



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

July 4 Flooding Event

- To be updated the week of July 14

Open Meeting Thursday, July 10. Expecting the agenda to include:

- An update from ERCOT on summer operation
- Discuss the legislative session and plan for addressing all new bills that were passed that impact the areas of jurisdiction, including SB6
- Updates on other projects as well and maybe some that are already in our appendix for the ERCOT update

Related, there is an initial workshop on Friday, July 11, on Project No. 58198, Rulemaking to Implement Firming Reliability Requirements for Electric Generating Facilities in the ERCOT Region Under PURA §39.1592.



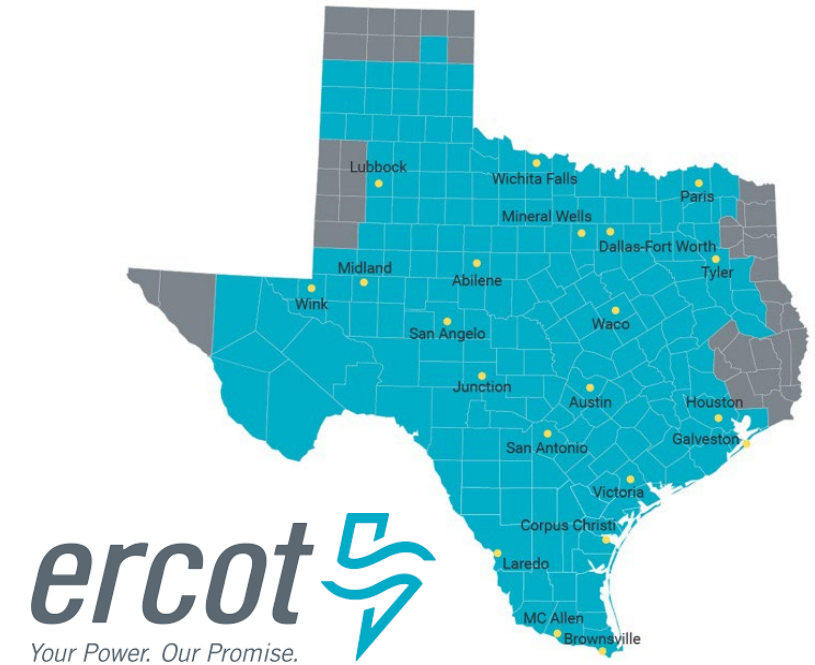
ERCOT Summer Weatherization

Weatherization Inspections for PEC

ERCOT is conducting inspections at several PEC substations for compliance with PUC weatherization requirements. PEC provided ERCOT a Declaration of Summer Weather Preparedness:

- Summarizes all PEC preparation activities
- Recorded the maximum ambient temperature at which each transmission facility has experienced sustained operations
- Includes a notarized attestation to the completion of required activities

The PUC rule requires ERCOT to conduct inspections of transmission facilities selected through a risk-based methodology of at least ten percent of substations to be inspected once every three years.



Changes in the Board of Directors

- Two of the newest members appointed to the ERCOT Board recently announced their resignations
- Alejandro “Alex” Hernandez and Sigmund “Sig” Cornelius, were selected in January 2025 to serve as Directors for three-year terms
- Currently, there are three Board vacancies, and the Board Selection Committee will work to fill these seats



Alejandro Hernandez



Sigmund Cornelius

Texas Public Power Association Annual Meeting

Austin, July 14 – 16

Keynote speakers included:

- XXX
- XXX
- XXX



Junction Appreciation Dinner



Join us!

September 9 at 6 p.m.

PEC invites you for a
community dinner and
business update

Coke R. Stevenson
Memorial Building
440 Highway 83 North
Junction, Texas

Good luck, Team PEC!

Texas Lineman's Rodeo
July 17-19, 2025
Nolte Island Park
Seguin, Texas





July Quarterly Report

Jonathan Greene | Chief Operating Officer -
Transmission

Florence Substation Addition



Lago Vista T3 Addition



Portable Transformer Upgrades



T333 Lago Vista to Nameless

Overhaul project completed and energized in May.



T623 Trading Post to Cedar Valley

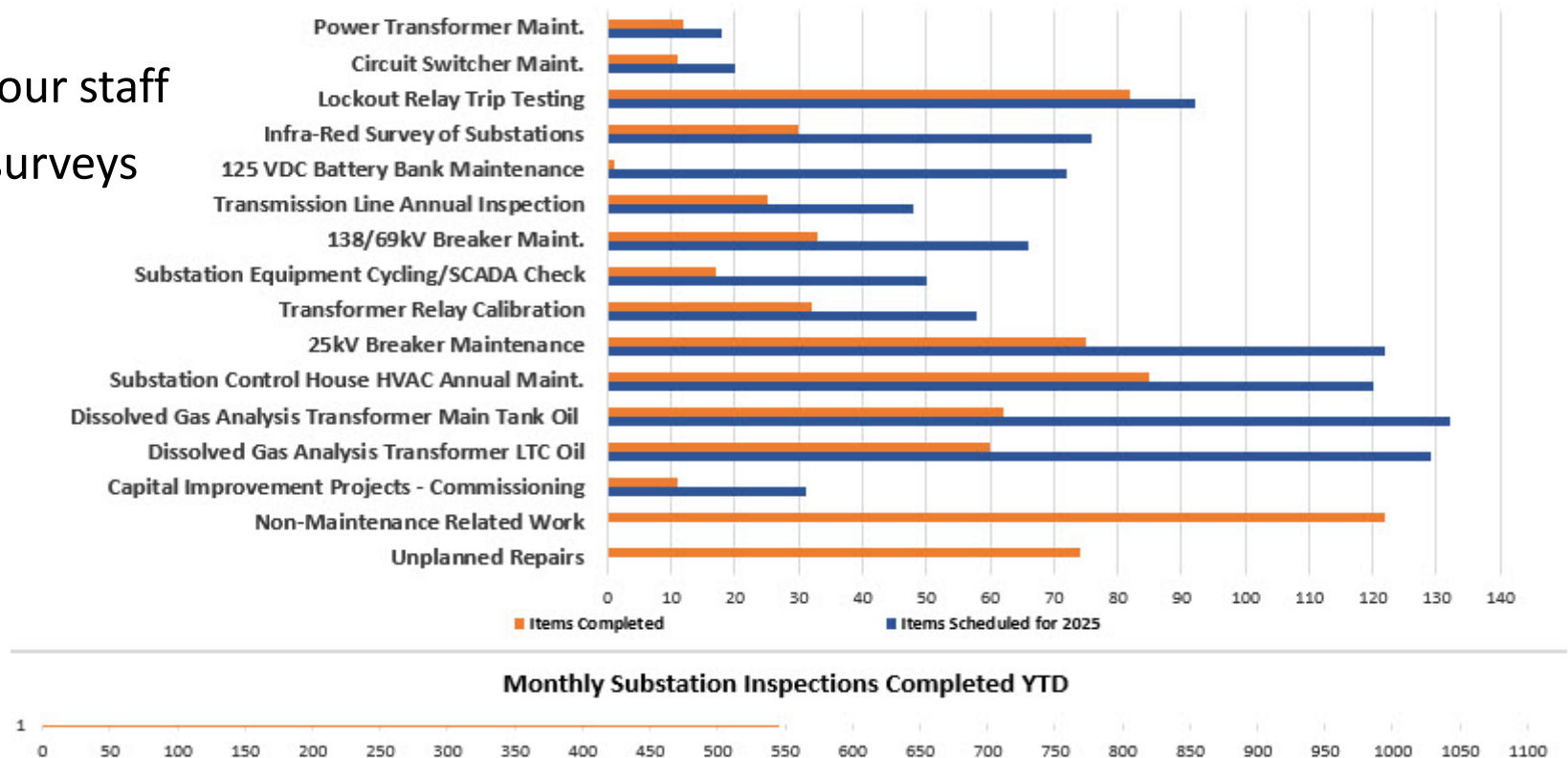
Storm hardening project completed in May.



