



Cooperative Update

Andrea Stover | General Counsel

Jonathan Greene | Chief Operations Officer — Transmission

Christian Powell | Chief Compliance Officer

Nathan Fulmer | Chief Operations Officer — Distribution

Randy Kruger | Chief Financial Officer

JP Urban | Chief Administrative Officer

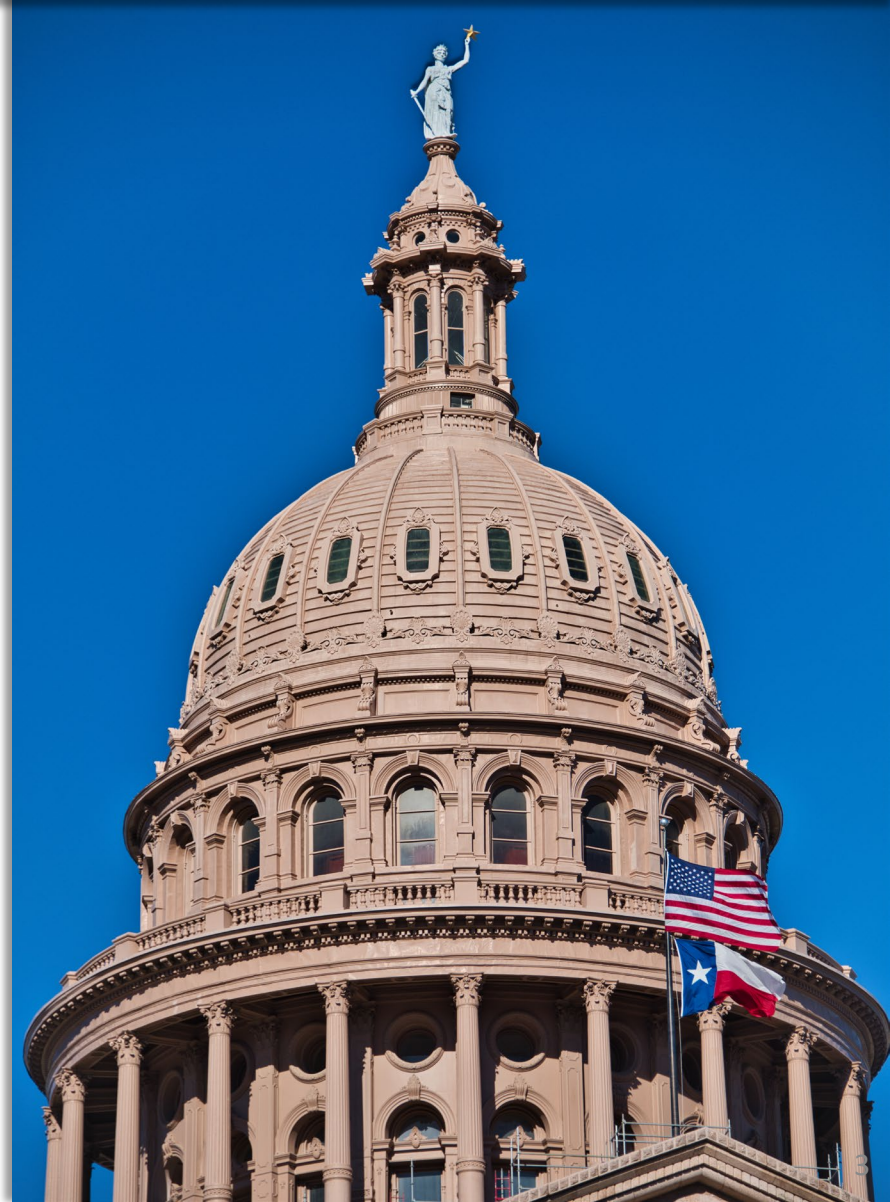


CEO Report

Andrea Stover | General Counsel

Legislative Update

- December 6: House Speaker Dade Phelan (R-Beaumont) withdraws bid for third term
- Bill prefiling began Tuesday, November 12
 - Total of 1,511 bills and resolutions were filed in the House and Senate — a record number for first day
 - 920: 88th Legislative Session, 2023
 - 540: 87th Legislative Session, 2021
 - 462: 86th Legislative Session, 2019
- Session begins Tuesday, January 14, 2025, and will conclude 140 days later on Monday, June 2
- PEC staff is closely monitoring issues



Regulatory Update: PUC

- Commissioner Lori Cobos announced November 21 she plans to step down from the PUC in December
- Commissioner Jim Glotfelty announced December 4 he plans to step down effective December 31
- On November 18, Governor Abbott and the Public Utility Commission (PUC) released the Texas Advanced Nuclear Reactor Working Group’s final report
- During their November meeting, Commissioners also gave final approval for staff’s report “Investigation of Emergency Preparedness and Response by Utilities in Houston and Surrounding Communities”
 - Includes recommendations during emergencies that could become the basis for legislation, rulemakings, or weatherization preparation



Lori Cobos
PUC Commissioner



Jimmy Glotfelty
PUC Commissioner

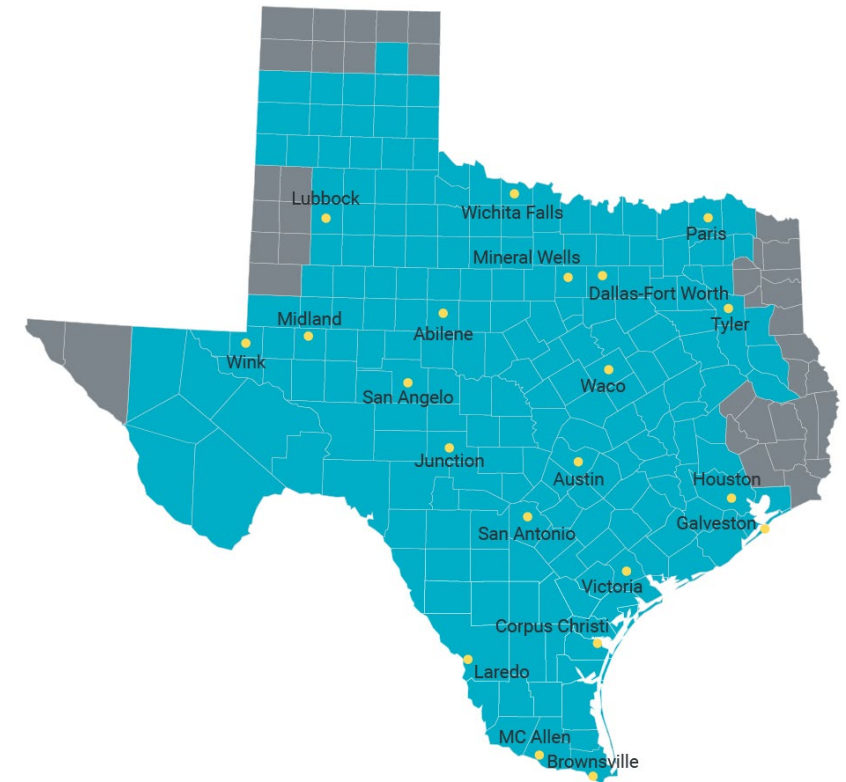
PUC Executive Director Visits PEC

- On Tuesday, PEC was proud to host key PUC staff, including Executive Director Connie Corona!
- Staff enjoyed a hands-on TransBanker demonstration and bucket truck rides, plus they toured our HQ campus and met Wattson Raccoon



Regulatory Update: ERCOT

- ERCOT recently released its Monthly Assessment of Resource Adequacy (MORA) with an outlook for January 2025
 - If Texas were to experience conditions like Winter Storm Elliott (2022) with an estimated 87GW demand, there's ~50% probability of EEA conditions and potential for EEA3 mandated load shed
 - ~80% probability is estimated if a Winter Storm Uri-like storm occurred requiring 96GW
 - **ERCOT noted that MORA represents a worst-case scenario**



Toy Drive Helps Brighten Holidays

Together, PEC employees donated more than **800 toys, plus bikes and scooters** to make the holidays merry and bright for local families across the Hill Country



Check Giving Back Off Your List!

The change you give can help make someone's spirits bright this holiday season!

