



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

Dawn Southwell | Director, Retail Services



CEO Report

Julie C. Parsley | Chief Executive Officer

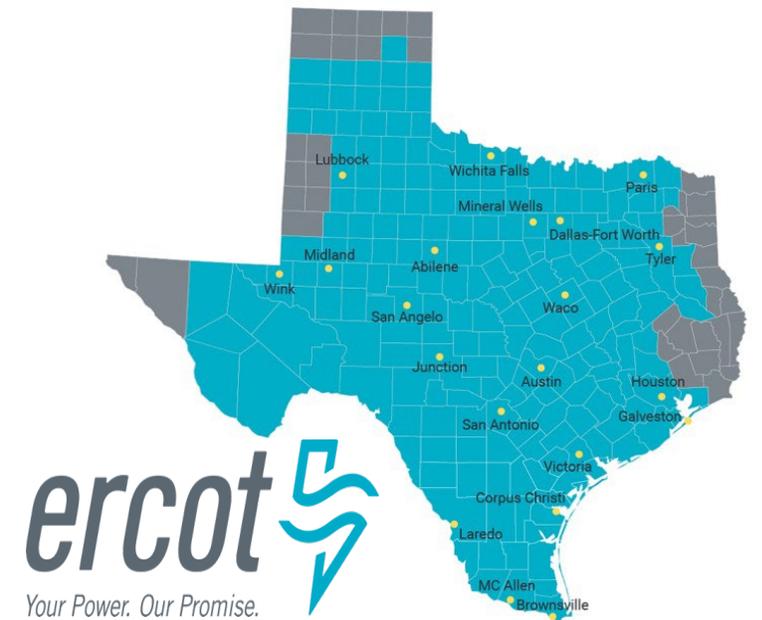
PUC Update

- On March 12, Governor Greg Abbot appointed Patrick Rhode to the Public Utility Commission (PUC) of Texas
- The PUC is led by five full-time commissioners that are appointed by the Governor and confirmed by the Texas Senate to serve staggered, six-year terms
- Pending Texas Senate approval, this appointment fills the vacant, fifth commissioner's seat



ERCOT Update

- PUC Commissioners requested ERCOT develop protocol changes to address a large backlog of Large Load Interconnections (LLI)
- ERCOT proposes a one-time “Batch Zero” process to study all qualifying LLI requests simultaneously
- Allows for a system-wide evaluation and more predictable interconnection path
- Workshops will continue leading up to a proposal to the ERCOT Board on June 1



ERCOT Update

- ERCOT welcomes the City of Caldwell to the ERCOT System
- Caldwell, located in Burleson County about 80 miles northeast of Austin, serves approximately 2,000 premises and 4,000 residents
- Joining the ERCOT system will support reliability and access to competitive wholesale markets for its customers along with transparent and reliable communications that keep Texans informed of the grid operations



Read Across America

To be updated

- As part of PEC's commitment to provide educational resources and opportunities to Central Texas youth, the Cooperative engaged members, employees, and students to read stories to students both online and in the classroom
- PEC launched its Literary Expedition Library in 2024 and has added new content annually to share with members, area schools, libraries, and after-school programs

Pics will be inserted



March Quarterly Report

Jonathan Greene | Chief Operations Officer -
Transmission

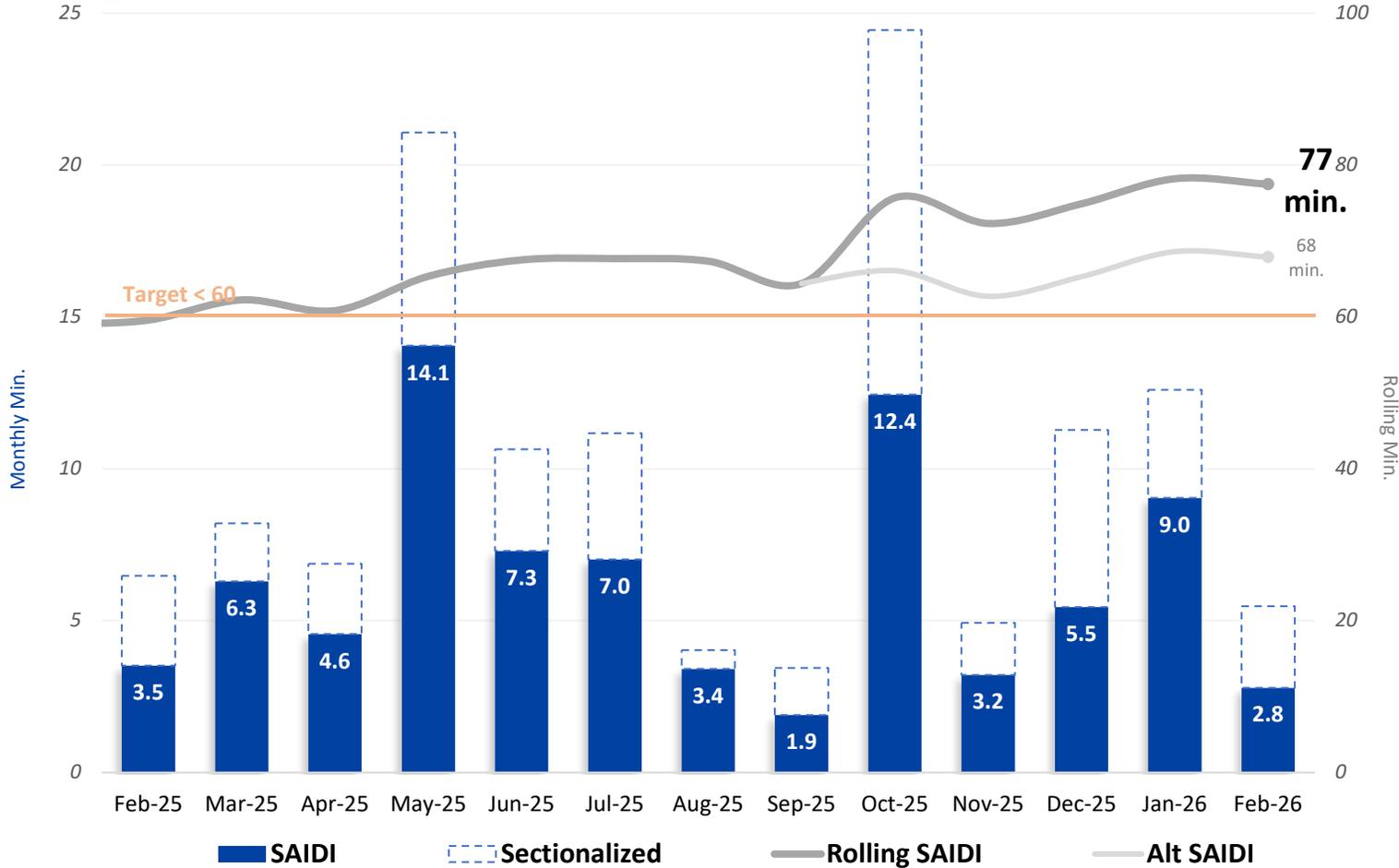


Operations Report

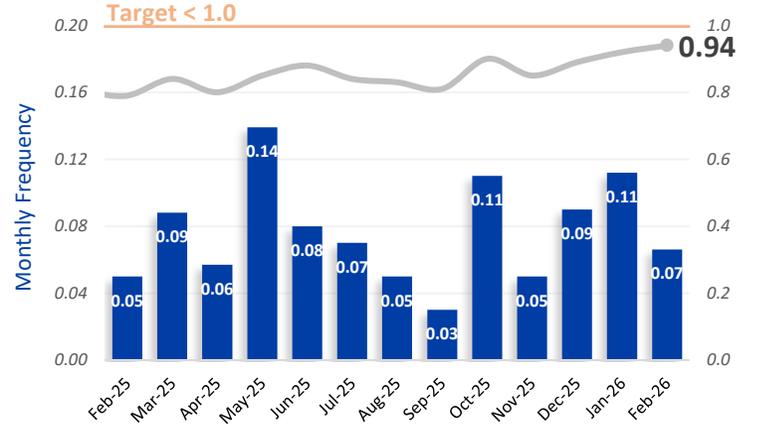
Nathan Fulmer | Chief Operations Officer -
Distribution