System Maintenance

2025 Transmission Maintenance

- Scheduled equipment maintenance is progressing as planned
- In addition, over **545** substation inspections and **190** corrective repairs have been completed
- Focus for the summer:
 - Summer heat safety for our staff
 - Completing all infrared surveys



System Performance – Calendar Year 2025

- Transmission System is performing well – system availability is high, trending similarly to 2024

Summer Operations

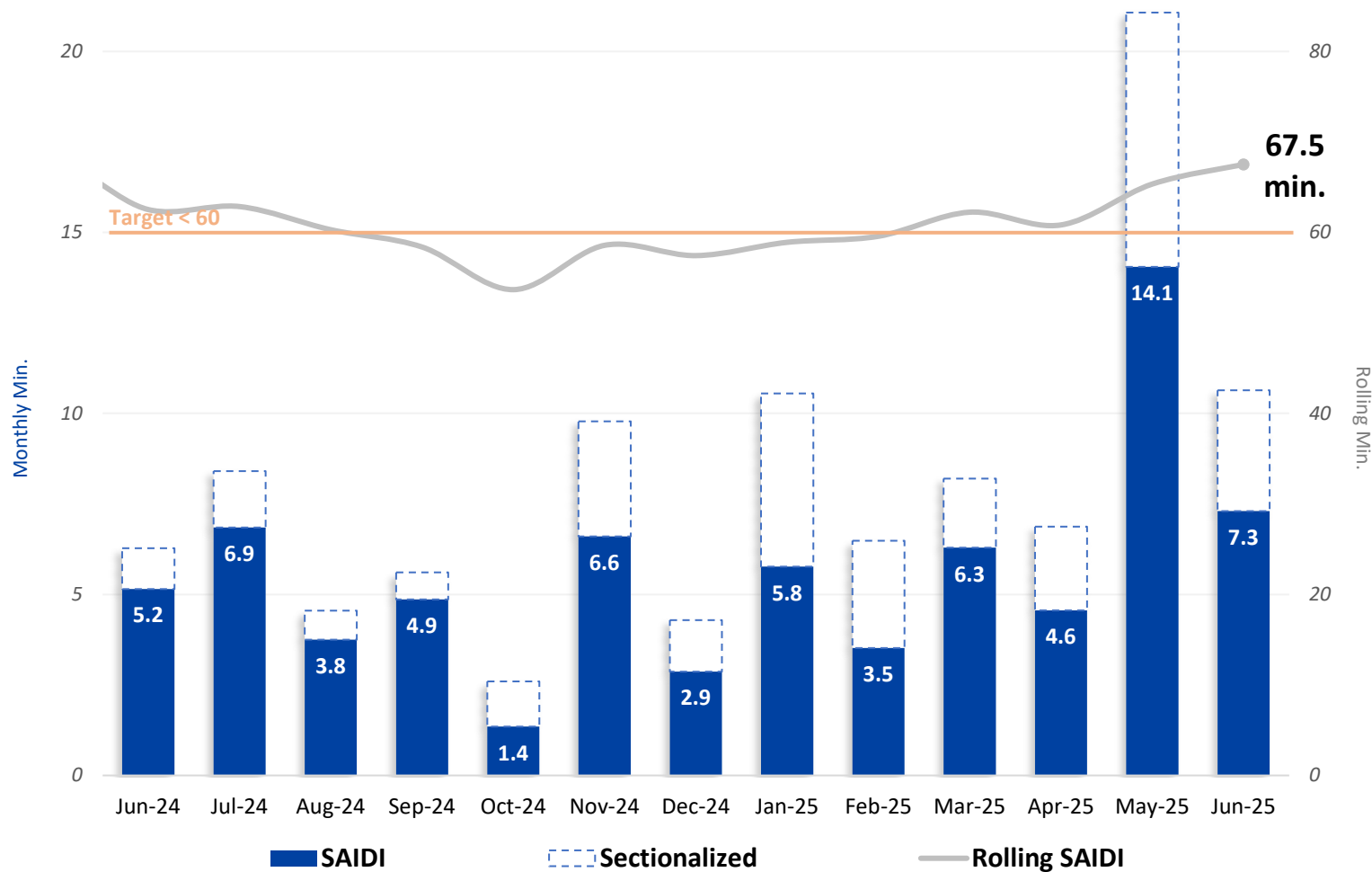
- Energized several transmission line projects, restoring lines prior to May 15
- Continue to monitor the system and load
- Managing outages and outage requests as submitted
- Currently training on UFLS and EEA load shed



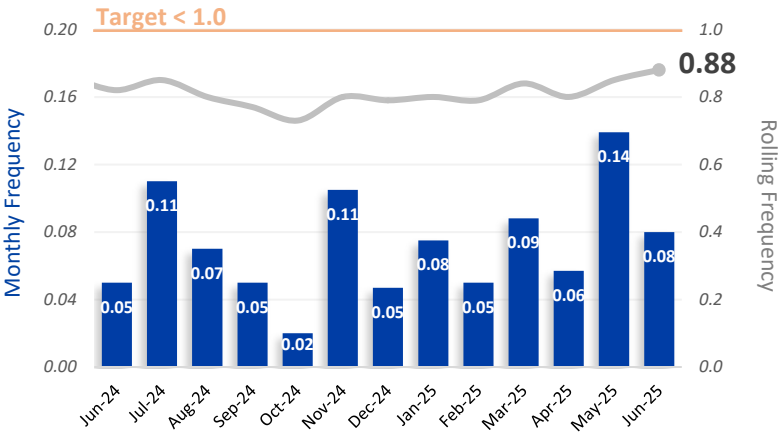
Operations Report

Nathan Fulmer | Chief Operations Officer -
Distribution

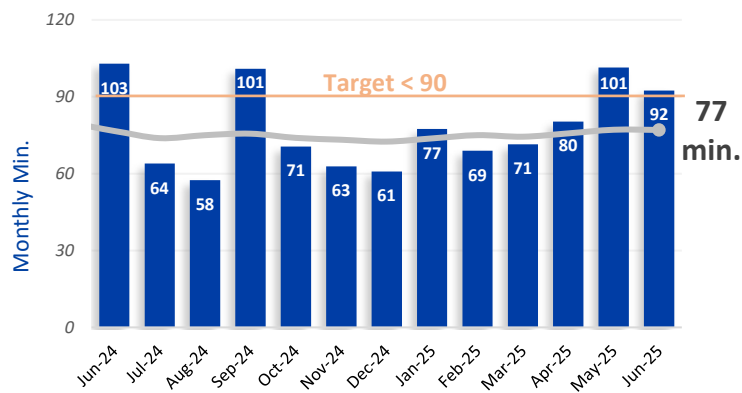
SAIDI System Average Interruption Duration Index



SAIFI System Average Interruption Frequency Index



CAIDI Customer Average Interruption Duration Index



MC130 Lockout

Major vehicle accident in Oak Hill District - June 20

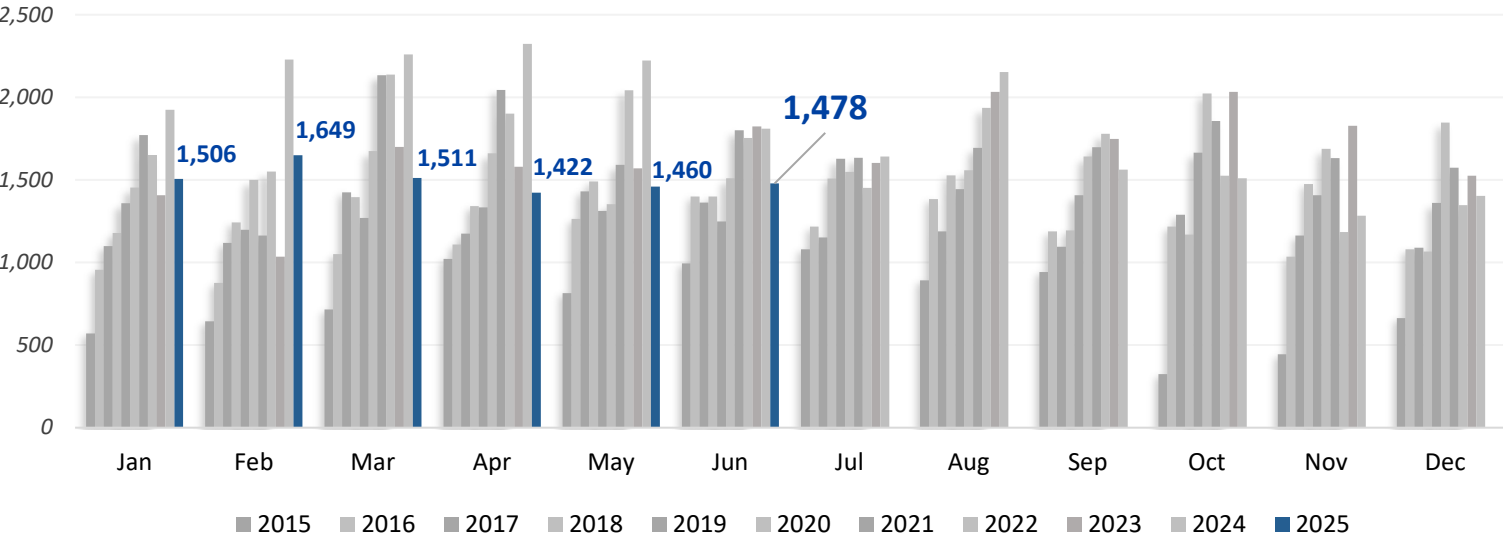
- A main feeder pole was struck by a vehicle that snapped the pole at ground level and caused a large power outage.
- DOC was able to quickly transfer much of the load from the Buda substation.
- Crews worked to float phases for temporary repair and what could have been a significant outage event was greatly limited.