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





December Special Report

Jonathan Greene | Chief Operations Officer — Transmission
Christian Powell | Chief Compliance Officer

System Performance for Calendar Year 2024

- PEC experienced a total of 13 transmission related operations, resulting in 4.13 Line Fault Index (LFI)
- No member impacts due to Transmission related outages
- PEC had zero mis-operations

Seward Junction Capacitor Bank Additions

- Energized in October 2024
- Adds voltage support to critical area of the transmission system

Highway 32 Capacitor Bank Additions

- Energized in December 2024
- Adds voltage support to critical area of the transmission system
- Successful completion of Highway 32 capacitor bank was crucial for several key outages necessary for ongoing transmission line work

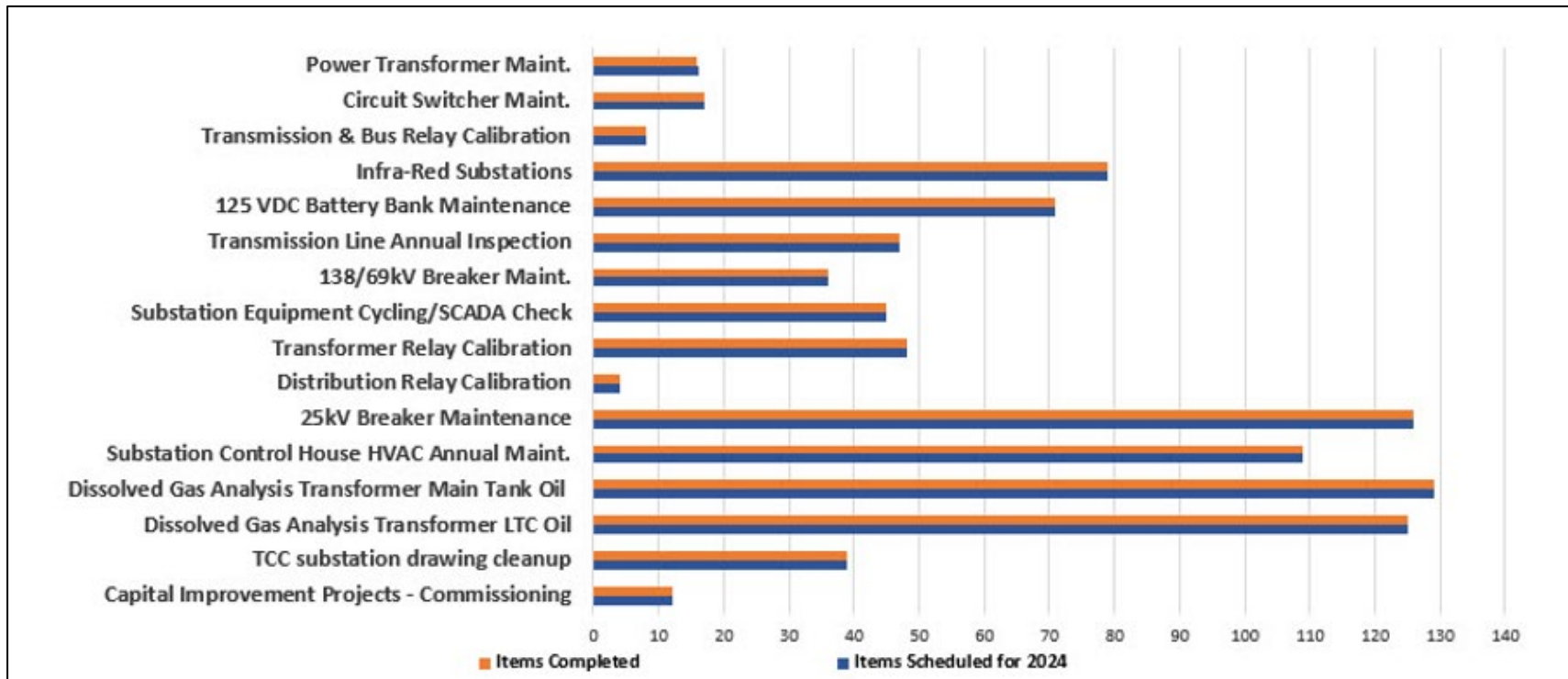


Seward Junction Substation

System Maintenance

Transmission System Maintenance for Calendar Year 2024

- All equipment preventive maintenance is complete
- All substation inspections are complete
- All unplanned repairs are complete



Winter Weather Preparedness

ERCOT Winter Weather Training Exercise

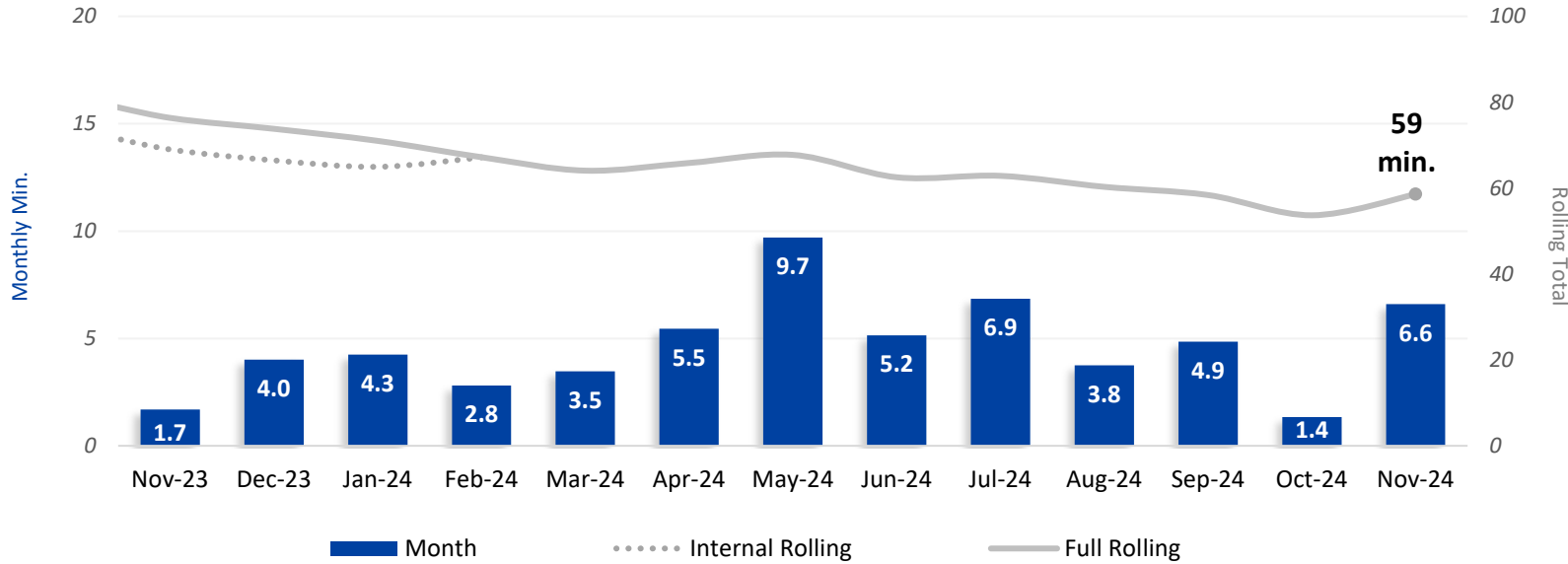
- On December 5, PEC's Transmission Control Center Operations participated in ERCOT's winter weather preparedness training exercise
- This training exercise was in addition to ERCOT winter weather inspections conducted by ERCOT with PEC Substation and Transmission Maintenance



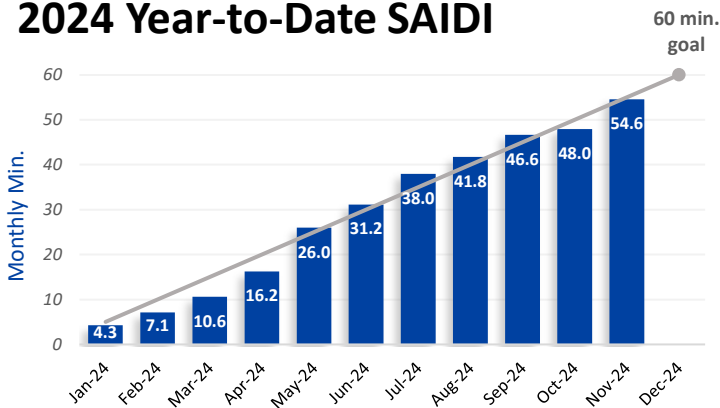
Operations Report

Nathan Fulmer | Chief Operations Officer -
Distribution

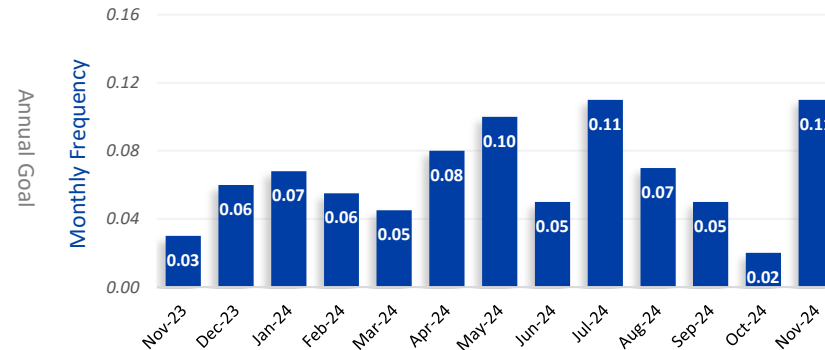
SAIDI System Average Interruption Duration Index