SAIDI System Average Interruption Duration Index

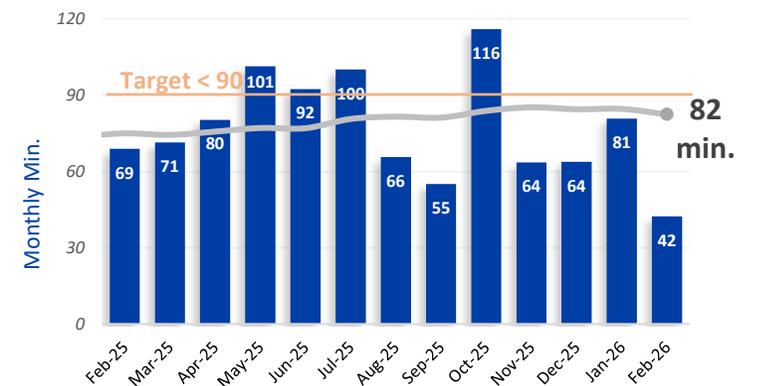
TX Avg SAIDI in 2024 = **153 min.** reported by the Dept. of Energy



SAIFI System Average Interruption Frequency Index



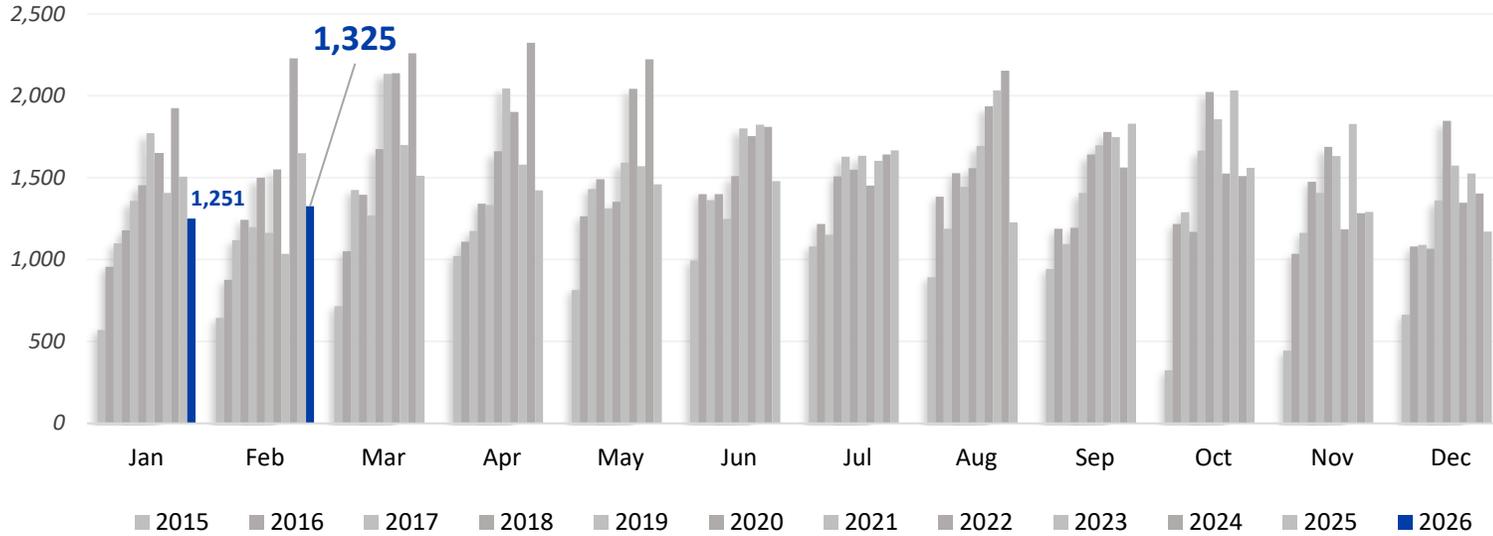
CAIDI Customer Average Interruption Duration Index



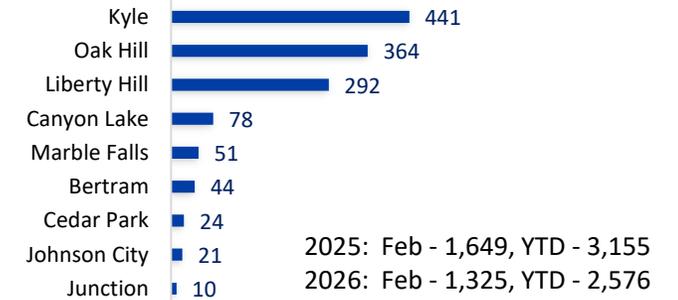
System Growth

Line Extensions Completed

2023: 19,886 2024: 22,323 2025: 17,770 2026: 2,576



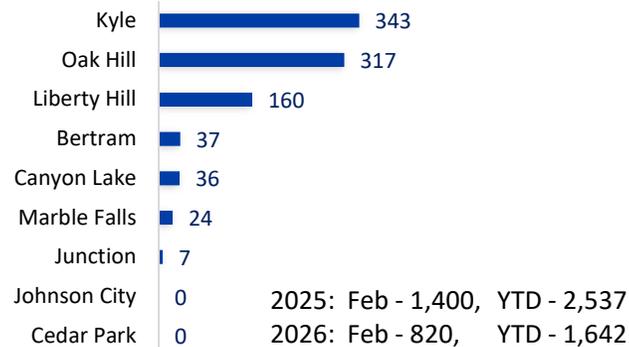
Line Extensions by District



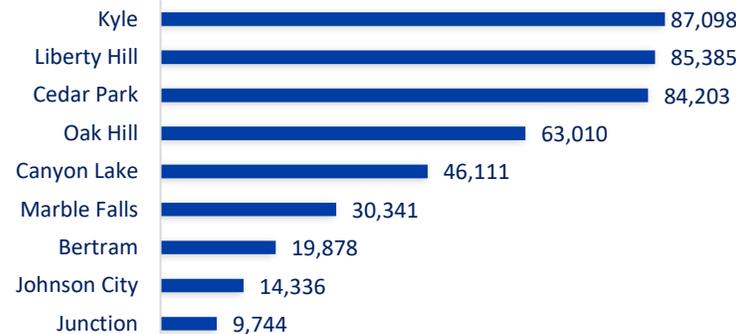
Miles of Distribution Line:

Overhead:	17,872	(68%)
Underground:	8,230	(32%)
Total:	26,102	

Net Meter Growth (820)

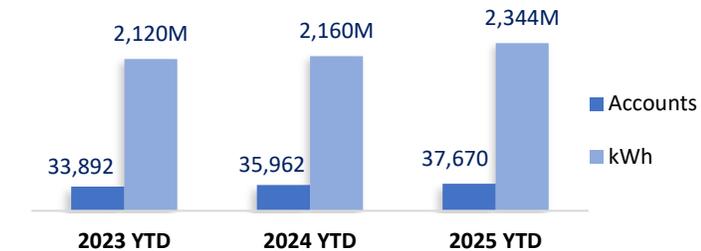


Meter Totals (440,106)



Residential & Commercial

Non-Residential Accounts and Consumption YTD



Residential: 91% of Accounts, 70% of kWh
Non-Residential: 9% of Accounts, 30% of kWh

National Engineers Week (EWeek)

Celebrated Feb 22 - 28

Founded in 1951, this week spotlights the contributions of our engineers, Coop-wide, and honors the dedicated problem-solvers behind our critical infrastructure

PEC Wired Articles:

**Engineering
Fast Facts**



**Celebrating National Engineers
Week with Paul Lochte**



NATIONAL ENGINEERS WEEK

Safety & Technical Training Update

Department Highlights

Program Update

- Engaged in an awareness initiative with the Department of Labor, focusing on enhancing knowledge and compliance across the organization.