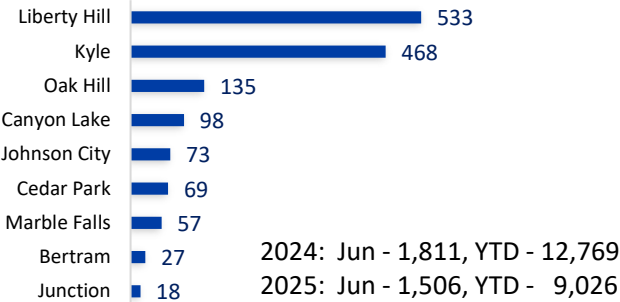
System Growth

Line Extensions Completed

2023: 19,886 2024: 22,323 2025 YTD: 9,026



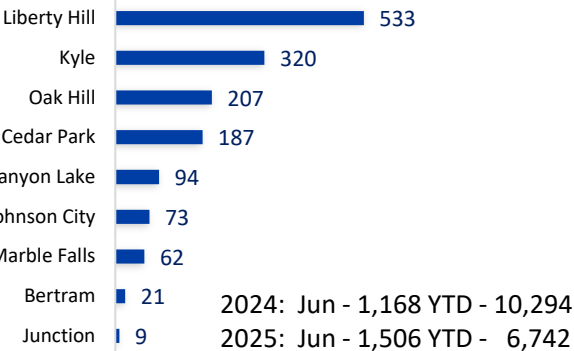
Line Extensions by District



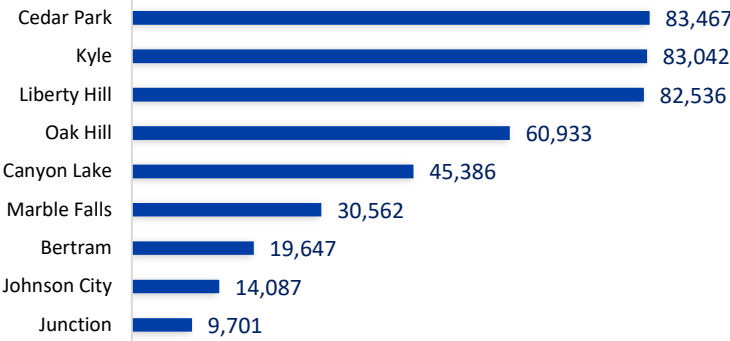
Miles of Distribution Line:

Overhead:	17,813	(69%)
Underground:	7,978	(31%)
Total:	25,791	

Meter Growth (1,506)

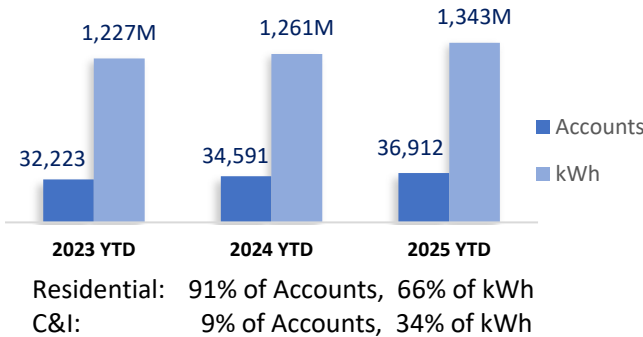


Meter Totals (429,361)



Commercial & Industrial

Accounts and Demand YTD



Safety & Technical Training

Safety Highlights

Training and Classes

- Meter Safety: 462 FTE
- Lock-out/Tag-out (LOTO): 16 TCC staff
- Housekeeping on the Job: 477 FTE
- Struck-by, Caught Between: 448 FTE
- CPR: 89 FTE
- DOT Physicals: 38 FTE

District Safety Meetings

- 34 completed in June

Jobsite Safety Observations

- Safety Advisors: 41
- Operations Management: 6

Technical Training Overview

Assessments and Certifications

- Conducted seven field assessments
- Two instructors completed confined space certifications to support ongoing training with future sessions planned at the Technical Training Center (TTC)

Apprentice Cross-Training Activities

- Visited the DOC to cross-train with SCADA Operators
- Transmission Control Center (TCC) staff also hosted a visit to gain insights into the transmission side of operations

Process Improvements

- Notified districts of future assessment changes
- Began new processes for progress reports within the Workhands application



June 2025 Financial Report

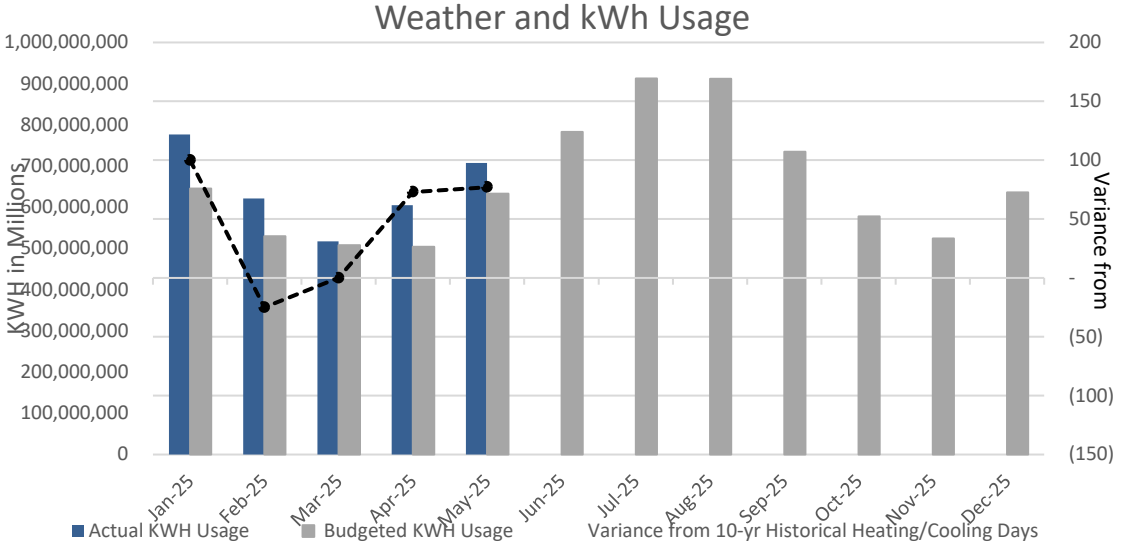
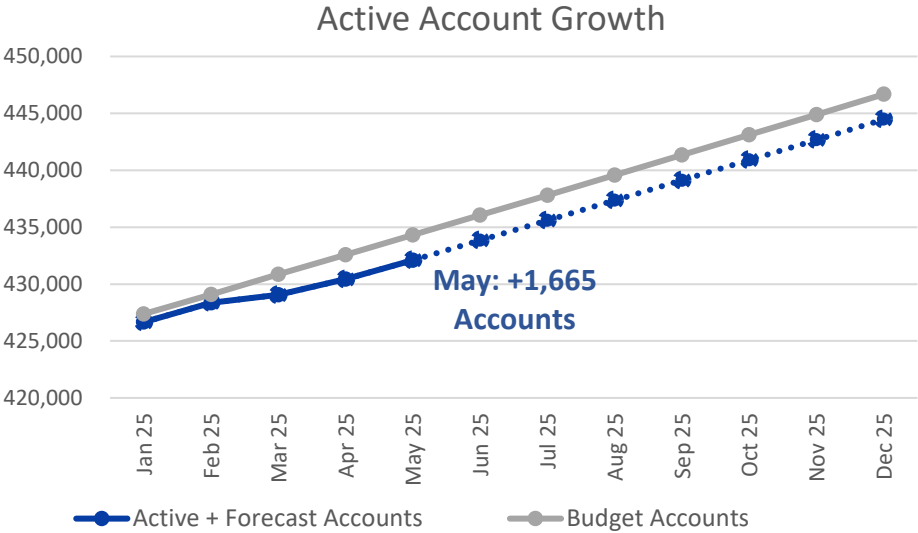
Randy Kruger | Chief Financial Officer