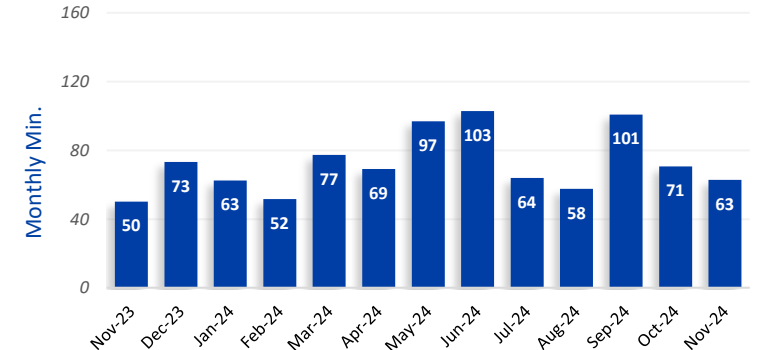
2024 Year-to-Date SAIDI



SAIFI System Average Interruption Frequency Index



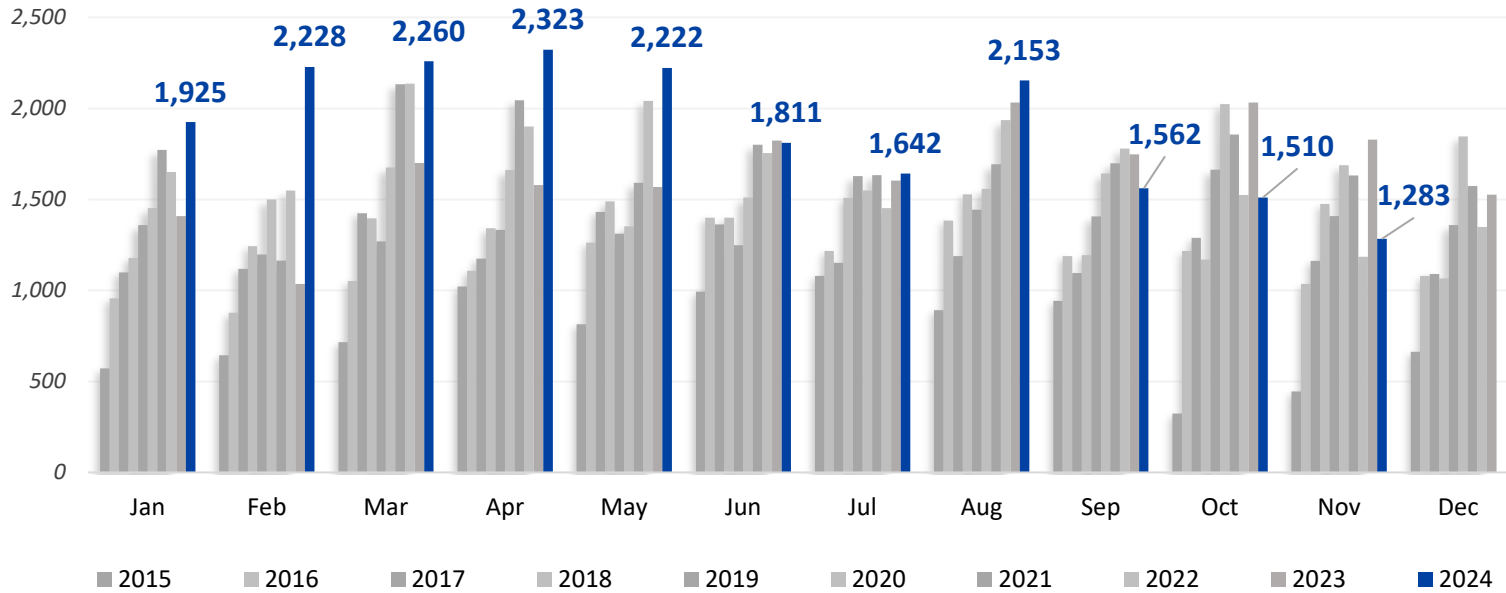
CAIDI Customer Average Interruption Duration Index



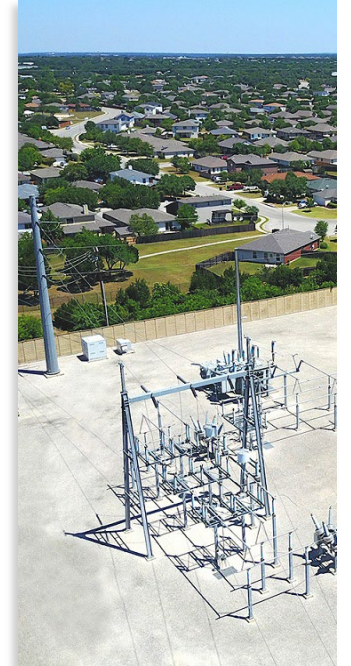
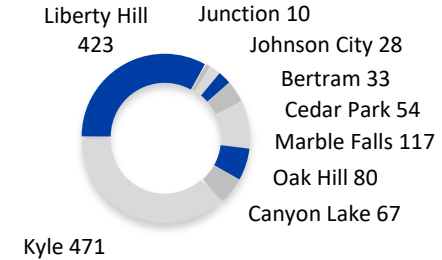
System Growth

Line Extensions Completed

2020: 19,458 2021: 20,592 2022: 20,262 2023: 19,886 2024 YTD: 20,919



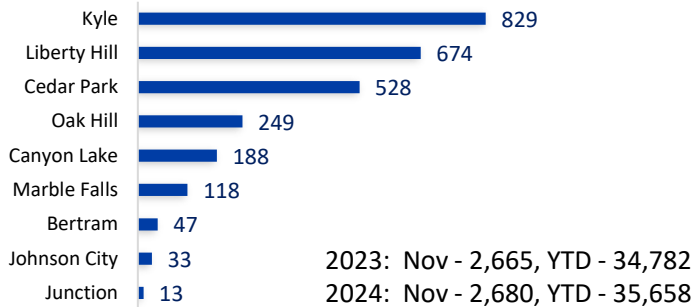
Line Extensions Per District (1,283)



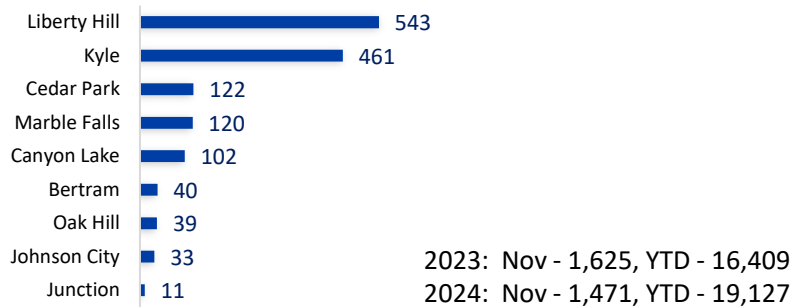
Miles of Distribution Line:

Overhead: 17,786 (70%)
 Underground: 7,733 (30%)
 Total: 25,519

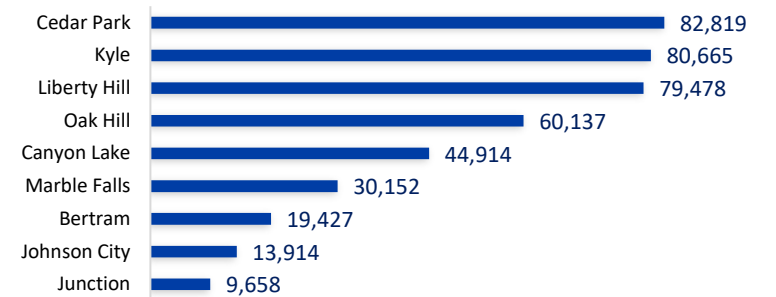
Member Applications (2,680)



Meter Growth (1,423)



Meter Totals (421,164)



Safety + Technical Training Update

Department Highlights

- Completed 8 apprentice assessments
- Conducted two pre-employment assessments
- Continued Year 2 Class courses
- Apprenticeship Oversight Committee meeting
- 2nd Annual Apprentice of the Year Ceremony

Safety Spotlight



Wesley Gilbert
SCADA Operator 3
Johnson City

Wesley was assisting a crew with planned switching. During the switching process, he noticed an anomaly and contacted the crew to notify them, halting the switching. Upon further investigation, they discovered an un-mapped device one enclosure up from the crew's location. This device was a 600-amp "load break" that was in the open position. If the switching process had continued, this would have created an unsafe condition and caused an 1,181-member outage. Once field corrections were made, they were able to proceed with the planned switching order.

Apprentice of the Year Award

- **Congratulations to Dakota Marshall with the Kyle District, PEC's 2024 Apprentice of the Year!**
- Program recognizes apprentices who demonstrate excellence in leadership, performance, skills, volunteerism, and acts of service
- Congratulations also to nominees:
 - Janson Sanders, Oak Hill
 - Cayde Gamble, Bertram
 - Josh Gee, Marble Falls
 - Collin Wallace, Junction
 - Collin Dickinson, Liberty Hill
 - Justin Carbajal, Cedar Park
 - Dylon Jackson, Substation & Transmission Maintenance
 - Benjamin Kent, Canyon Lake
 - Cameron Wall, Johnson City