Assessments

- Successfully executed the first round of journey worker assessments, providing a comprehensive evaluation of our workforce and identifying areas for further development.

Lineman Apprenticeship Program

- A total of 15 apprentices participated in their respective classes during their two weeks at the Technical Training Center, enriching their skills and knowledge in the field.

Safety Spotlight

Liberty Hill Service Supervisor Chris Ingram and Service Lead Dobie New were asked by the local Liberty Hill Fire Department (LHFD) to host a Q&A session on electrical safety.

This request came after a vehicle accident that presented many electrical hazards to the first responders when extending aid.

PEC commends the LHFD for reaching out for an educational opportunity, and a big thank you to Chris and Dobie for assisting our first responder teams.





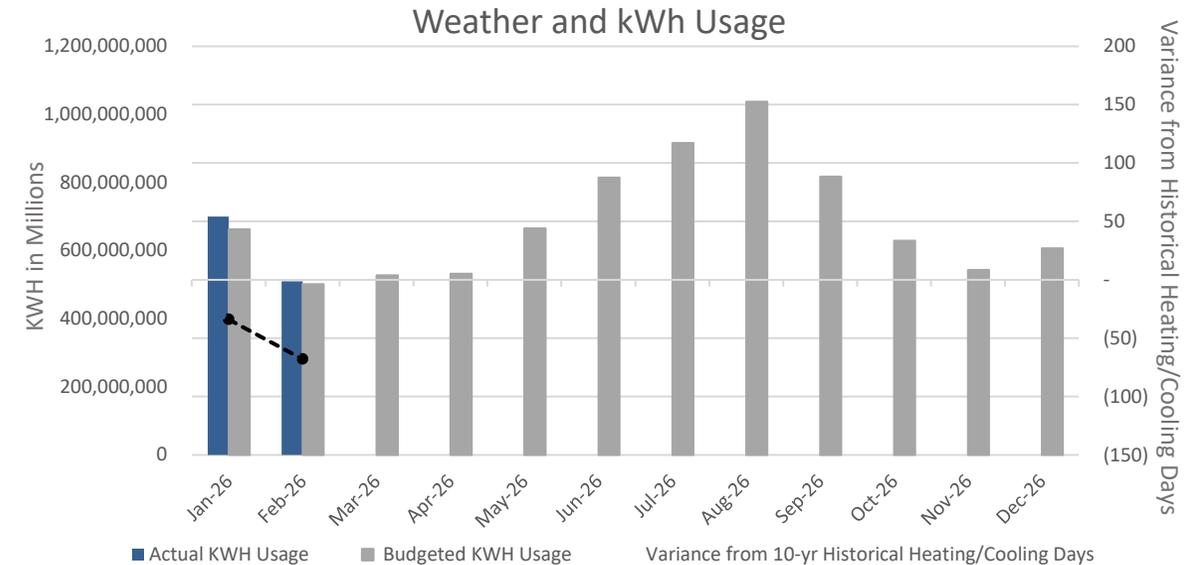
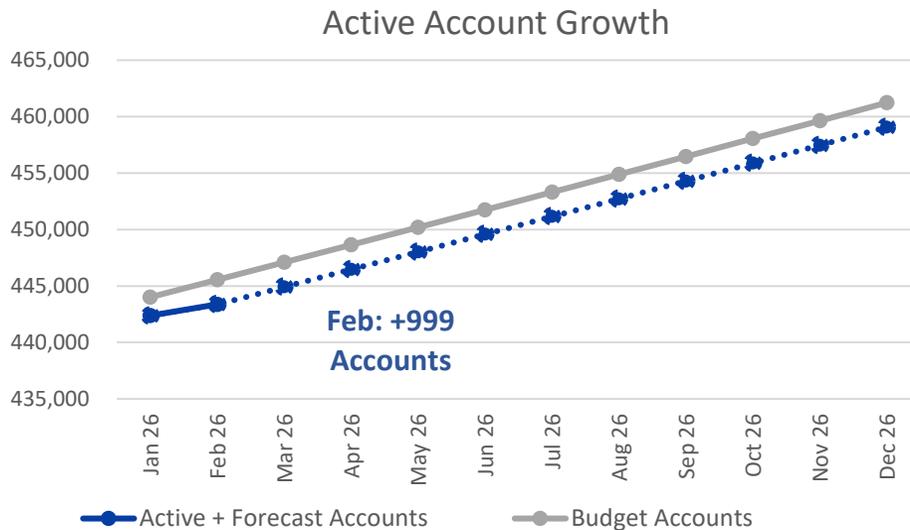
February 2026 Financial Report

Randy Kruger | Chief Financial Officer

Finance at a Glance – February 2026

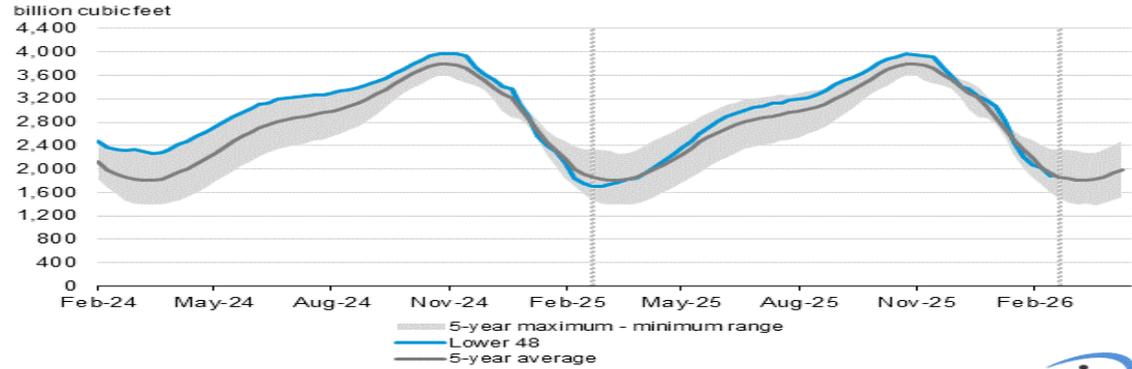
	MTD (\$ in millions)			YTD (\$ in millions)		
	Actual	Budget	Variance	Actual	Budget	Variance
MWH Sold	510,179	501,890	8,289	1,210,074	1,164,273	\$ 45,800
Gross Margins	\$ 32.2	\$ 32.0	\$ 0.2	\$ 67.9	\$ 67.1	\$ 0.8
Net Margins	\$ 6.1	\$ 2.6	\$ 3.5	\$ 15.4	\$ 7.7	\$ 7.7
EBIDA	\$ 17.7	\$ 14.2	\$ 3.5	\$ 38.7	\$ 31.0	\$ 7.7
Revenue O/(U)	\$ (1.4)	\$ (6.3)	\$ 4.9	\$ (10.6)	\$ (9.5)	\$ (1.1)
EBIDA(X)	\$ 16.3	\$ 7.9	\$ 8.4	\$ 28.1	\$ 21.5	\$ 6.6

