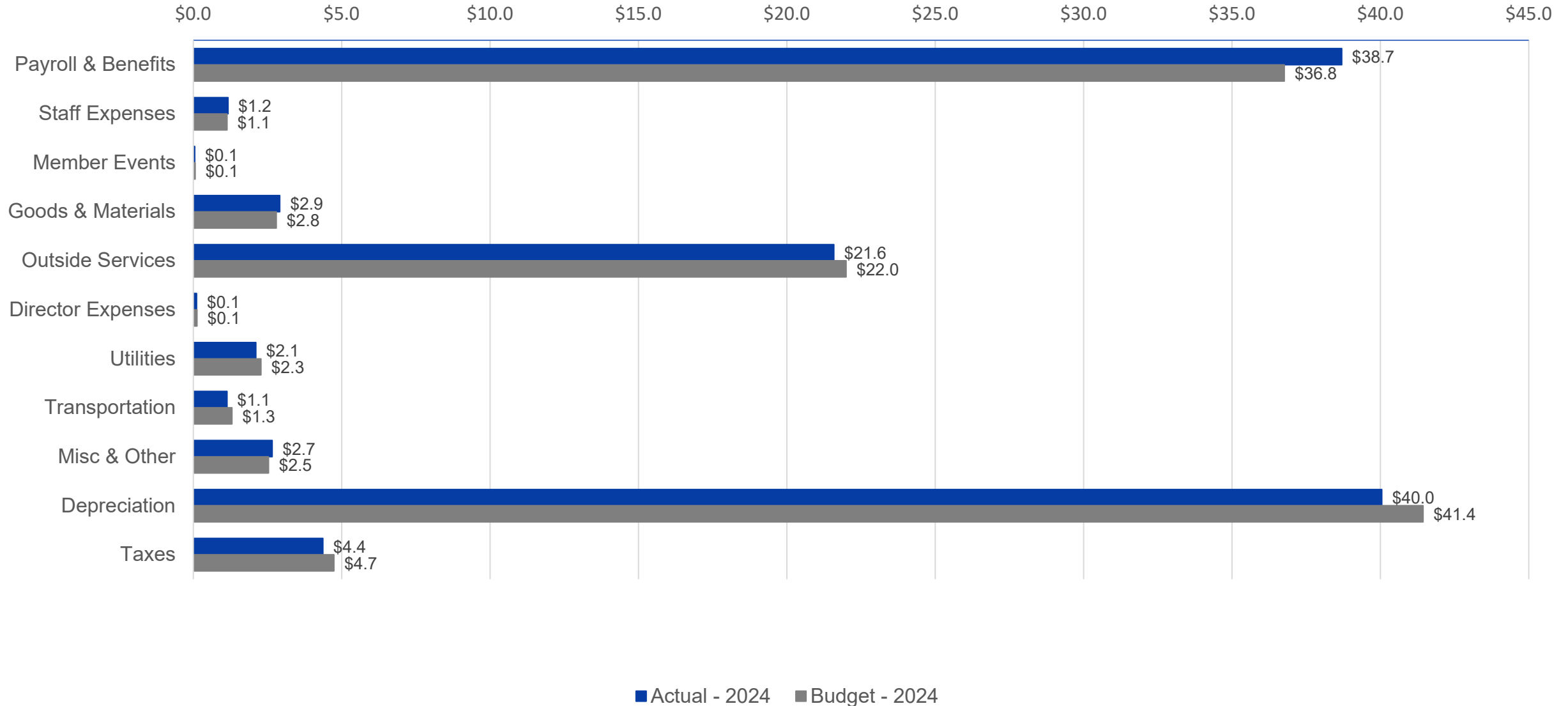
Financial Performance

	MTD			YTD			Annual	2023 to 2024 % Change
	Actual	Budget	Prior Year	Actual	Budget	Prior Year	Budget	
Gross Margins	\$ 29,838,524	\$ 29,717,092	\$ 25,704,117	\$ 143,556,673	\$ 142,896,601	\$ 134,774,825	\$ 367,871,381	6.52%
Operating Expenses Ex. Depreciation	16,480,586	15,167,189	14,263,194	74,818,192	73,773,199	75,084,977	176,911,233	-0.36%
Depreciation	8,066,053	8,389,491	6,895,225	40,049,065	41,443,009	37,265,799	97,994,832	
Interest Expense	4,363,869	4,094,724	3,667,589	21,111,271	20,235,818	18,147,236	48,863,252	
Other Income	(216,592)	(15,000)	(152,407)	(2,612,464)	(131,250)	(528,256)	(3,996,000)	
Net Margins	\$ 1,144,608	\$ 2,080,688	\$ 1,030,516	\$ 10,190,609	\$ 7,575,825	\$ 4,805,069	\$ 48,098,064	
EBIDA	\$ 13,574,530	\$ 14,564,903	\$ 11,593,330	\$ 71,350,945	\$ 69,254,652	\$ 60,218,104	\$ 194,956,148	18.49%
Over (Under) Collected Revenues	4,657,912	5,817,346	8,951,067	(1,973,977)	(284,480)	13,356,898	18,064,732	
EBIDA(X)	\$ 18,232,442	\$ 20,382,249	\$ 20,544,397	\$ 69,376,968	\$ 68,970,172	\$ 73,575,002	\$ 213,020,880	
Total Long-Term Debt							\$ 1,206,954,034	
Debt Service							77,884,327	
Debt Service Coverage Ratio							2.80	
Equity as Percent of Assets							38.7%	
Net Plant in Service							\$ 2,122,214,034	
Capital Improvement Spend							\$ 217,170,576	
Energy Sales kWh	673,257,808	631,186,787	584,813,795	2,838,596,657	2,796,377,905	2,564,522,939	7,664,375,440	10.69%
Energy Purchases kWh	720,061,827	670,784,845	618,052,055	3,049,128,508	2,971,422,999	2,733,673,325	8,153,590,900	11.54%
Active Accounts				414,961	411,944	392,589	422,675	5.70%