Finance at a Glance – June 2025

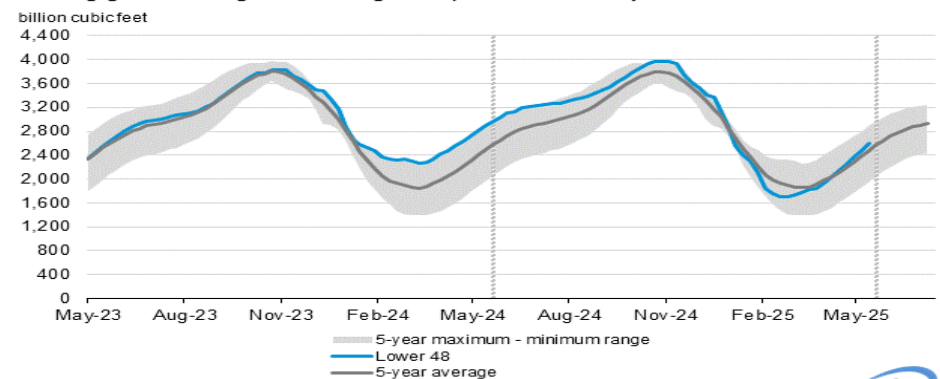
To be updated

	MTD (\$ in millions)			YTD (\$ in millions)		
	Actual	Budget	Variance	Actual	Budget	Variance
MWH Sold	707,252	632,999	74,253	3,228,208	2,821,195	407,013
Gross Margins	\$ 36.9	\$ 32.5	\$ 4.4	\$ 161.2	\$ 154.7	\$ 6.5
Net Margins	\$ 10.4	\$ 4.7	\$ 5.7	\$ 28.2	\$ 18.4	\$ 9.8
EBIDA	\$ 21.7	\$ 16.3	\$ 5.4	\$ 84.3	\$ 75.2	\$ 9.1
Revenue O/(U)	\$ 7.6	\$ 6.7	\$ 0.9	\$ 14.8	\$ (3.0)	\$ 17.8
EBIDA(X)	\$ 29.3	\$ 23.0	\$ 6.3	\$ 99.1	\$ 72.3	\$ 26.8

	Liquidity Coverage
Cash & Marketable Securities	\$ 29,322,477
Short Term Facilities	605,000,000
Less: Short Term Borrowings	164,225,576
Available Liquidity	\$ 470,096,901
Liquidity Coverage (Days)	198

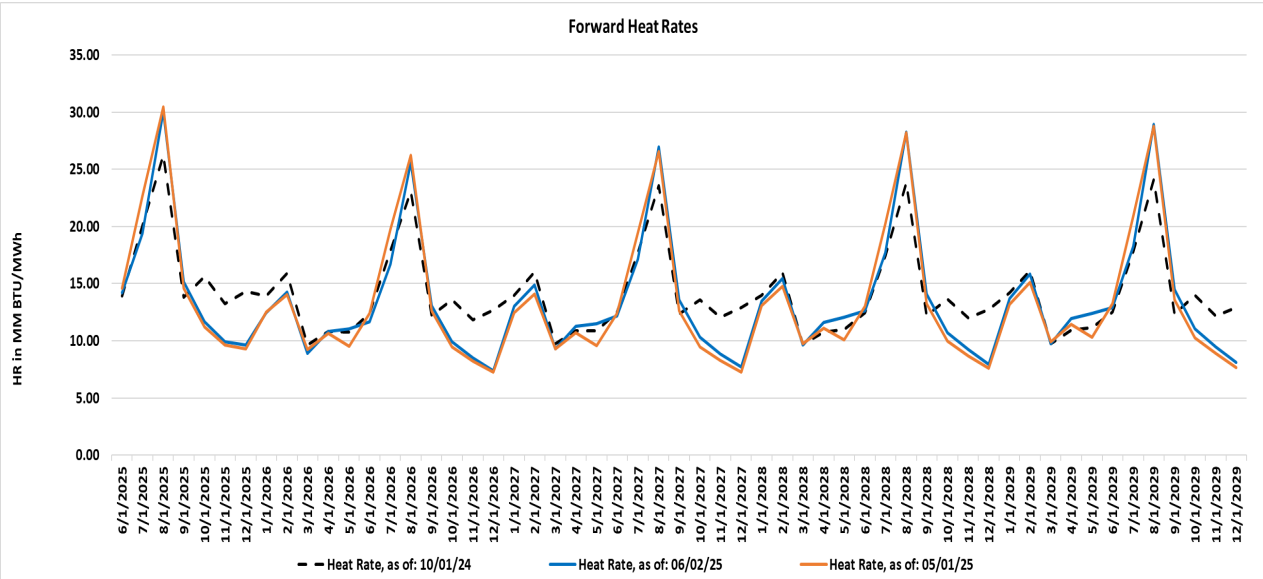
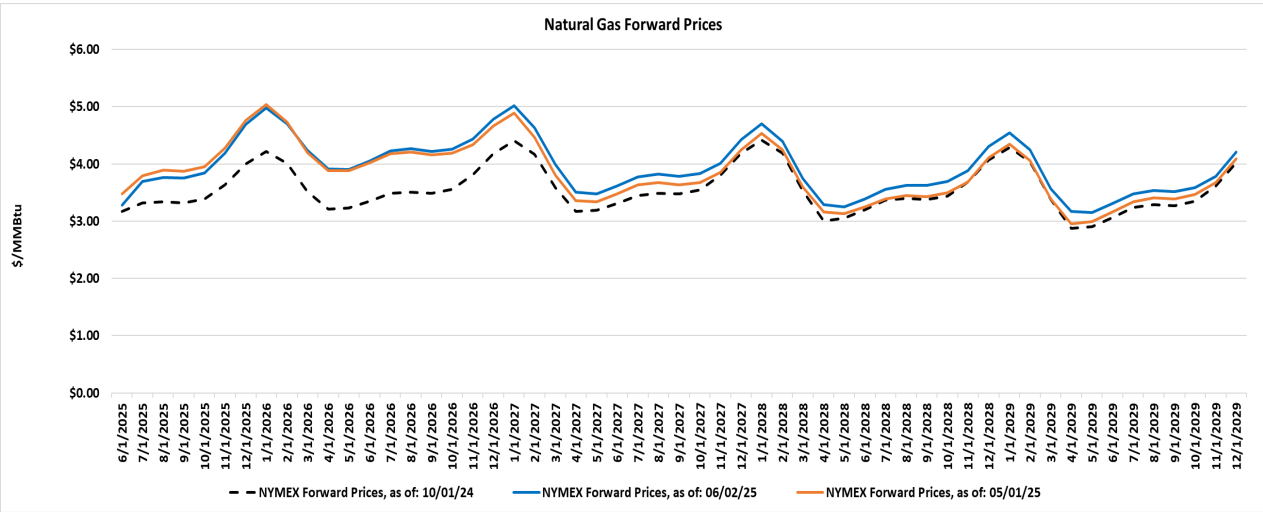
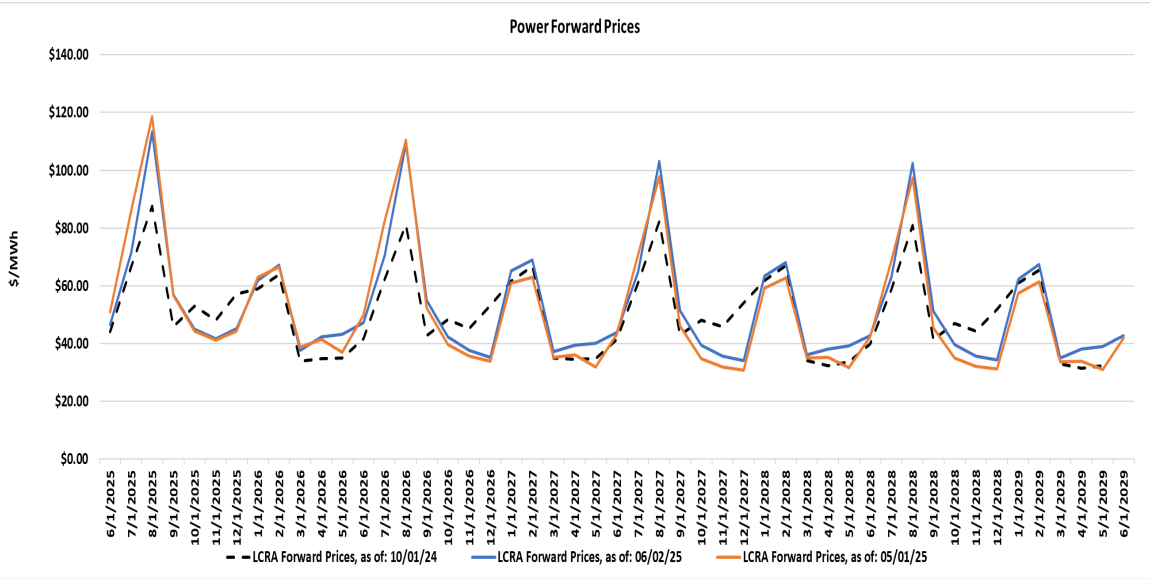