		Liquidity Coverage
Cash & Marketable Securities	\$	18,975,591
Short Term Facilities		605,000,000
Less: Short Term Borrowings		84,854,931
Available Liquidity	\$	539,120,660
Liquidity Coverage (Days)		244



Power Market Fundamentals

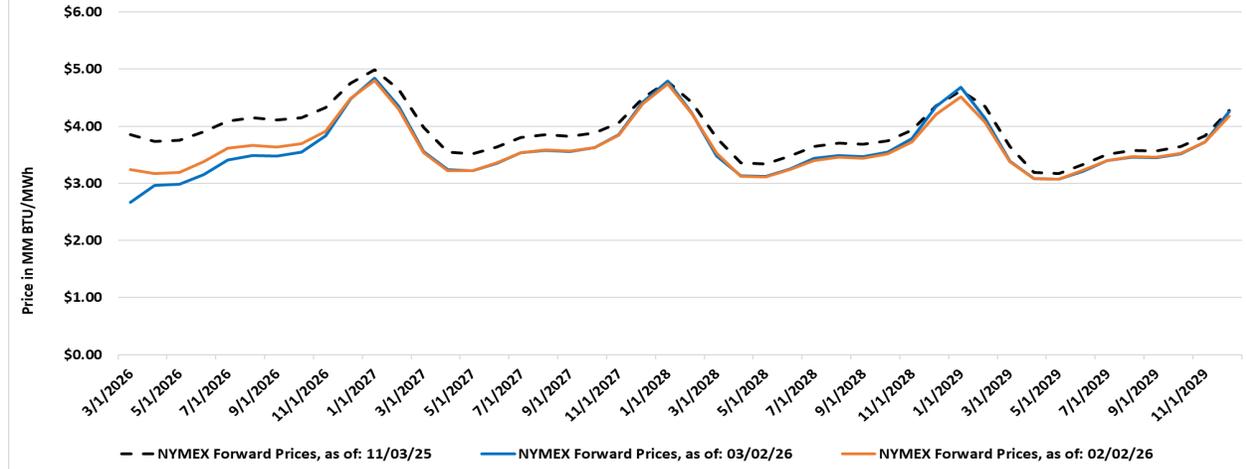
Working gas in underground storage compared with the 5-year maximum and minimum



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 2021 through 2025. The dashed vertical lines indicate current and year-ago weekly periods.