November 2024 Financial Report

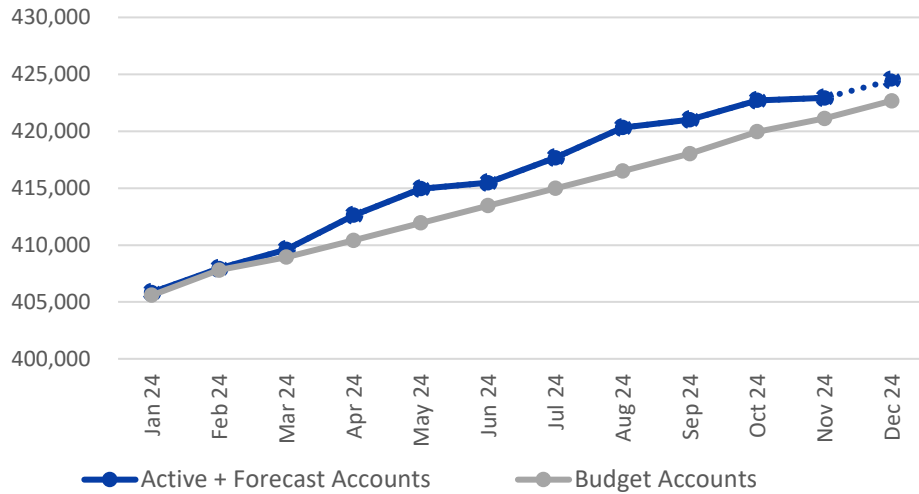
Randy Kruger | Chief Financial Officer

Finance at a Glance – November 2024

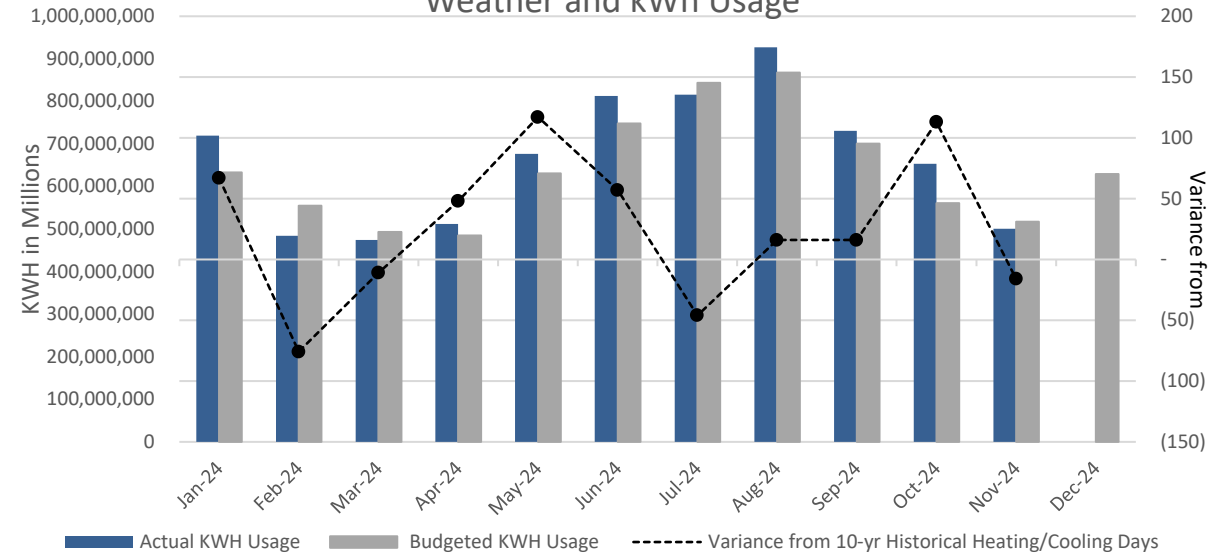
	MTD (\$ in millions)			YTD (\$ in millions)		
	Actual	Budget	Variance	Actual	Budget	Variance
MWH Sold	500,526	517,032	(16,506)	7,306,720	7,034,733	271,987
Gross Margins	\$ 26.7	\$ 27.5	\$ (0.8)	\$ 342.3	\$ 339.3	\$ 3.0
Net Margins	\$ (0.2)	\$ 3.0	\$ (3.2)	\$ 55.6	\$ 43.8	\$ 11.8
EBIDA	\$ 10.8	\$ 13.2	\$ (2.4)	\$ 183.7	\$ 180.3	\$ 3.4
Revenue O/(U)	\$ 7.5	\$ 1.2	\$ 6.3	\$ 23.4	\$ 14.9	\$ 8.5
EBIDA(X)	\$ 18.3	\$ 14.4	\$ 3.9	\$ 207.2	\$ 195.3	\$ 11.9

	Liquidity Coverage
Cash & Marketable Securities	\$ 10,600,060
Short Term Facilities	505,000,000
Less: Short Term Borrowings	109,935,565
Available Liquidity	\$ 405,664,495
Liquidity Coverage (Days)	193

Active Account Growth

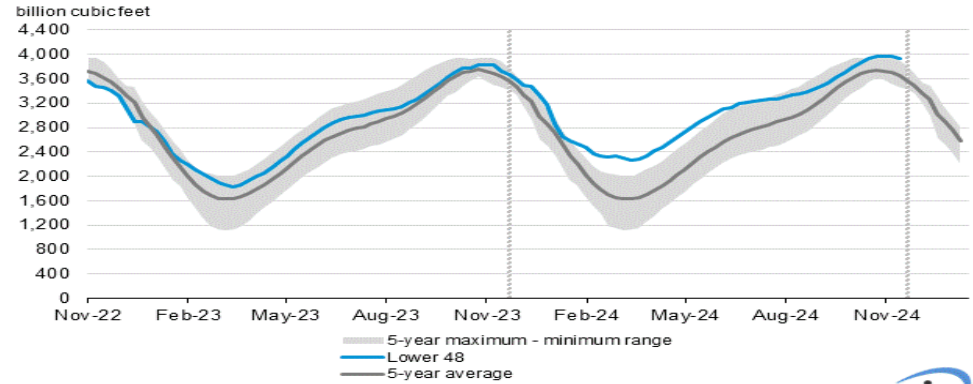


Weather and kWh Usage



Power Market Fundamentals

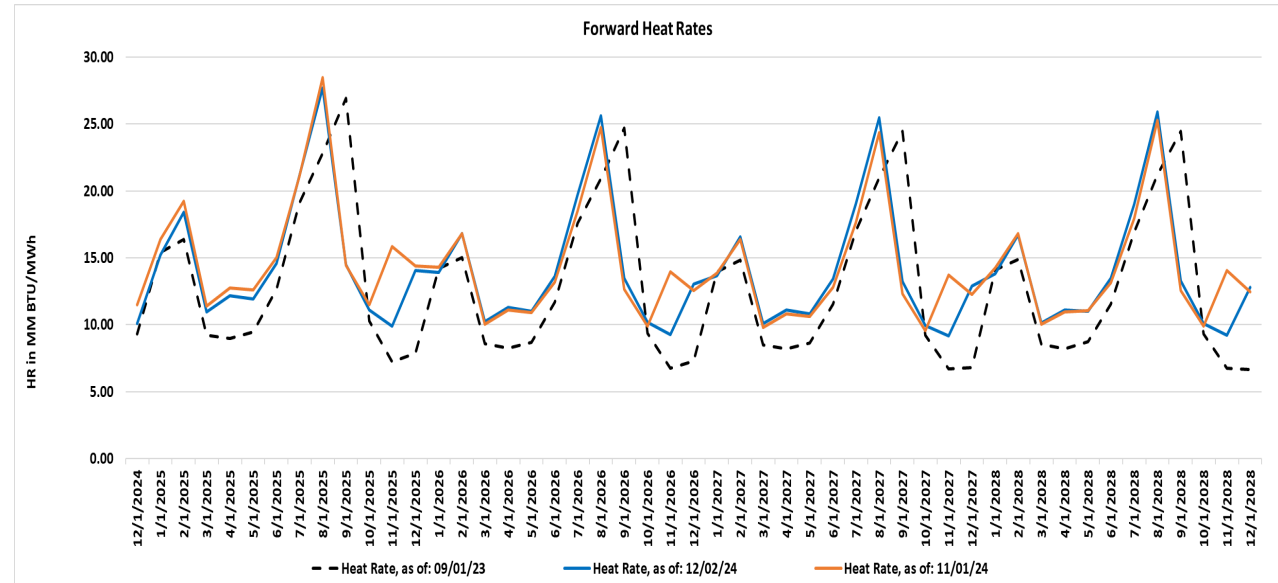
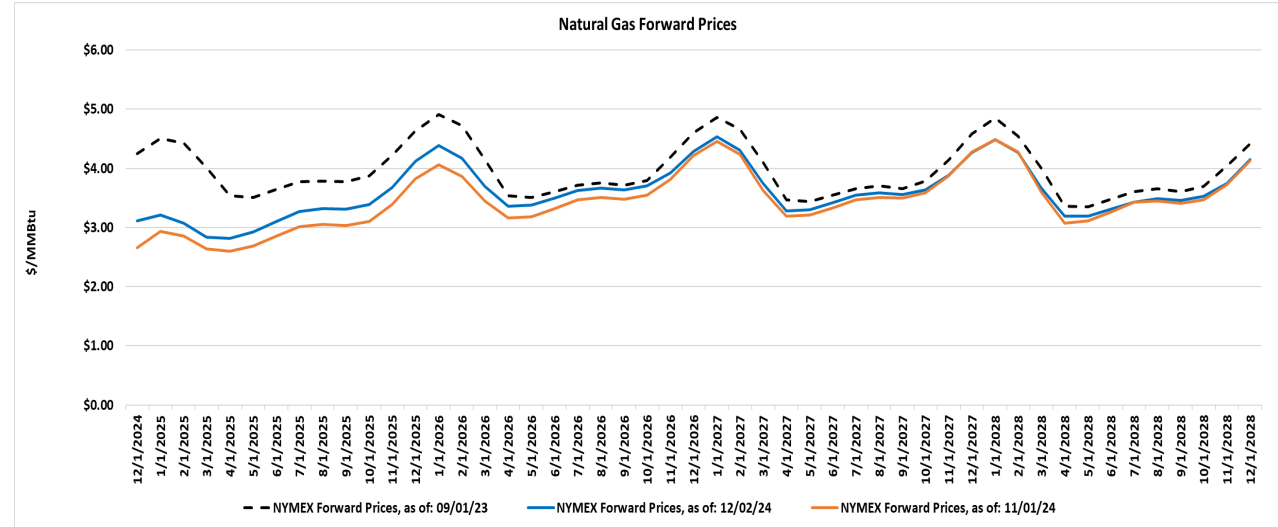
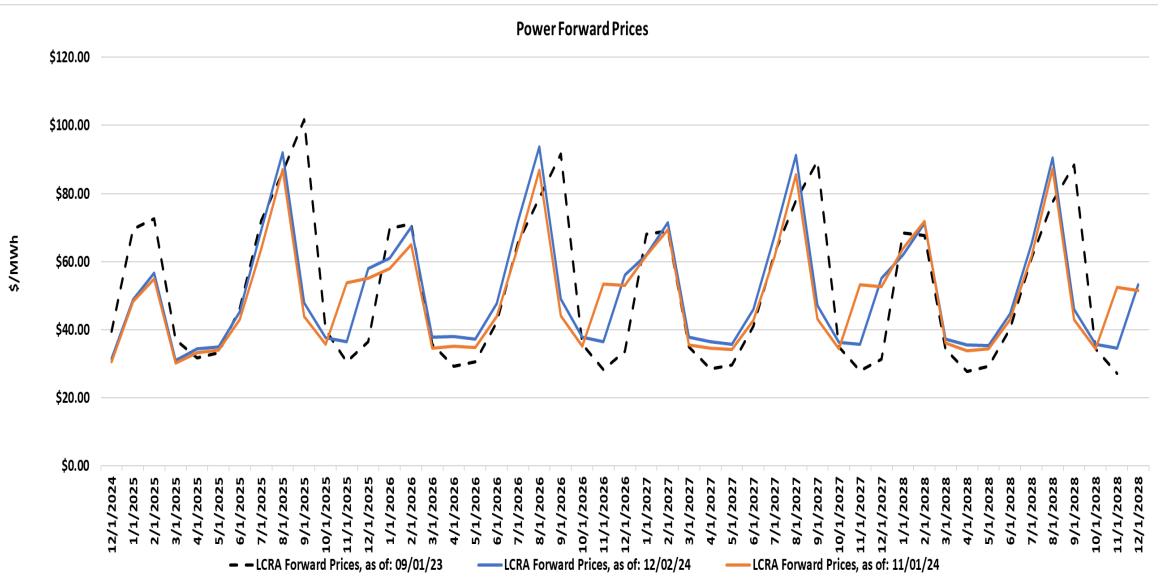
Working gas in underground storage compared with the 5-year maximum and minimum