Working gas in underground storage compared with the 5-year maximum and minimum



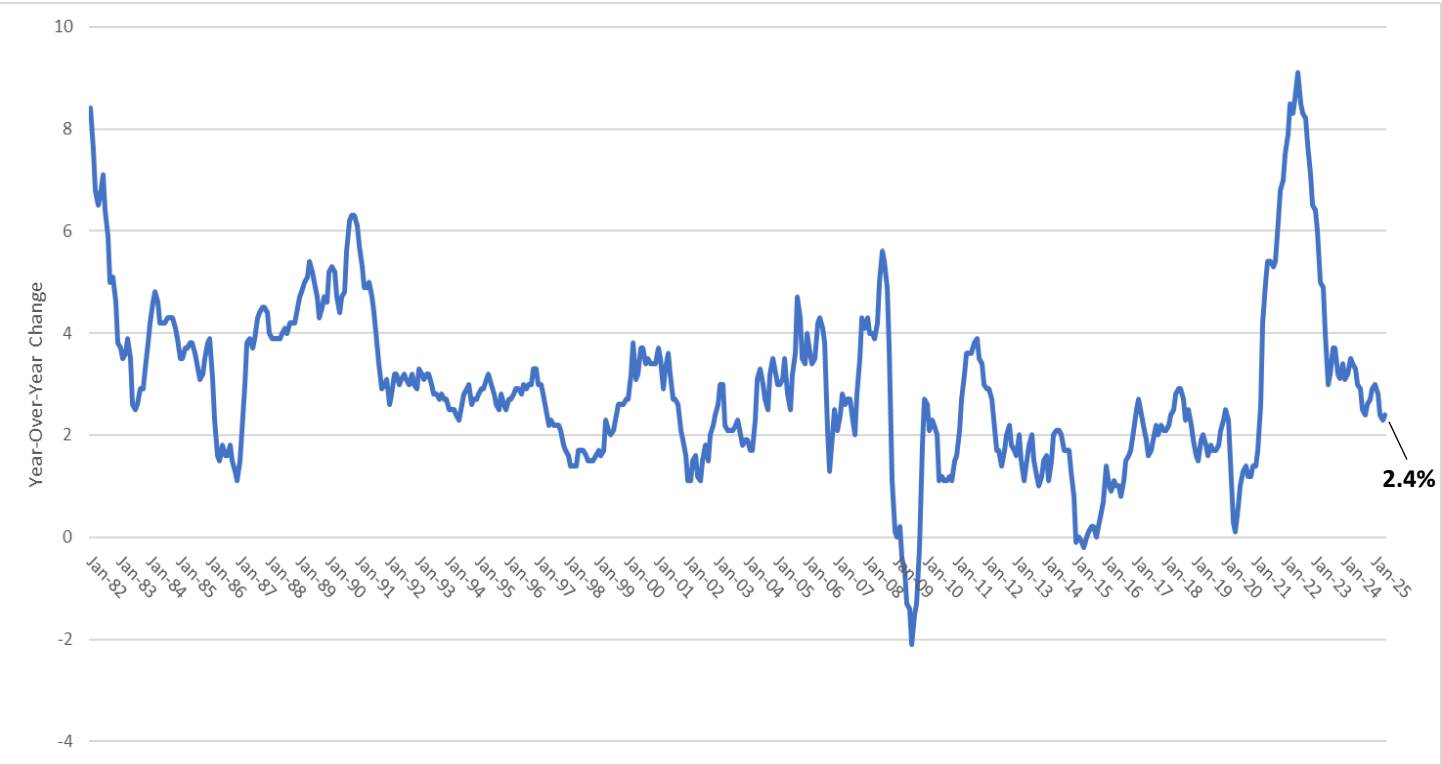
Data source: U.S. Energy Information Administration
Note: The shaded area indicates the range between the historical minimum and maximum values for the weekly series from 2020 through 2024. The dashed vertical lines indicate current and year-ago weekly periods.

As of June 05, 2025



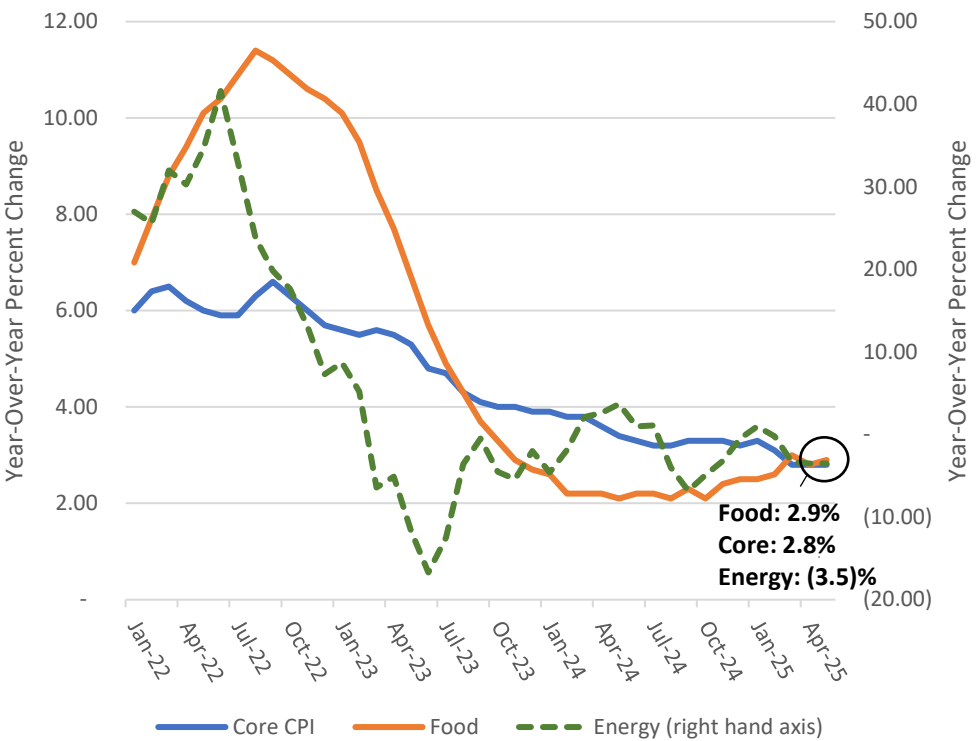
Overall CPI increased to 2.4% YoY from 2.3% YoY in April; Core CPI remained at 2.8% YoY from the previous month. Energy prices were down -3.5% YoY driven by gasoline (-12.0%) and fuel oil (-8.6%); partially offset by utility gas service (+15.3%) and sustained increases to electricity prices (+4.5%).

CPI Jan 1982 to Jun 2025



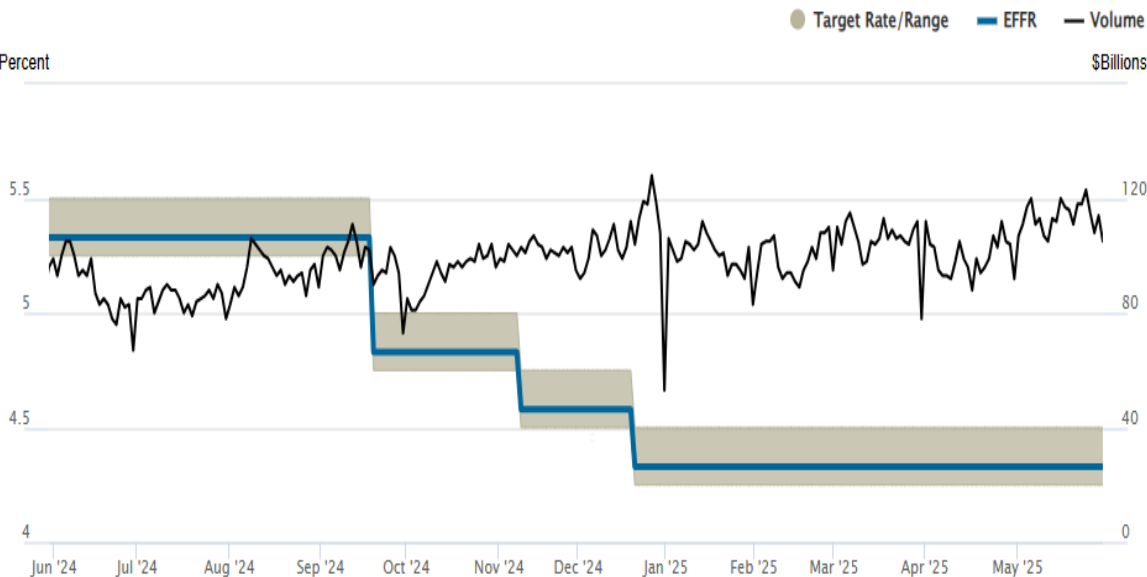
Source: U.S. Bureau of Labor Statistics

Core CPI, Food and Energy
Jan 2022 to Jun 2025



Source: U.S. Bureau of Labor Statistics

Federal Funds Rate



Source: Federal Reserve Bank of New York 06/02/2025

10-Year Note



Source: The Wall Street Journal 06/11/2025



CAO Report

JP Urban | Chief Administrative Officer

Member Relations Report

June Member Relations Metrics

- Calls handled: 22,597
- Chats handled: 1,612
- Applications for existing service
 - Online: 3,664 (32%)
 - Phone: 7,432 (68%)
- Satisfaction rating: 4.58 out of 5
- First-contact resolution: 91.08%
- 94.77% of members say they would enjoy working with the same agent again