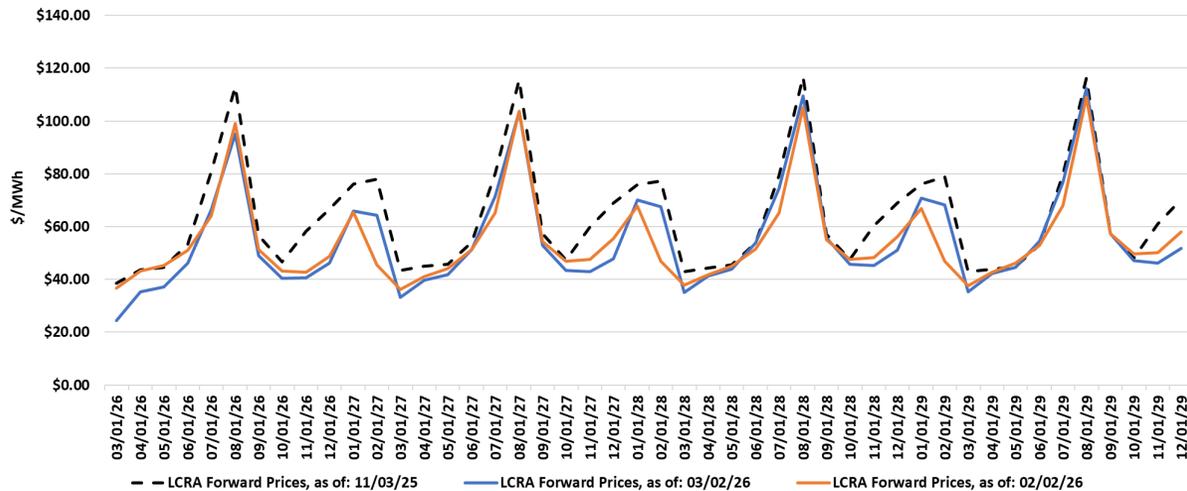


Forward Gas Prices

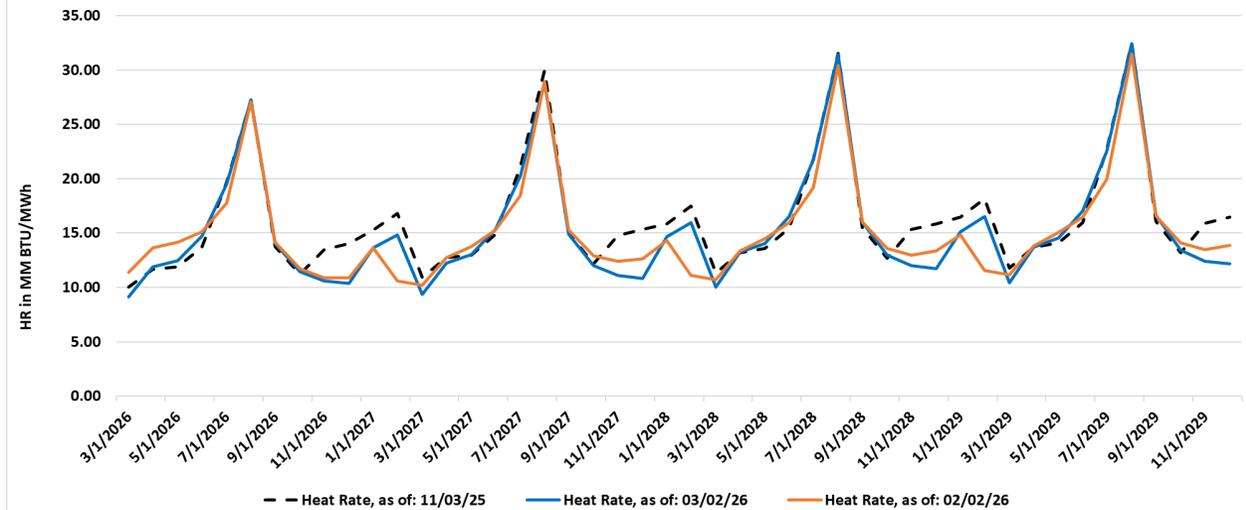


As of Mar 5, 2026

Power Forward Prices, ATC



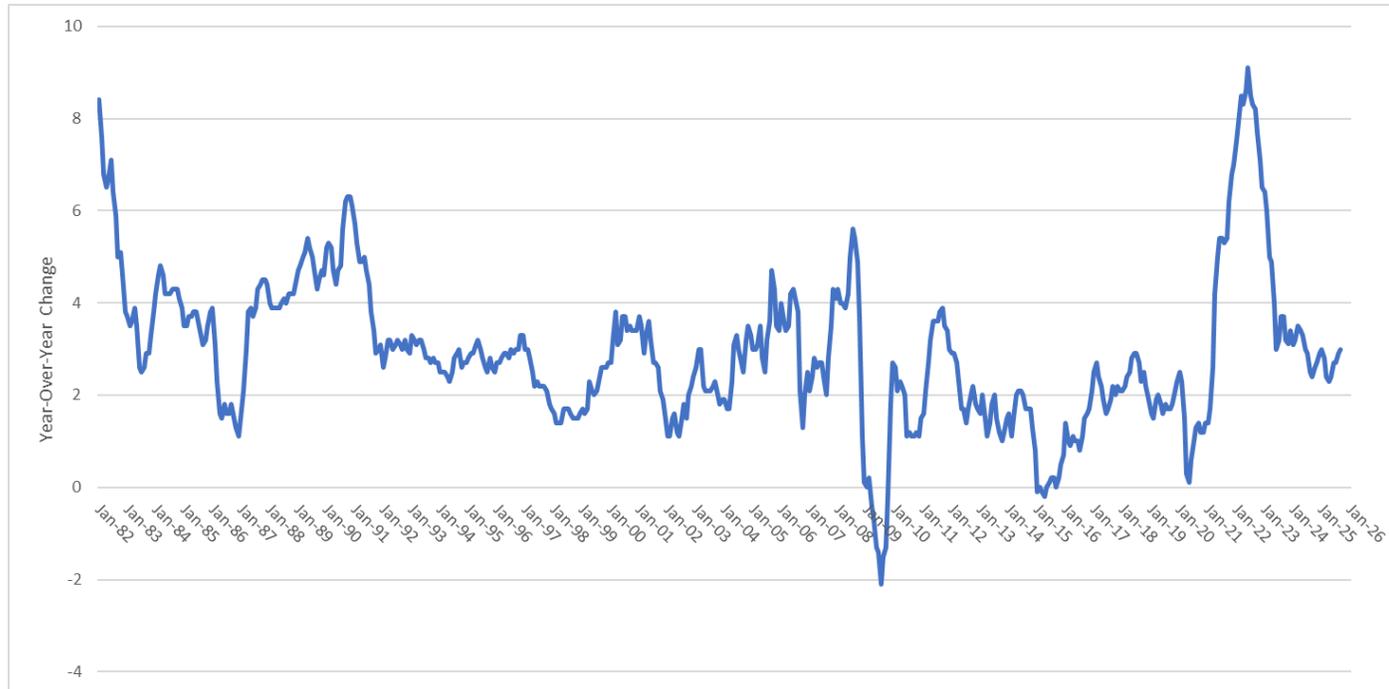
Forward Heat Rates



Inflation

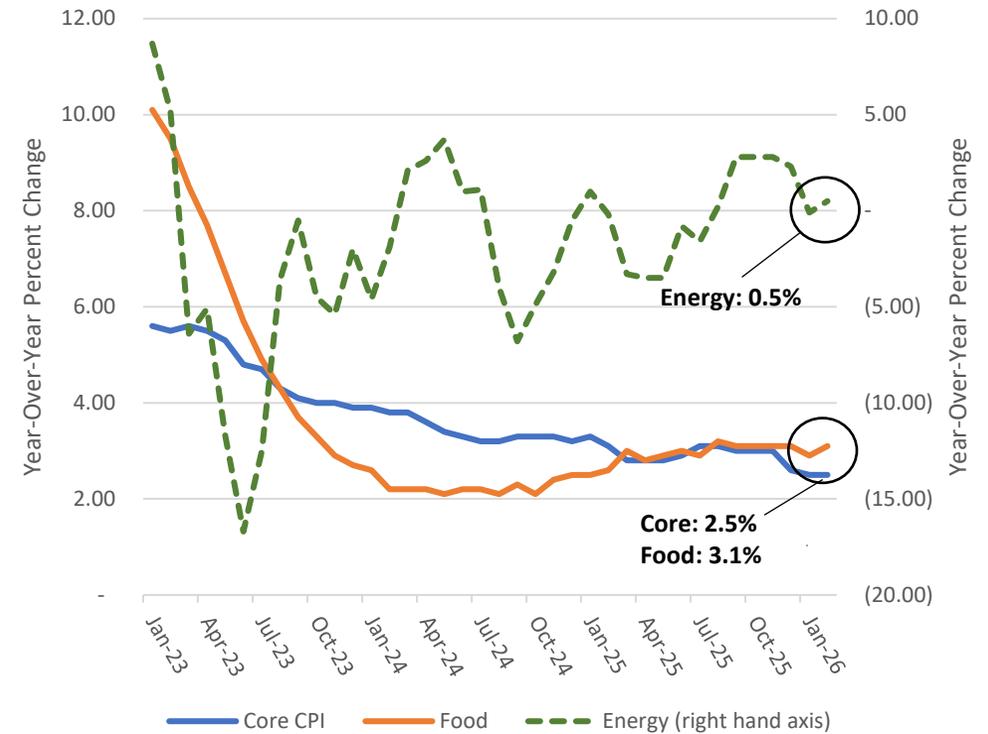
Overall CPI maintained at 2.4% YoY from 2.4% YoY in January; Core CPI maintained at 2.5% YoY from 2.5% YoY in January. Energy prices were up 0.5% YoY driven by utility gas service (+10.9%) electricity prices (+4.8%) and fuel oil (+6.2%) ; partially offset by gasoline (-5.6%)

CPI Jan 1982 to Feb 2026



Source: U.S. Bureau of Labor Statistics

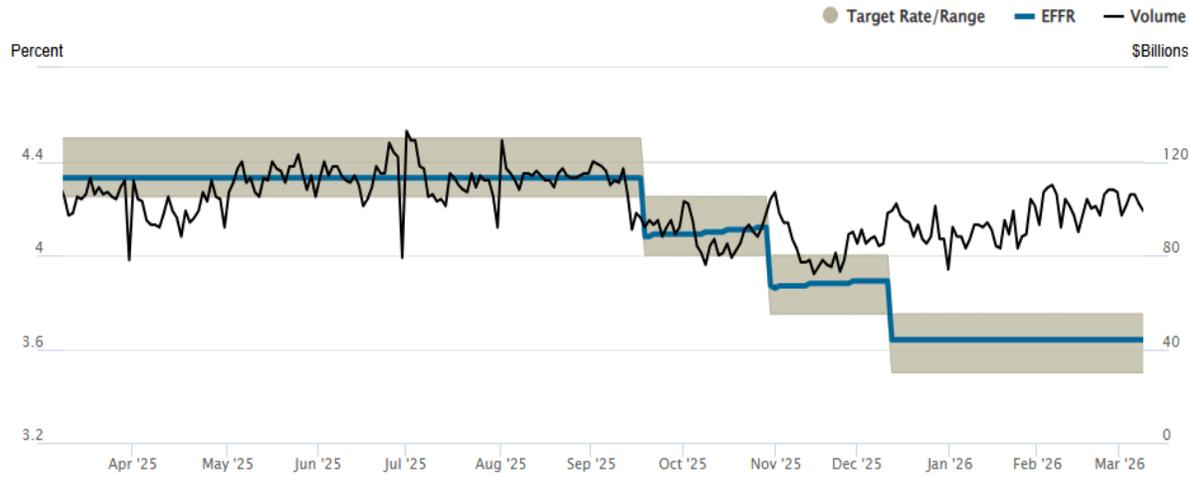
Core CPI, Food and Energy
Jan 2023 to Feb 2026