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



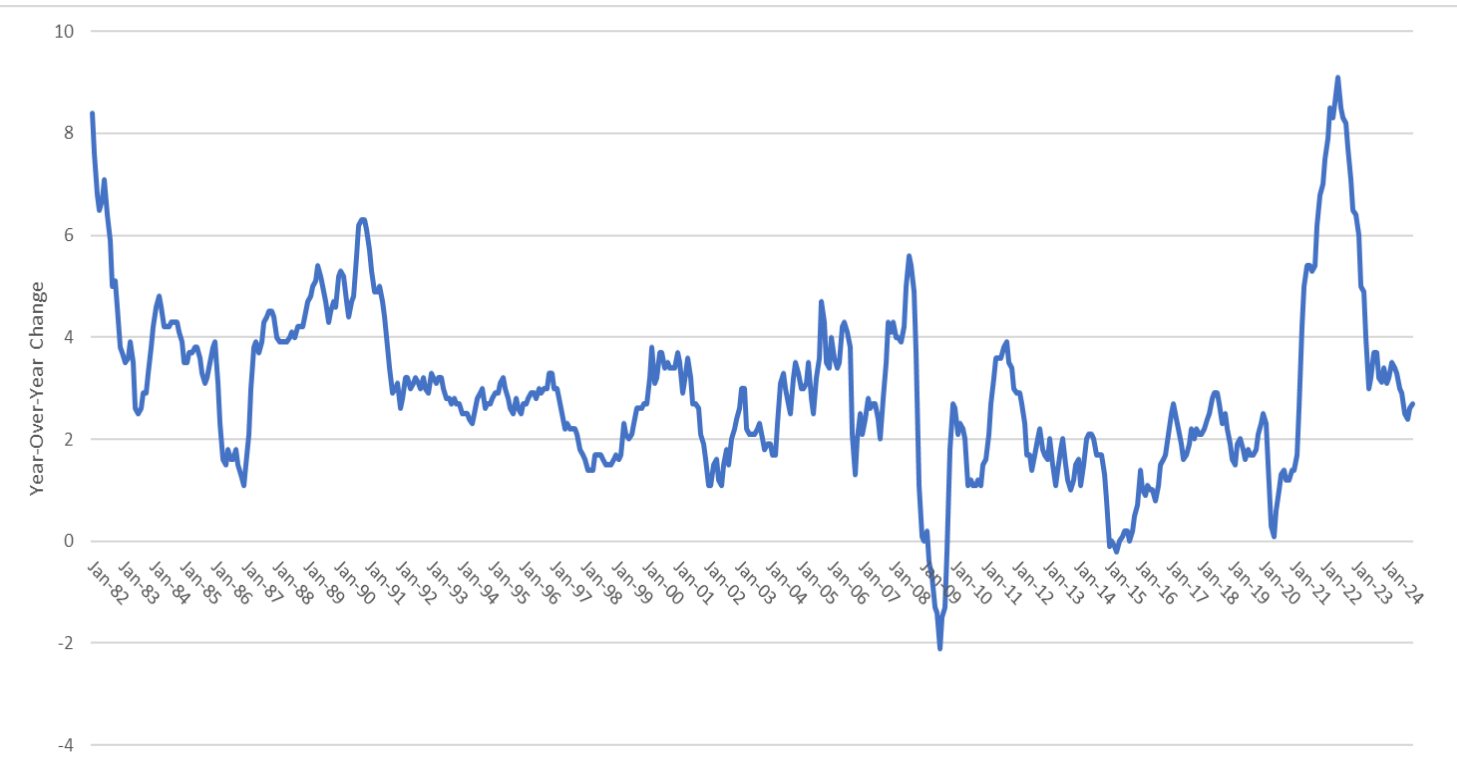
As of November 29, 2024



Inflation

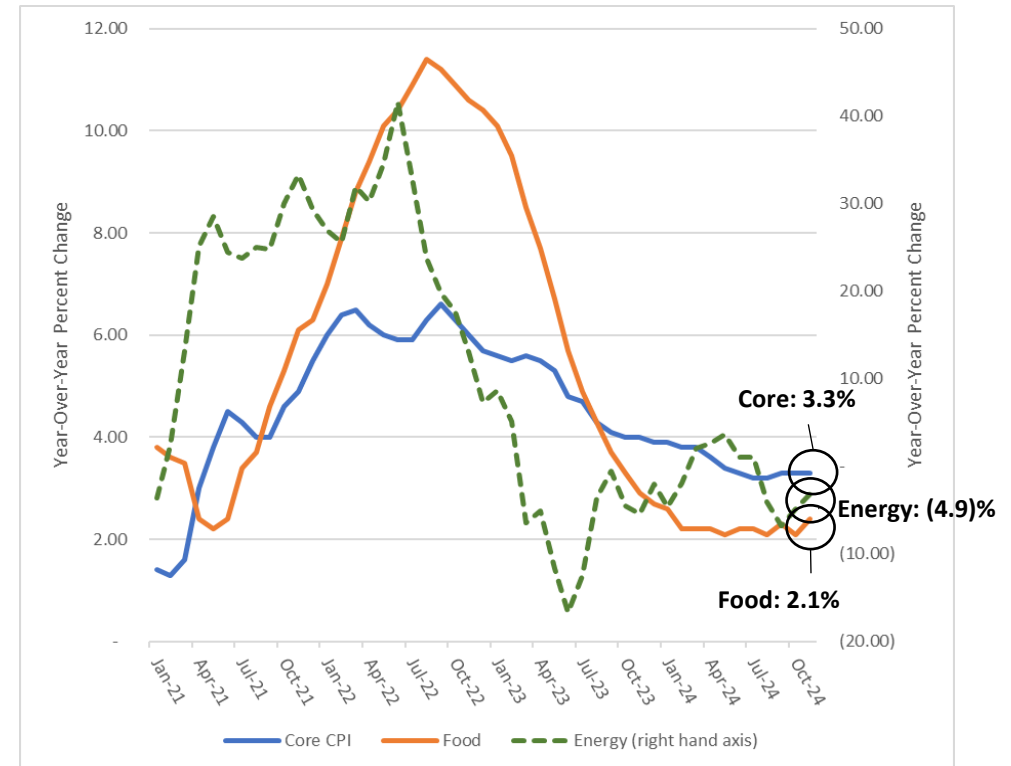
Overall CPI increased to 2.7% YoY from 2.6% YoY in October; Core CPI remained unchanged from three consecutive months holding at 3.3% YoY. Energy prices are down 3.2% YoY driven by fuel oil (-19.5%), gasoline (-8.1%); partially offset by sustained increases to electricity prices (+3.1%) and utility gas service (+1.8%)