Camp Save-A-Watt Solar Car Derby

100 Campers Joined Race

- PEC welcomed Camp Save-A-Watt campers and their families to the fourth annual Solar Car Derby
- Hosted on Thursday, June 26 at Putters and Gutters in Marble Falls
- Egg Drop Challenge(s): July 18 and 29



Utility Teams Hear ERCOT Update

- Power Alliance Partners in Energy met July 10 in Austin
 - Alliance was created last year to foster relationships and brainstorming between some of Texas' largest utilities
- PEC hosted a roundtable discussion, and ERCOT public affairs and communications leadership provided an update
- XXX, XXX, and XXX attended

2025 Youth Tour Trip

PEC Delegates Return Home

- After a week in our nation's capital, our 2025 Youth Tour delegates are back home!
 - 10 delegates from PEC joined teens from cooperatives across the country
- PEC's group toured historical sites and saw government in action, meeting with their Texas representatives
- 2025 marked the 60th anniversary of the Youth Tour, created by LBJ





Appreciation and Look Ahead

Employee Shoutouts*



Angel Almanza
Member Relations
Analyst
Oak Hill



Guy Lowe
Journeyworker
Bertram



Annie Johnson
Member Relations
Agent 2
Marble Falls



Alyssa Moore
Distribution Planner 1
Bertram



Lynne Monette
Member Relations
Analyst
Marble Falls

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



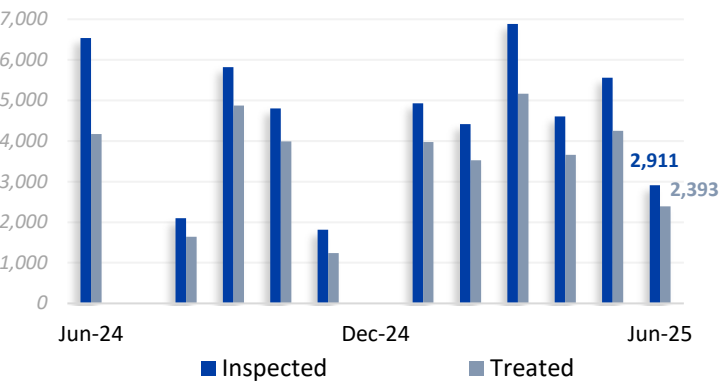
Appendix Pages

Maintenance & Technical Services

Pole Testing & Treatment (PTT)

Poles Inspected & Treated

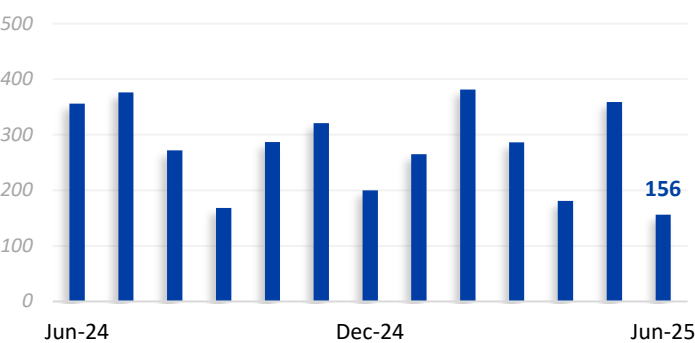
2024 YTD: Inspections - 28,731 Treated - 22,082
2025 YTD: Inspections - 29,315 Treated - 22,975



Underground Equipment

Pad Restorations

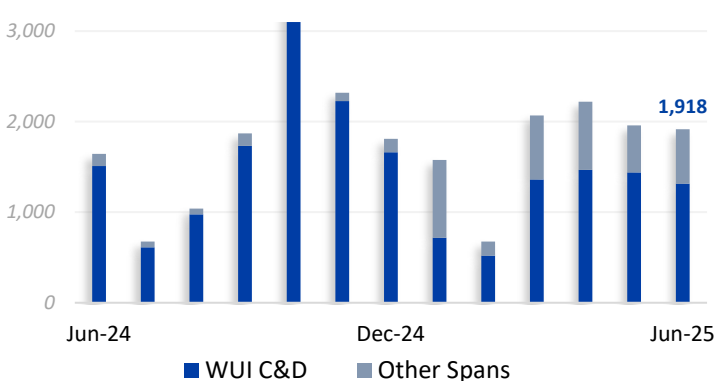
2024 YTD: 2,320
2025 YTD: 1,628



Vegetation Management

Span Clearings

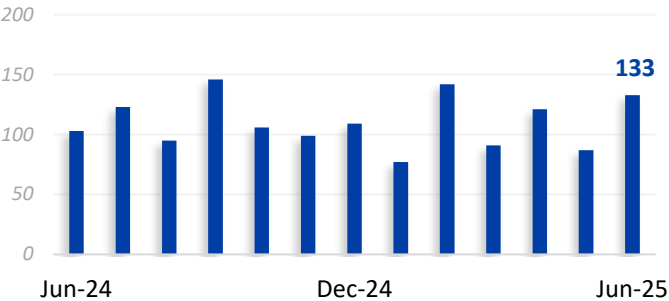
2024 YTD: Encroachments Completed - 13,999
2025 YTD: Encroachments Completed - 10,418



Technical Services

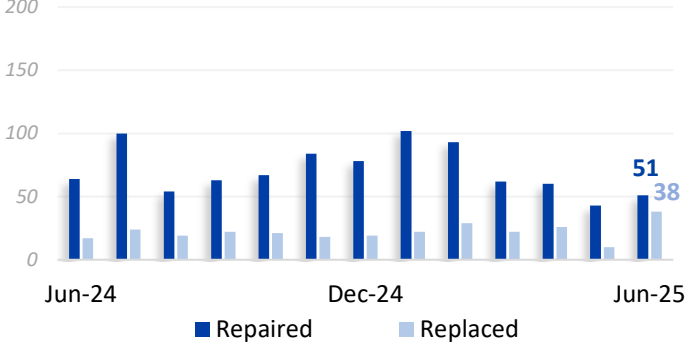
Equipment Inspections

2024 YTD: 1,047
2025 YTD: 651



Equipment Repaired or Replaced

2024 YTD: Repaired - 397 Replaced - 112
2025 YTD: Repaired - 411 Replaced - 147



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	20%
CIP (Final Draft) Study	Aug 2025	0%
Mock UFLS Study	Dec 2025	0%
20-Year Plan Study	Dec 2025	10%
Winter Contingency	Dec 2025	0%

Large Project Updates

Johnson City - Haley Road Phase II Yard Expansion

RFP responses received June 18 and currently under review for GC award. Completion forecasted for Nov. - Dec. timeframe.

Junction

Site electrical, fencing, and Fleet Building construction are underway. Warehouse office space expansion began in mid-June. Project completion forecasted for Nov. 2025.

Headquarters Facility Generator Replacement

Facility back-up generator replaced to support 100% functionality in the event of power outages. Legacy generator inventoried for future use. Work complete on June 30.

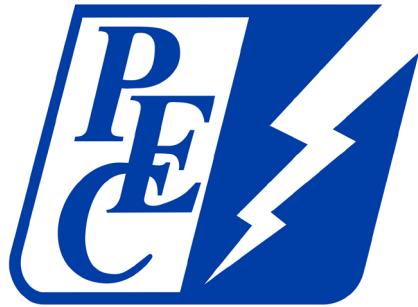
Liberty Hill Materials Yard Expansion

RFP responses received on June 26 and are currently under evaluation for GC award. Project completion forecasted for end of year, 2025.