Source: U.S. Bureau of Labor Statistics

Interest Rates

Federal Funds Rate



Source: Federal Reserve Bank of New York 3/9/2025

2-Year Note



Source: *The Wall Street Journal* 3/12/2025



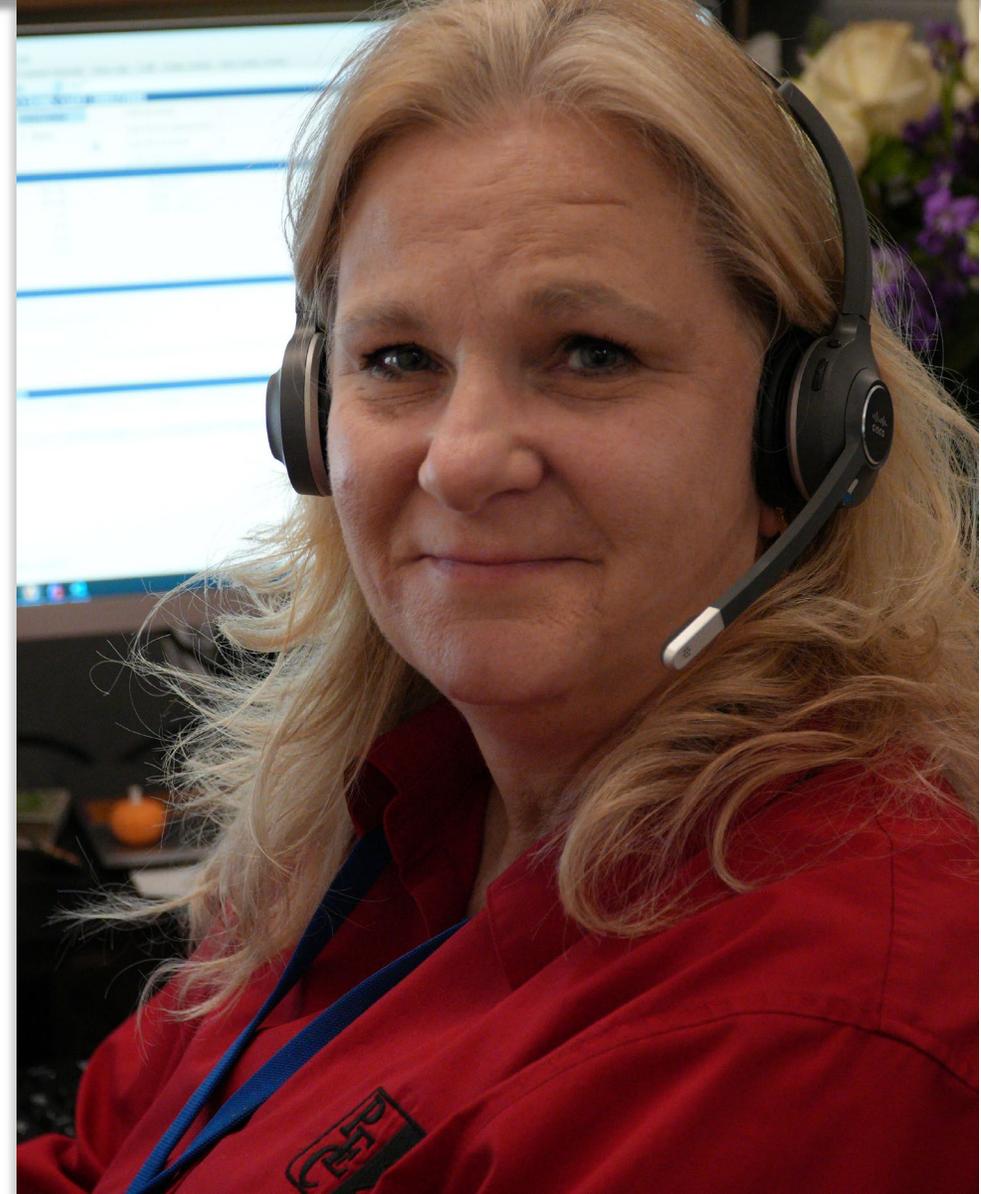
CAO Report

Dawn Southwell | Director, Retail Services

Member Relations Report

February Member Relations Metrics

- Agent Utilization: 78.09%
- Calls handled: 19,337
- Chats handled: 1,384
- Applications for existing service
 - Online: 2,475 (30%)
 - Phone: 5,738 (70%)
- Member experience satisfaction rating: 4.62 out of 5
- Member experience first contact resolution: 91.52%
- 91.93% of members say they would enjoy working with the same agent again



Power Alliance

To be updated



Appreciation and Look Ahead

Employee Shoutouts*

To be
updated



Michelle Colarusso
Member Relations
Agent 2
Oak Hill

Ida Horton
Member Relations
Agent 2
Marble Falls

Randa Jacoby
Distribution Planner 2
Junction

Jordan Marsh
Lineworker
Apprentice 2
Marble Falls

Dakota Smith
Journeyworker
Marble Falls

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

PEC Offices Closed April 3

To be
updated



Appendix Pages



Appendix - Operations Report

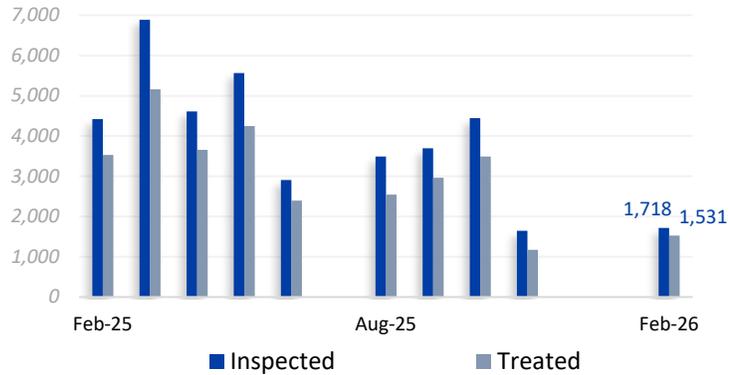
Nathan Fulmer | Chief Operations Officer - Distribution

Maintenance & Technical Services

Pole Testing & Treatment (PTT)

Poles Inspected & Treated

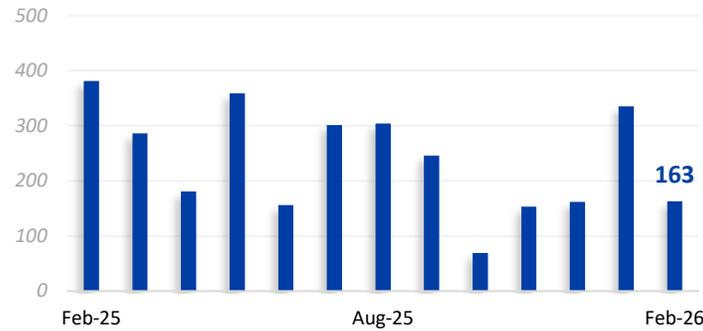
2025 YTD: Inspections - 9,345 Treated - 7,506
 2026 YTD: Inspections - 1,718 Treated - 1,531