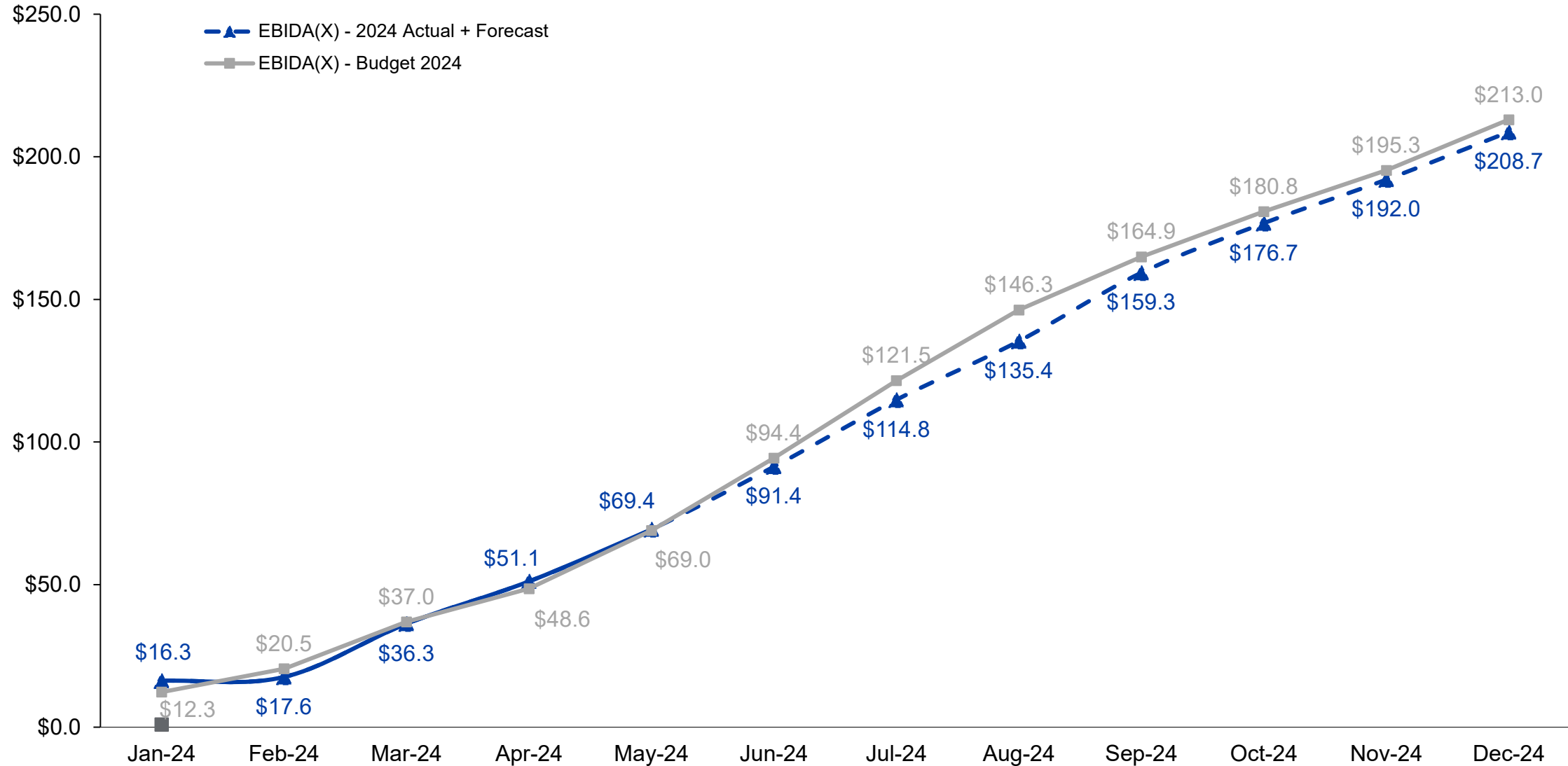
3. Financial Report

Cost of Service (in millions)

YTD Actuals vs Amended Budget through May 2024



EBIDA(X) Year to Date (in millions)



3. Financial Report

CIP Spend

Construction Category & Description		YTD Actuals	YTD Budget	Variance (Over)/Under Budget	Annual Budget
Distribution					
100	New Lines (Line Extensions for new primary, secondary and service lines)	\$ 11,025,189	\$ -	\$ (11,025,189)	\$ -
200	Tie Lines (new construction between existing lines)	3,929,431	3,591,776	(337,655)	8,631,846
300	Conversions or Line Changes	7,874,923	8,441,453	566,530	20,252,150
600	Miscellaneous Distribution Equipment	27,395,710	26,526,333	(869,377)	53,547,799
700	Other Distribution Items	212,855	196,605	(16,251)	471,515
Distribution Total		\$ 50,438,108	\$ 38,756,166	\$ (11,681,941)	\$ 82,903,310
Substation					
400	New Substations, Switching Stations and Meter Points	\$ 5,504,533	\$ 11,498,306	\$ 5,993,773	\$ 29,615,812
500	Substations, Switching Stations and Meter Point changes	8,702,368	11,207,672	2,505,303	35,631,645
Substation Total		\$ 14,206,902	\$ 22,705,978	\$ 8,499,076	\$ 65,247,457
Transmission					
800	New Transmission Lines	\$ 699,803	\$ 314,168	\$ (385,635)	\$ 563,462
1000	Line and Station Changes	8,064,453	8,666,413	601,960	32,698,127
Transmission Total		\$ 8,764,256	\$ 8,980,581	\$ 216,325	\$ 33,261,589
General Plant					
2000	Facilities	\$ 2,555,876	\$ 8,941,828	\$ 6,385,953	\$ 21,461,276
3000	Information Technology	593,304	2,283,057	1,689,753	5,536,944
4000	Tools & Equipment	76,922	468,334	391,412	760,000
5000	Vehicles	2,200,051	3,333,333	1,133,282	8,000,000
Total General Plant		\$ 5,426,153	\$ 15,026,552	\$ 9,600,400	\$ 35,758,220
Accrued WIP		\$ 3,908,654	\$ -	\$ (3,908,654)	\$ -
Total Capital Improvement Plan Spend		\$ 82,744,073	\$ 85,469,278	\$ 2,725,205	\$ 217,170,576



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