Kyle Yard Base Stabilization

Yard base stabilization effort began on June 22 with an estimated 30-day completion timeline. Phase I completed July 1.





Appendix to June 2025 Financial Presentation to the Board

Randy Kruger | Chief Financial Officer

Financial Performance

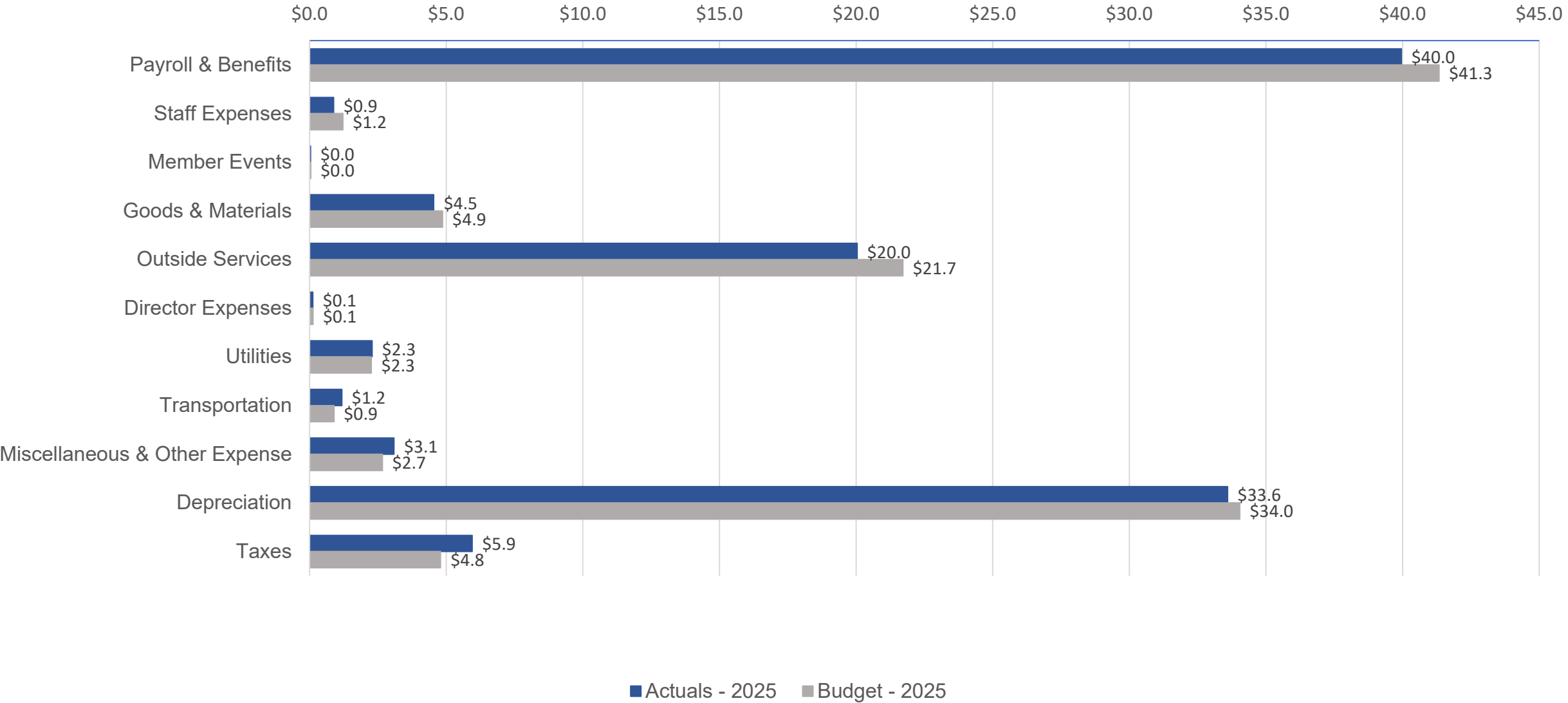
To be updated

	MTD			YTD			Annual
	Actual	Budget	Prior Year	Actual	Budget	Prior Year	Budget
Gross Margins	\$ 36,915,769	\$ 32,493,727	\$ 29,838,524	\$ 161,208,717	\$ 154,693,283	\$ 143,556,673	\$ 400,301,897
Operating Expenses Ex. Depreciation	15,594,969	16,279,756	16,480,586	78,072,588	79,897,186	74,818,192	193,600,990
Depreciation	6,765,769	7,001,677	8,066,053	33,594,508	34,041,811	40,049,065	83,735,262
Interest Expense	4,526,508	4,617,783	4,363,869	22,428,473	22,840,165	21,111,271	55,458,822
Other Income	(385,684)	(90,000)	(216,592)	(1,116,804)	(450,000)	(2,612,464)	(3,873,000)
Net Margins	\$ 10,414,207	\$ 4,684,511	\$ 1,144,608	\$ 28,229,952	\$ 18,364,121	\$ 10,190,609	\$ 71,379,824
EBIDA	\$ 21,706,484	\$ 16,303,971	\$ 13,574,530	\$ 84,252,933	\$ 75,246,097	\$ 71,350,945	\$ 210,573,907
Over (Under) Collected Revenues	7,557,793	6,717,056	4,657,912	14,841,721	(2,980,591)	(1,973,977)	4,966,279
EBIDA(X)	\$ 29,264,277	\$ 23,021,027	\$ 18,232,442	\$ 99,094,654	\$ 72,265,506	\$ 69,376,968	\$ 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	707,252,055	632,998,990	673,257,808	3,228,207,997	2,821,194,518	2,838,596,657	7,910,451,206
Energy Purchases kWh	744,626,757	673,454,629	720,061,827	3,337,296,268	3,001,494,199	3,049,128,508	8,415,380,400
Active Accounts				432,102	434,311	414,961	446,678

Cost of Service (in millions)

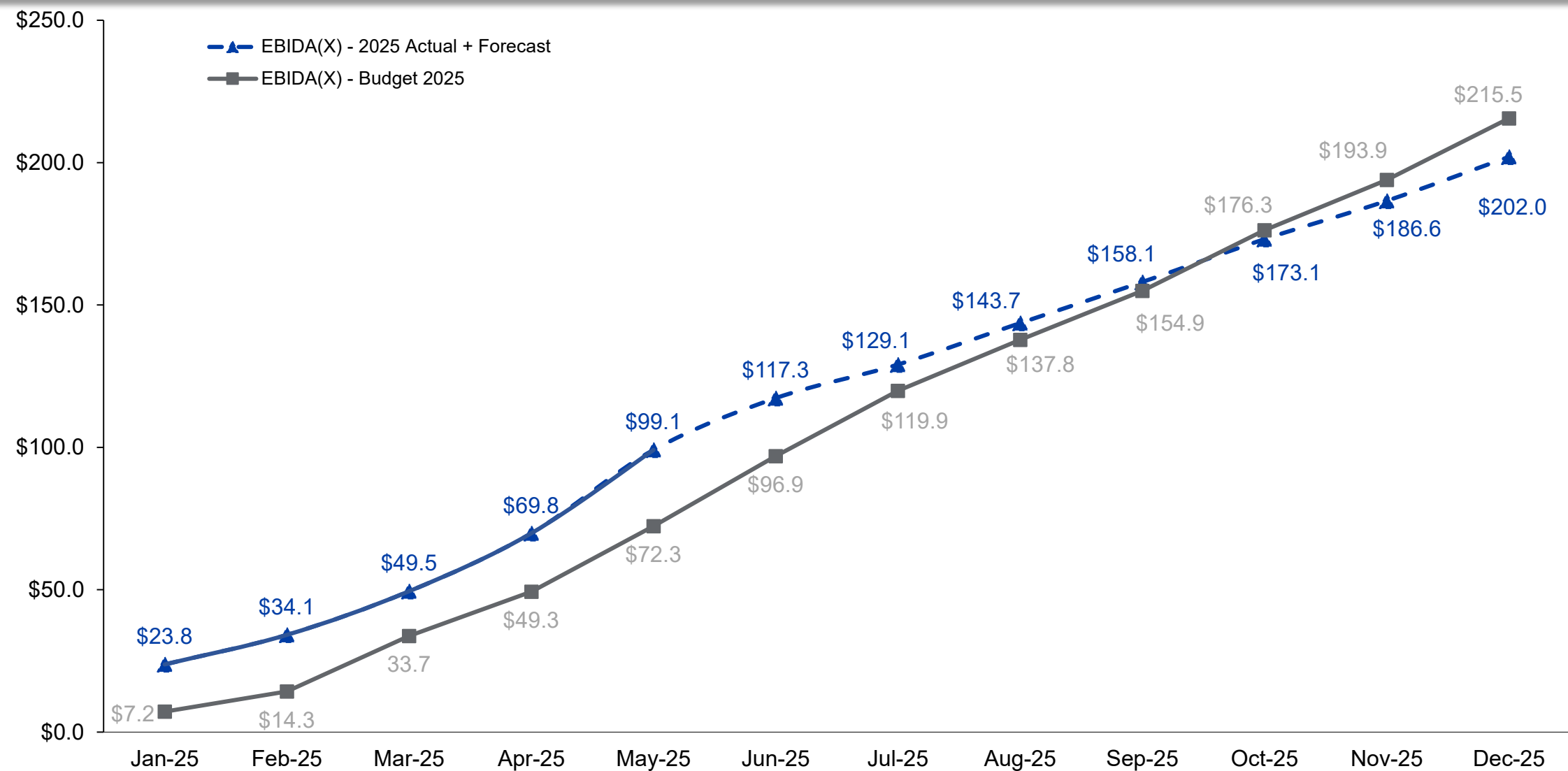
YTD Actuals vs Budget through June 2025

To be updated



EBIDA(X) Year to Date (in millions)