Underground Equipment

Pad Restorations

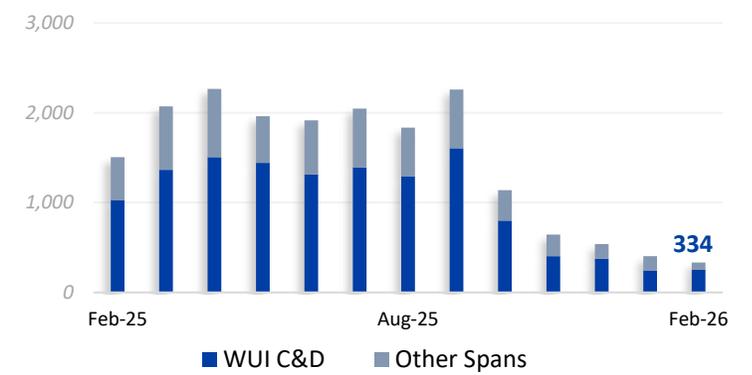
2025 YTD: 646
 2026 YTD: 335



Vegetation Management

Span Clearings

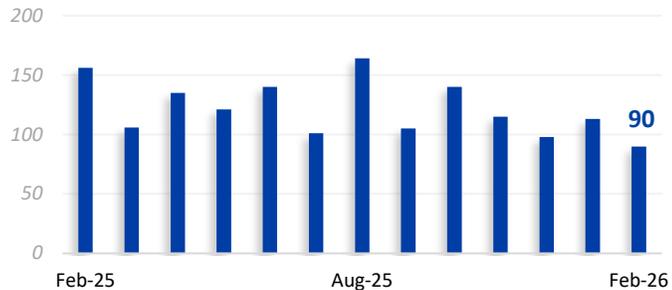
2025 YTD: Encroachments Completed - 2,724
 2026 YTD: Encroachments Completed - 738



Technical Services

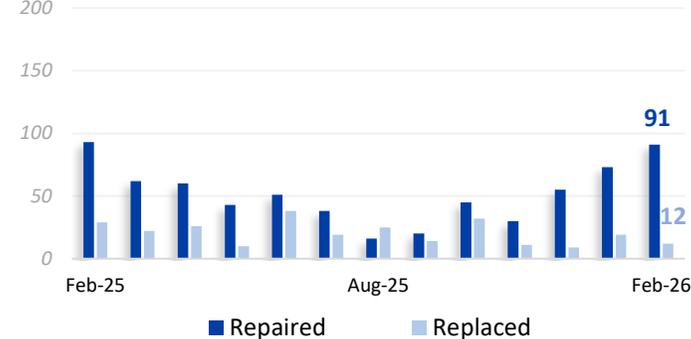
Equipment Inspections

2025 YTD: 249
 2026 YTD: 203



Equipment Repaired or Replaced

2025 YTD: Repaired - 195 Replaced - 51
 2026 YTD: Repaired - 177 Replaced - 31



Planning Engineering Projects

Project	Completion	Percent Complete
20-Year Plan Study	Feb 2026	97%
2025 CIP Project Maps	Feb 2026	90%
Load Projection Study	Mar 2026	100%
Capacitor Settings	Mar 2026	10%
4CP Study	Apr 2026	0%
Summer Contingency	May 2026	0%
UFLS Study	Jul 2026	0%
CIP (1 st Draft) Study	Jul 2026	0%
CIP (Final Draft) Study	Jul 2026	0%
Mock UFLS Study	Dec 2026	0%
Winter Contingency	Dec 2026	0%

Large Project Updates

Johnson City - Haley Road Phase II yard expansion

Project complete

Liberty Hill Materials Yard Expansion

Construction underway with expected completion Mar. 2026.

Liberty Hill Warehouse Expansion

Design and construct +/- 15k sf. warehouse and convert existing warehouse and training area to staff space. Design contract executed, final designs expected in March

Bertram Yard Expansion

Expand materials 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. Design work near completion, generators purchased, construction to begin in Q2 26 after RFP.