CPI Jan 1982 to November 2024



Source: U.S. Bureau of Labor Statistics

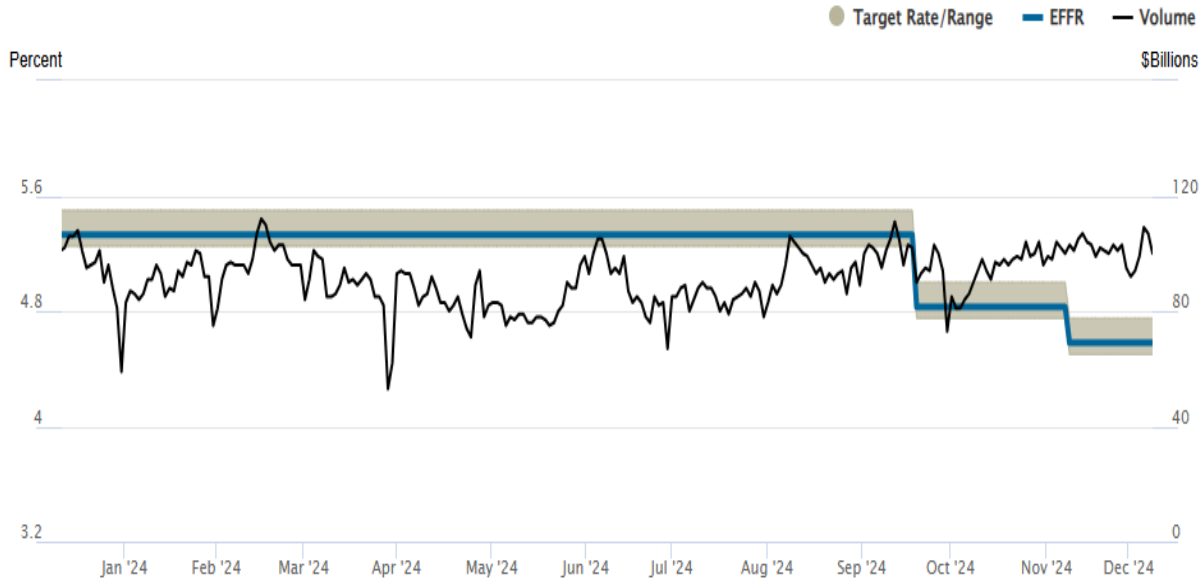
**Core CPI, Food and Energy
Jan 2021 to November 2024**



Source: U.S. Bureau of Labor Statistics

Interest Rates

Federal Funds Rate



Source: Federal Reserve Bank of New York 12/10/2024

10-Year Note



Source: *The Wall Street Journal* 12/10/2024



Community and Member Engagement

JP Urban | Chief Administrative Officer

PEC Hosts Inaugural Power Alliance Meeting

- On November 14, PEC hosted a symposium for the newly formed Power Alliance Partners in Energy working group
- Alliance brings together utility professionals from PEC, Oncor, CenterPoint Energy, Austin Energy, CPS Energy, and Tri-County Electric Cooperative
- Discussion ranged from best practices and challenges within the ERCOT market to managing consumer growth across Texas' fastest growing regions



PEC Selects 2025 Youth Tour Delegation

Congratulations to PEC's 10 delegates for annual Youth Tour!

- Addison Allen, LBJ HS in Johnson City
- Avery Auditore, Jack C. Hays HS in Kyle
- Arjun Bhardwaj, Westwood HS in Round Rock/Austin
- Gabriela Correa, Lehman HS in Kyle
- Yash Lalwani, Leander HS in Leander
- Nikhitha Nimma, Vista Ridge HS in Cedar Park
- Neha Reddy, Westwood HS in Round Rock/Austin
- Gage Trudeau, Wimberley HS in Wimberley
- Vanessa Valle, Lake Travis HS in Lakeway
- Sophia Vitela, Wimberley HS in Wimberley



New Payment Line Debuted December 11

- New secure payment line has launched for members!
- Change brings more security for our members who pay by card, including enhanced protection for credit card data processing
- Interactive Voice Response (IVR) payment functionality is also more flexible and allows additional options to help PEC serve our members
- Another benefit: Reduces risk for PEC

Save our number today!
(855) 938-3589





Appreciation and Look Ahead

Employee Shoutouts



Javier Soto
Journeyworker
Johnson City



James McCune
Lineworker
Apprentice 4
Johnson City



Diana Gonzales
External Relations
Representative
Headquarters



Dawn Rothermel
Regional Service
Order Coordinator
Liberty Hill



Dawn Norton
Regional Service
Order Coordinator
Cedar Park

**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, on the SmartHub app, or call 855-938-3589



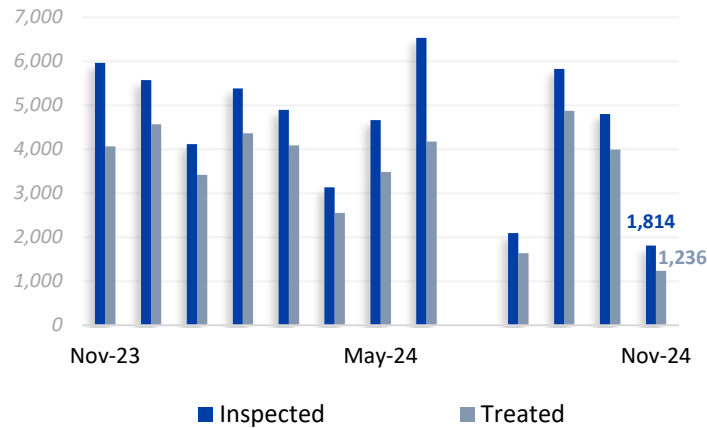
Appendix Pages

Distribution Maintenance

Pole Testing & Treatment (PTT)

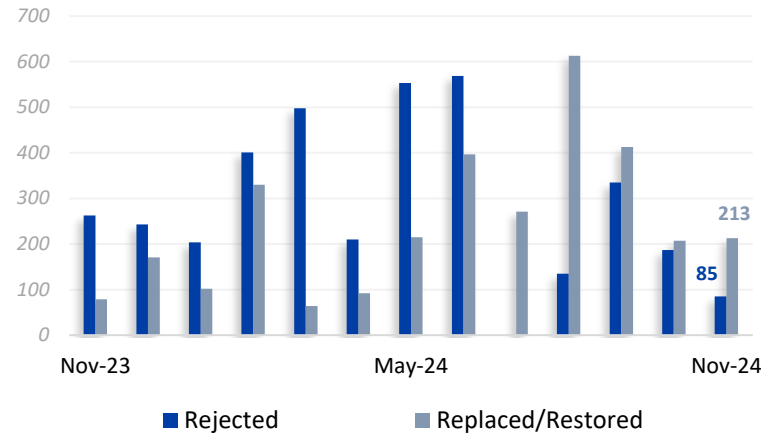
Poles Inspected & Treated

2023 YTD: Inspections - 46,351 Treated - 35,629
 2024 YTD: Inspections - 43,271 Treated - 33,916



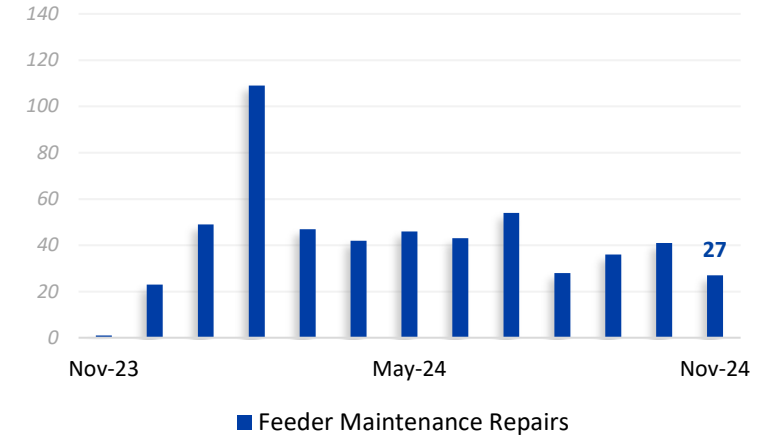
Poles Rejected & Replaced/Restored

2023 YTD: Rejected - 934 Restored - 899
 2024 YTD: Rejected - 3,177 Restored - 2,917



UAV Inspection Maintenance Items

2023 YTD: Repairs Completed - 224
 2024 YTD: Repairs Completed - 522



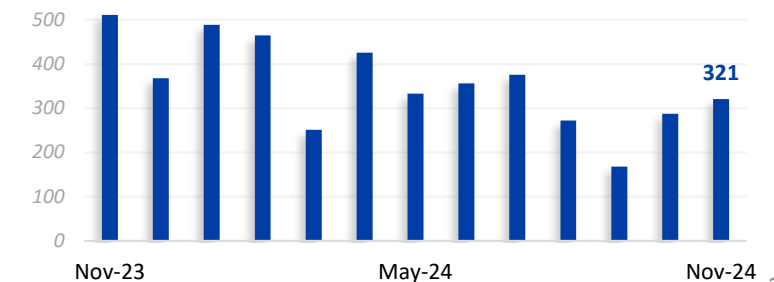
Vegetation Management

LiDAR Assessment Audits Completed:

Type	Nov '24	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov '25
C&D WUI Ph 3	49	131	269	217	218	147	101	114	48	60	159	103	182
C&D WUI Ph 1	696	681	1,031	1,363	1,288	754	743	548	170	307	585	546	384
C&D Other Ph 3	140	91	125	286	321	207	121	135	91	152	168	140	217
C&D Other Ph 1	552	522	520	1,164	1,204	1,037	744	712	304	456	820	940	1,445
All C&D	1,437	1,425	1,945	3,030	3,034	2,148	1,711	1,510	613	976	1,732	1,730	2,228