To be updated



CIP Spend

To be updated

Construction Category & Description	YTD Actuals	YTD Budget	Variance (Over)/Under Budget	Annual Budget
<u>Distribution</u>				
200 Tie Lines (new construction between existing lines)	3,482,030	7,733,997	4,251,967	14,793,728
300 Conversions or Line Changes	12,092,826	11,468,066	(624,760)	25,001,608
600 Miscellaneous Distribution Equipment	15,967,285	22,760,160	6,792,875	54,370,706
700 Other Distribution Items	302,591	162,617	(139,974)	391,422
Distribution Total	\$ 31,844,732	\$ 42,124,840	\$ 10,280,108	\$ 94,557,465
<u>Substation</u>				
400 New Substations, Switching Stations and Meter Points	6,963,358	8,216,466	1,253,109	20,969,733
500 Substations, Switching Stations and Meter Point changes	13,229,289	19,196,410	5,967,121	42,471,140
Substation Total	\$ 20,192,647	\$ 27,412,876	\$ 7,220,230	\$ 63,440,873
<u>Transmission</u>				
800 New Transmission Lines	175,225	170,494	(4,732)	1,125,657
1000 Line and Station Changes	9,257,683	17,736,836	8,479,153	49,195,185
Transmission Total	\$ 9,432,908	\$ 17,907,329	\$ 8,474,421	\$ 50,320,843
<u>General Plant</u>				
2000 Facilities	6,053,844	10,010,714	3,956,869	17,789,898
3000 Information Technology	321,270	3,470,775	3,149,505	7,017,520
4000 Tools & Equipment	225,863	208,333	(17,529)	500,000
5000 Vehicles	2,710,352	2,083,333	(627,019)	5,000,000
Total General Plant	\$ 9,311,329	\$ 15,773,156	\$ 6,461,826	\$ 30,307,418
Accrued WIP & Prepaid Aid	\$ (3,566,939)	\$ -	\$ 3,566,939	\$ -
Total Capital Improvement Plan Spend	\$ 67,214,678	\$ 103,218,201	\$ 36,003,523	\$ 238,626,599

Multi-Year CIP Spend – Distribution and Sub

To be updated

Construction Category & Project (\$ in thousands)	Prior Years Spend	YTD Actuals	Project Actuals Post Approval	Project Budget	Remaining Budget
<u>Distribution</u>					
Fairland Make-ready Voltage Conversion	\$ 5,315.2	\$ 768.4	\$ 6,083.7	\$ 5,864.3	\$ (219.4)
HSB Make-ready Voltage Conversion	1,368.2	203.4	1,571.6	6,517.0	4,945.4
Convert Burnet to 24.9KV	6,519.7	670.3	7,190.0	5,757.7	(1,432.3)
BT30-BU30 Feeder Tie	-	38.7	38.7	4,849.8	4,811.1
Wirtz Voltage Conversion	-	6.7	6.7	4,011.1	4,004.4
Distribution Total	\$ 13,203.1	\$ 1,687.6	\$ 14,890.7	\$ 26,999.9	\$ 12,109.2
<u>Substation</u>					
Lago Vista Install 46.7 MVA Trf	\$ 6,711.1	\$ 1,265.7	\$ 7,976.9	\$ 17,054.5	\$ 9,077.6
Nameless Install 46.7 MVA Trf	448.0	103.8	551.8	6,086.6	5,534.8
Old Eighty One Construct New Substation	320.8	189.2	510.0	11,522.0	11,012.1
Bee Creek Upgrade T1 and T2 to 46.7 MVA	79.3	127.9	207.1	7,046.5	6,839.4
Ridgmar Install 46.7 MVA Trf	10.1	147.1	157.2	5,101.0	4,943.8
Spanish Oak Install 46.7 MVA Trf	74.6	49.5	124.2	4,657.4	4,533.2
Turnersville Upgrade to T2	0.2	-	0.2	3,358.2	3,358.0
Graphite Mine T1 Upgrade	758.3	155.8	914.2	4,955.6	4,041.4
Whitestone Upgrade T1 and T2 to 46.7 MVA	690.6	312.2	1,002.8	8,272.7	7,269.9
Friendship Upgrade T1 and T2 to 46.7 MVA	1,788.0	920.9	2,708.9	5,919.1	3,210.2
Cedar Valley T1 and T2 Upgrade	198.0	41.1	239.0	4,949.3	4,710.2
Dripping Springs Upg T1 & T2 to 46.7 MVA	4,786.4	(1,427.9)	3,358.6	4,323.4	964.8
T587 BN to MT Remote Ends	357.7	88.3	446.0	3,965.0	3,519.0
New Site 2147 - Construct 46.7 MVA Sub	-	-	-	1,772.1	1,772.1
Florence Construct new 46.7 MVA Sub	7,504.6	1,475.0	8,979.6	10,899.5	1,920.0
RR12-LaCima Construct 46.7 MVA Sub	503.4	75.5	578.9	5,362.3	4,783.4
Andice Install 3rd transformer	4.1	-	4.1	13,199.0	13,194.9
Yarrington Install Second Transformer	-	-	-	5,861.5	5,861.5
Transmission RTU Additions - Phase 2	-	2.2	2.2	7,905.6	7,903.4
Substation Total	\$ 24,235.3	\$ 3,526.3	\$ 27,761.6	\$ 132,211.3	\$ 104,449.7

Multi-Year CIP Spend – Transmission and

To be updated

Construction Category & Project (\$ in thousands)	Prior Years Spend	YTD Actuals	Project Actuals Post Approval	Project Budget	Remaining Budget
<u>Transmission</u>					
North Hays Cty Wimberley Transmn	\$ 339.5	\$ -	\$ 339.5	\$ 66,360.7	\$ 66,021.2
T318 BN-DH Overhaul	741.9	149.7	891.6	22,109.1	21,217.5
T587 BN-MT Overhaul	755.3	81.2	836.4	21,208.7	20,372.3
T360 FS-RU Storm Hardening	265.9	21.3	287.3	15,105.9	14,818.6
T333 LV to NL Overhaul	11,721.8	1,709.5	13,431.3	11,850.5	(1,580.8)
T623 TP-CV Storm Hardening	5,023.7	360.8	5,384.5	11,697.8	6,313.3
T358 CV-FS Storm Hardening	483.9	69.6	553.5	9,318.9	8,765.5
T380 BD-TV Overhaul	7,465.4	946.0	8,411.4	5,880.0	(2,531.4)
T323 PF-MF Overhaul	13,427.0	0.5	13,427.5	13,675.8	248.3
T328 BU-MC Upgrade 440MVA	-	-	-	10,615.7	10,615.7
Transmission Total	\$ 40,224.3	\$ 3,338.6	\$ 43,562.8	\$ 187,823.1	\$ 144,260.3
<u>General Plant</u>					
JC District Operations	\$ 3,146.3	\$ 42.5	\$ 3,188.8	\$ 31,451.6	\$ 28,262.8
Cedar Park Improvements	-	-	-	13,487.6	13,487.6
Liberty Hill Additional yard/warehouse expansion	-	6.0	6.0	13,787.6	13,781.6
Junction Warehouse Yard Expansion	2,732.6	913.7	3,646.3	17,795.4	14,149.2
Total General Plant	\$ 5,878.9	\$ 962.2	\$ 6,841.1	\$ 76,522.2	\$ 69,681.1