Underground Equipment

2022 YTD: Pad Restorations - 3,172
 2023 YTD: Pad Restorations - 3,744

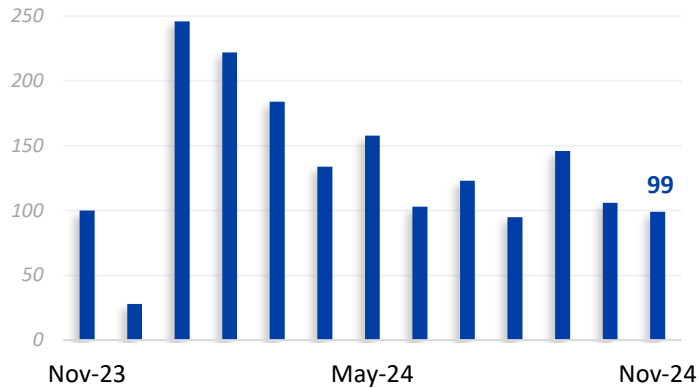


Distribution Maintenance

Technical Services

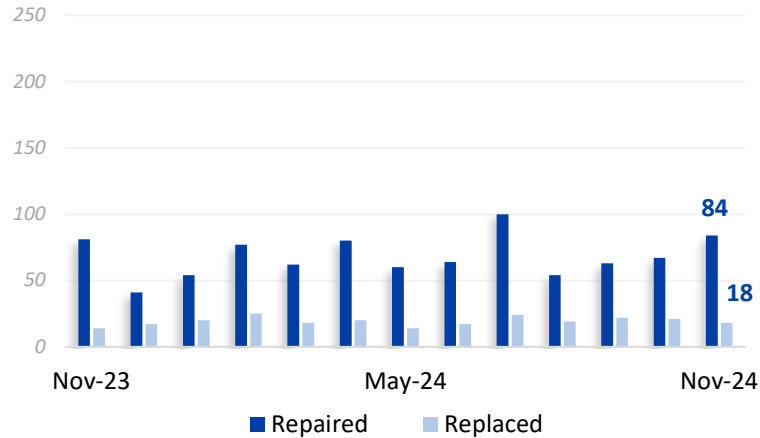
Equipment Inspections

2023 YTD: 1,150
2024 YTD: 1,611



Equipment Repaired & Replaced

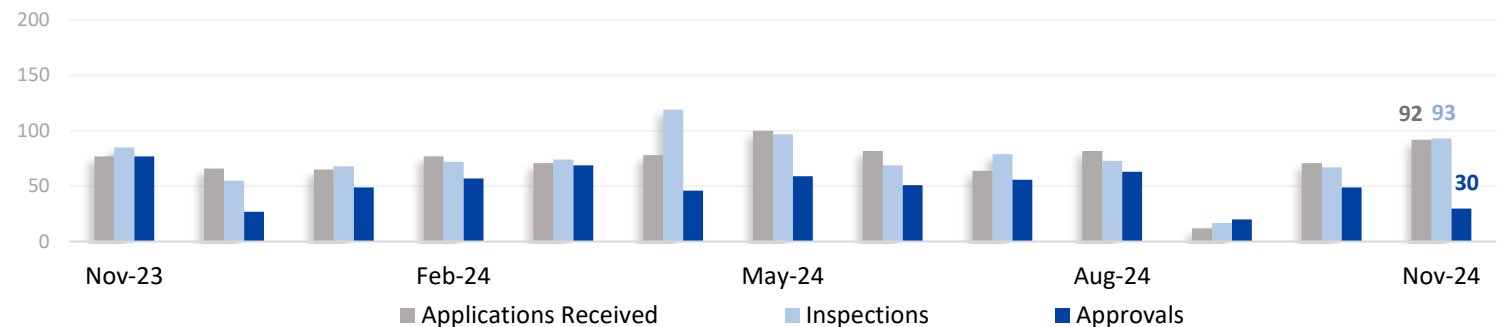
2023 YTD: Repaired - 752 Replaced - 284
2024 YTD: Repaired - 744 Replaced - 218



Pole Contacts

Applications Received & Permits Issued

2023 YTD: Received - 916 Inspected - 911 Approved - 578
2024 YTD: Received - 794 Inspected - 828 Approved - 549



Planning Engineering Projects

Project	Completion	Percent Complete
2024 CIP Project Maps	Feb 2024	100%
PEC System Arc Flash	Feb 2024	100%
Load Projections Study	Mar 2024	100%
Capacitor Settings	Mar 2024	100%
4CP Study	Apr 2024	100%
Summer Contingency	May 2024	100%
UFLS Study	Jul 2024	100%
CIP (1st draft) Study	Jul 2024	100%
2 Year System Protection Coordination Review	Jul 2024	95%
CIP (Final) Study	Aug 2024	100%
Mock UFLS Study	Dec 2024	50%
Winter Contingency	Dec 2024	50%

Large Project Updates

Liberty Hill Fuel Island

Project completed in November.



Johnson City - Haley Road

Laydown yard and truck canopies completed with electrical, security cameras, and signage.

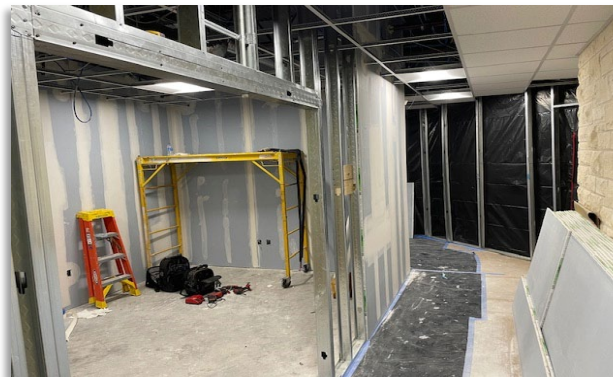


Junction

Contract pending completion with mobilization in December for site work, fencing, new entrance, Fleet building, and warehouse expansion. Forecasted completion in September 2025.

Marble Falls

Perimeter fence and new gate completed. Reviewing RFP responses for fuel island. Forecasted completion in Q2 2025.



Johnson City - HQ

Construction complete with furniture delivery in December, staff will occupy new spaces by end of month.

Facility Management Metrics

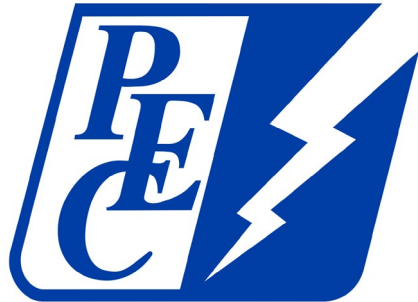
PEC Facilities staff completed 2090 work orders YTD.

	Goal	2024	2023
Avg Response Time	< 1 day	.15 days	.21 days

Completed On-Time	> 90%	70%	84%
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Proactive Work Orders	> 80%	92%	96%
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Satisfaction Rating	> 95%	88.5%	97.3%
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Appendix to November 2024 Financial Presentation to the Board

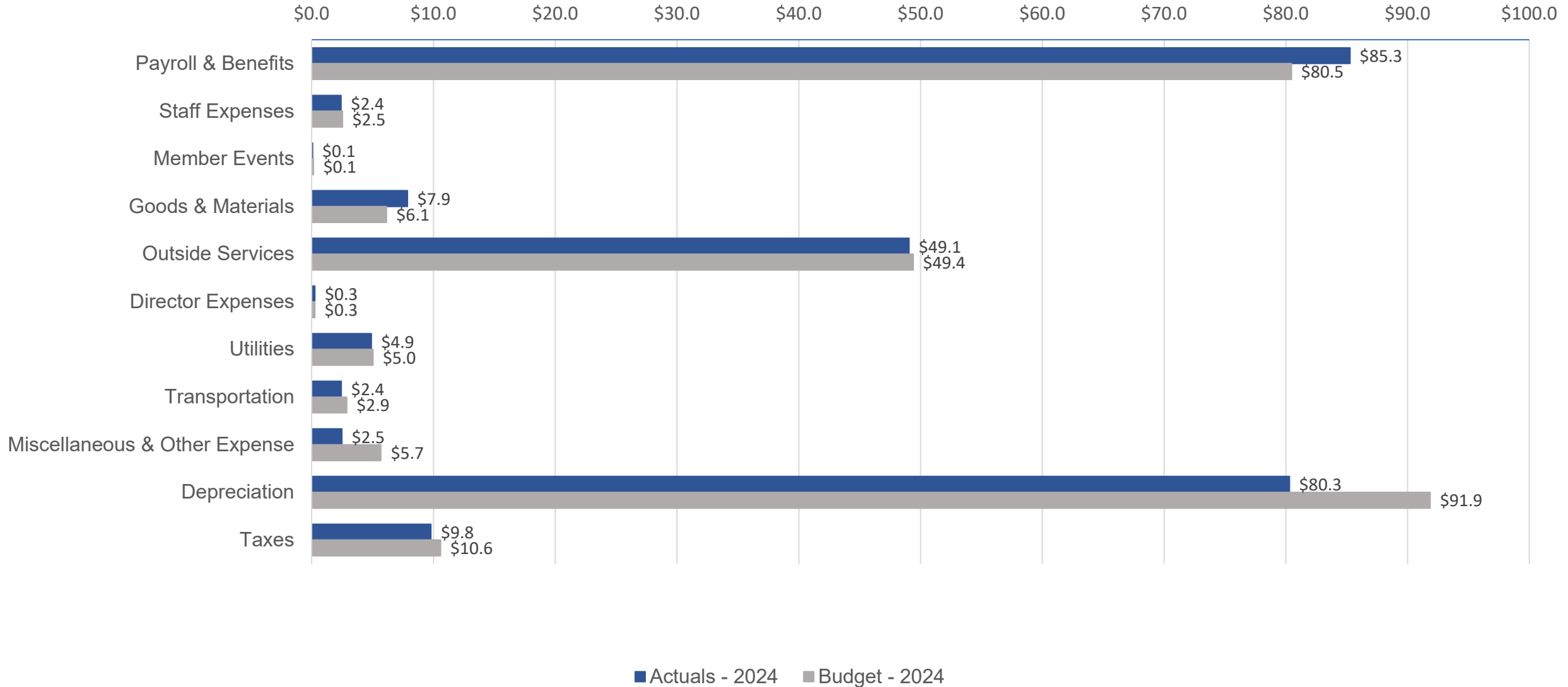
Randy Kruger | Chief Financial Officer

Financial Performance

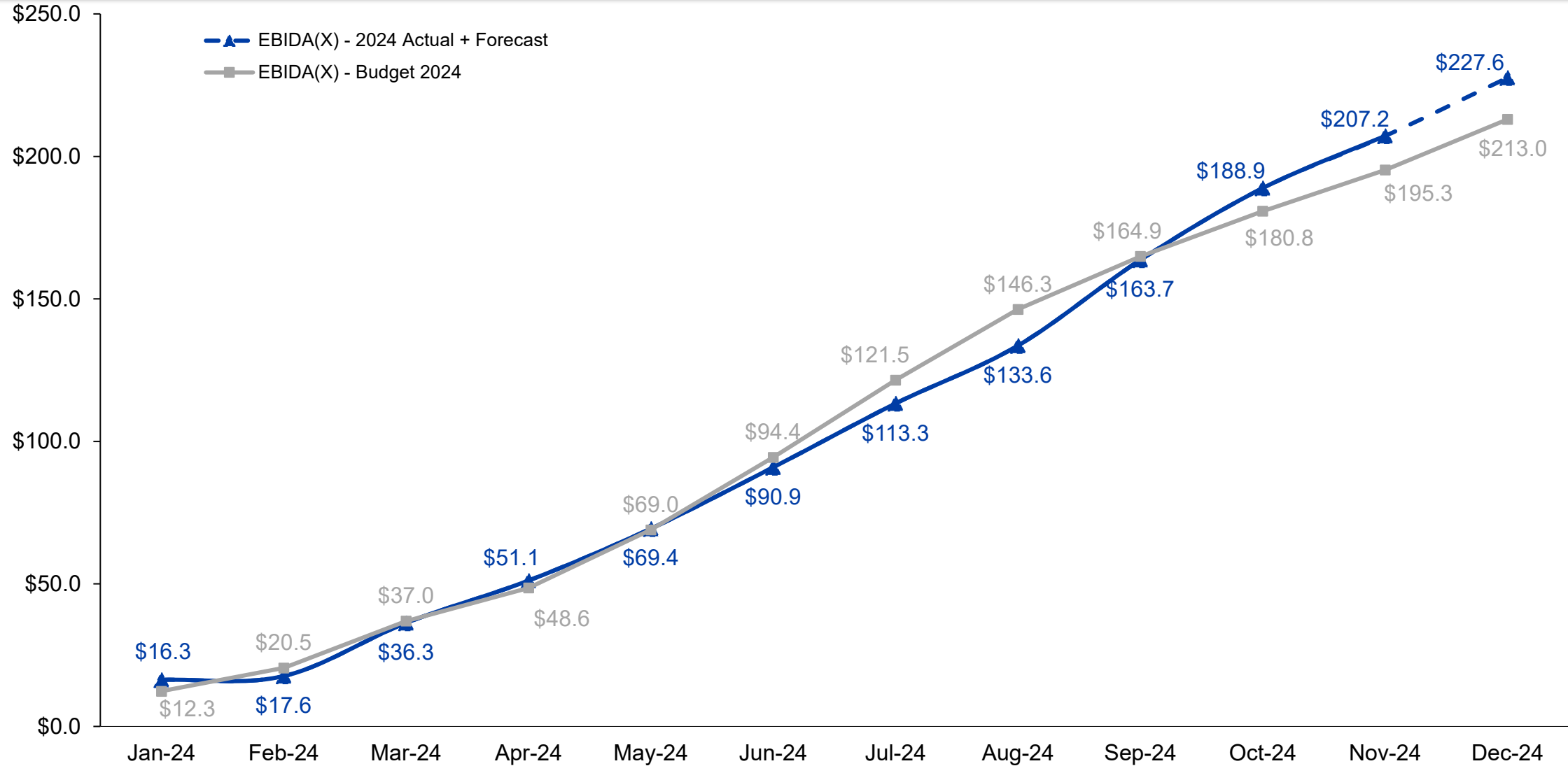
	MTD			YTD			Annual	2023 to 2024 % Change
	Actual	Budget	Prior Year	Actual	Budget	Prior Year	Budget	
Gross Margins	\$ 26,725,617	\$ 27,455,697	\$ 26,538,078	\$ 342,260,513	\$ 339,334,899	\$ 345,570,538	\$ 367,871,381	-0.96%
Operating Expenses Ex. Depreciation	16,134,695	14,257,358	14,519,960	164,566,499	163,134,715	164,936,414	176,911,233	-0.22%
Depreciation	6,492,215	6,134,785	7,293,627	80,299,496	91,859,167	79,961,777	97,994,832	
Interest Expense	4,451,630	4,127,772	3,997,681	47,792,934	44,686,233	40,600,189	48,863,252	
Other Income	(191,361)	(15,000)	(193,844)	(6,036,400)	(4,110,750)	(4,712,610)	(3,996,000)	
Net Margins	\$ (161,562)	\$ 2,950,782	\$ 920,654	\$ 55,637,984	\$ 43,765,534	\$ 64,784,768	\$ 48,098,064	
EBIDA	\$ 10,782,283	\$ 13,213,339	\$ 12,211,962	\$ 183,730,414	\$ 180,310,934	\$ 185,346,734	\$ 194,956,148	-0.87%
Over (Under) Collected Revenues	7,511,105	1,231,308	1,383,673	23,446,495	14,939,959	2,744,209	18,064,732	
EBIDA(X)	\$ 18,293,388	\$ 14,444,647	\$ 13,595,635	\$ 207,176,909	\$ 195,250,893	\$ 188,090,943	\$ 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	500,526,410	517,031,952	478,620,276	7,306,720,004	7,034,733,274	7,074,018,139	7,664,375,440	3.29%
Energy Purchases kWh	532,474,904	549,372,185	512,988,196	7,773,106,387	7,476,067,333	7,565,057,134	8,153,590,900	2.75%
Active Accounts				422,929	421,123	402,675	422,675	5.03%

Cost of Service (in millions)

YTD Actuals vs Budget through November 2024



EBIDA(X) Year to Date (in millions)



CIP Spend

Construction Category & Description		YTD Actuals	YTD Budget	Variance (Over)/Under Budget	Annual Budget
<u>Distribution</u>					
100	New Lines (Line Extensions for new primary, secondary and service lines)	\$ 3,616,716	\$ -	\$ (3,616,716)	\$ -
200	Tie Lines (new construction between existing lines)	6,909,185	7,894,569	985,385	8,631,846
300	Conversions or Line Changes	18,300,591	18,575,021	274,430	20,252,150
600	Miscellaneous Distribution Equipment	67,260,030	50,167,505	(17,092,525)	53,547,799
700	Other Distribution Items	405,114	431,835	26,721	471,515
Distribution Total		\$ 96,491,636	\$ 77,068,930	\$ (19,422,706)	\$ 82,903,310
<u>Substation</u>					
400	New Substations, Switching Stations and Meter Points	\$ 22,787,369	\$ 27,960,160	\$ 5,172,791	\$ 29,615,812
500	Substations, Switching Stations and Meter Point changes	24,523,871	31,311,742	6,787,871	35,631,645
Substation Total		\$ 47,311,240	\$ 59,271,902	\$ 11,960,662	\$ 65,247,457
<u>Transmission</u>					
800	New Transmission Lines	\$ 1,059,742	\$ 563,462	\$ (496,280)	\$ 563,462
1000	Line and Station Changes	32,672,819	29,517,707	(3,155,112)	32,698,127
Transmission Total		\$ 33,732,561	\$ 30,081,169	\$ (3,651,392)	\$ 33,261,589
<u>General Plant</u>					
2000	Facilities	\$ 5,426,517	\$ 19,674,517	\$ 14,248,000	\$ 21,461,276
3000	Information Technology	2,988,388	5,066,472	2,078,084	5,536,944
4000	Tools & Equipment	688,591	718,334	29,743	760,000
5000	Vehicles	7,423,777	7,333,333	(90,444)	8,000,000
Total General Plant		\$ 16,527,274	\$ 32,792,656	\$ 16,265,383	\$ 35,758,220
Accrued WIP		\$ 3,491,300	\$ -	\$ (3,491,300)	\$ -
Total Capital Improvement Plan Spend		\$ 197,554,010	\$ 199,214,658	\$ 1,660,648	\$ 217,170,576



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