Appendix - Financial Report

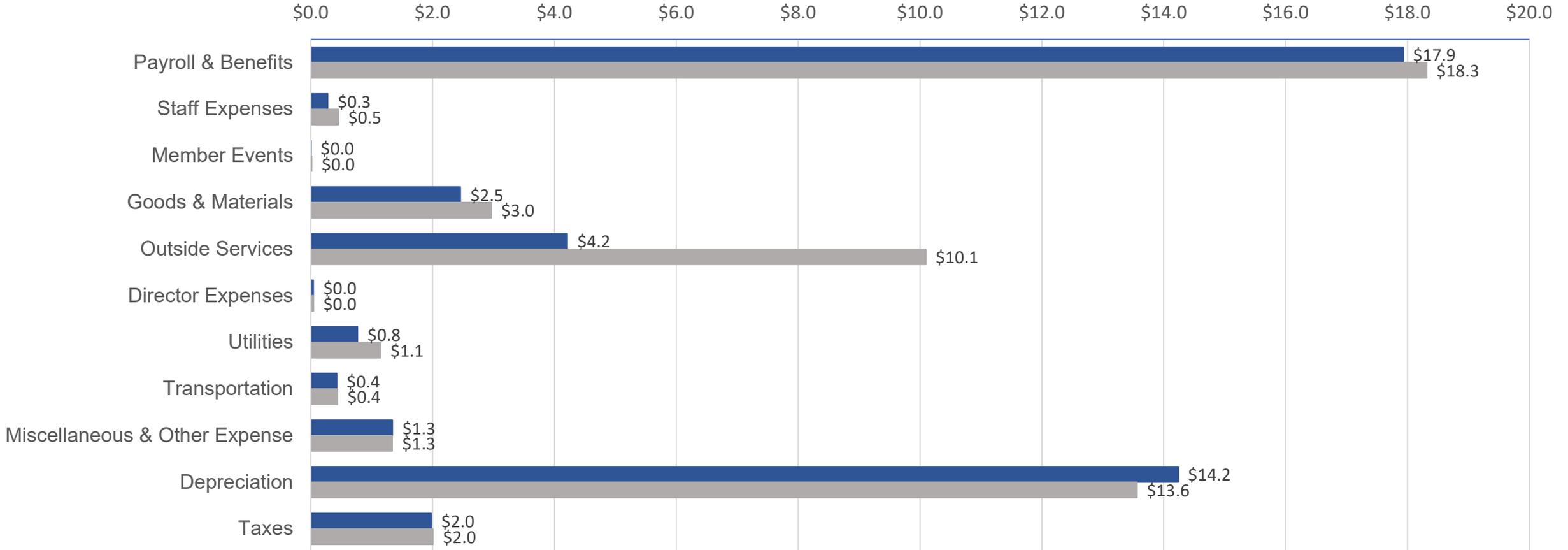
Randy Kruger | Chief Financial Officer

Financial Performance

	MTD			YTD			Annual	2025 to 2026 % Change
	Actual	Budget	Prior Year	Actual	Budget	Prior Year	Budget	
Gross Margins	\$ 32,230,743	\$ 31,960,967	\$ 34,086,334	\$ 67,857,613	\$ 67,110,852	\$ 68,348,522	\$ 423,682,060	-0.72%
Operating Expenses Ex. Depreciation	14,737,729	18,000,954	14,332,537	29,447,298	36,826,718	29,240,962	218,995,290	0.71%
Depreciation	7,124,980	6,782,058	6,677,675	14,237,773	13,561,778	13,350,041	85,396,529	
Interest Expense	4,523,542	4,832,799	4,596,251	9,110,503	9,703,842	8,927,345	58,430,758	
Other Income	(222,770)	(287,785)	(276,288)	(313,614)	(709,422)	(416,205)	4,982,148	
Net Margins	\$ 6,067,262	\$ 2,632,941	\$ 8,756,159	\$ 15,375,653	\$ 7,727,936	\$ 17,246,379	\$ 65,841,632	
EBIDA	\$ 17,715,784	\$ 14,247,798	\$ 20,030,085	\$ 38,723,929	\$ 30,993,556	\$ 39,523,765	\$ 209,668,918	-2.02%
Over (Under) Collected Revenues	(1,437,984)	(6,343,105)	(9,657,211)	(10,605,138)	(9,482,987)	(5,375,452)	(1,461,948)	
EBIDA(X)	\$ 16,277,800	\$ 7,904,693	\$ 10,372,874	\$ 28,118,791	\$ 21,510,569	\$ 34,148,313	\$ 208,206,970	
Total Long-Term Debt							1,408,138,575	
Debt Service							94,910,333	
Debt Service Coverage Ratio							2.15	
Equity as Percent of Assets							38.3%	
Net Plant in Service							\$2,465,539,944	
Capital Improvement Spend							\$260,319,172	
							0.00%	
Energy Sales kWh	510,178,988	501,890,483	621,345,569	1,210,073,859	1,164,273,490	1,398,221,452	8,292,263,992	-13.46%
Energy Purchases kWh	528,104,792	530,207,903	639,635,454	1,271,621,513	1,229,283,834	1,437,096,454	8,728,727,464	-11.51%
Active Accounts				443,372	445,543	428,364	461,238	3.50%

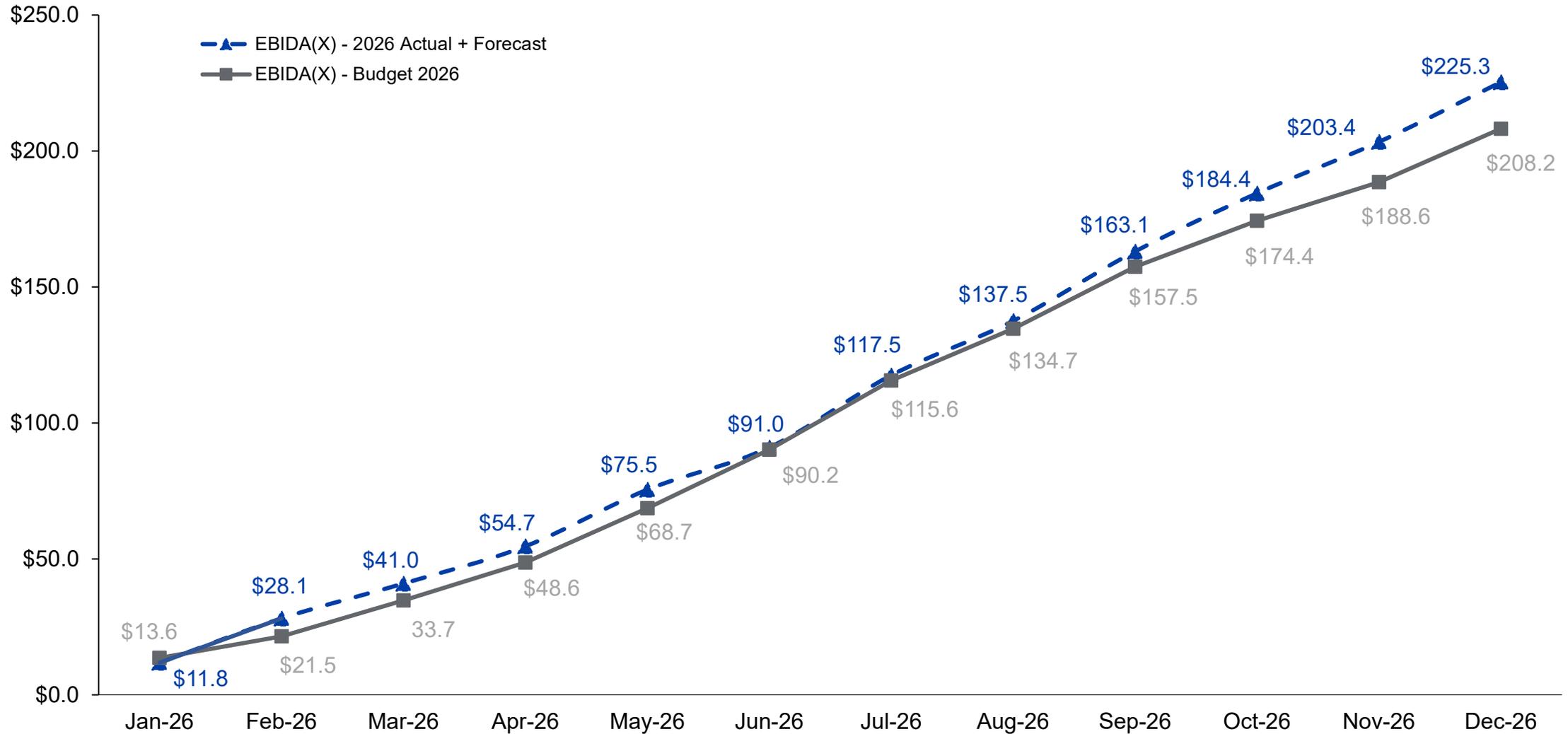
Cost of Service (in millions)

YTD Actuals vs Budget through February 2026



■ Actuals - 2026 ■ Budget - 2026

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
Distribution						
200 Tie Lines (new construction between existing lines)	734,459	17,953	752,411	3,716,218	2,963,807	18,564,728
300 Conversions or Line Changes	1,384,703	511,878	1,896,581	8,015,417	6,118,836	41,957,603
600 Miscellaneous Distribution Equipment	6,844,097	-	6,844,097	7,779,565	935,468	46,926,561
700 Other Distribution Items	(128,542)	-	(128,542)	88,081	216,623	540,908
Distribution Total	\$ 8,834,717	\$ 529,831	\$ 9,364,548	\$ 19,599,281	\$ 10,234,733	\$ 107,989,801
Substation						
400 New Substations, Switching Stations and Meter Points	44,211	77,099	121,310	7,499,209	7,377,898	30,909,244
500 Substations, Switching Stations and Meter Point changes	564,964	3,706,393	4,271,357	6,749,978	2,478,621	34,895,033
Substation Total	\$ 609,175	\$ 3,783,492	\$ 4,392,667	\$ 14,249,186	\$ 9,856,520	\$ 65,804,277
Transmission						
800 New Transmission Lines	36,826	29,630	66,456	595,773	529,317	4,443,228
1000 Line and Station Changes	885,175	6,366,814	7,251,989	5,879,706	(1,372,282)	48,883,575
Transmission Total	\$ 922,001	\$ 6,396,444	\$ 7,318,445	\$ 6,475,480	\$ (842,965)	\$ 53,326,803
General Plant						
2000 Facilities	(152,817)	507,917	355,099	3,017,734	2,662,634	18,122,693
3000 Information Technology	368,271	-	368,271	1,120,803	752,531	6,786,598
4000 Tools & Equipment	58,341	-	58,341	100,000	41,659	600,000
5000 Vehicles	1,809,823	-	1,809,823	1,281,500	(528,323)	7,689,000
Total General Plant	\$ 2,083,618	\$ 507,917	\$ 2,591,535	\$ 5,520,036	\$ 2,928,501	\$ 33,198,291
Accrued WIP & Prepaid Aid	\$ (4,154,088)	\$ -	\$ (4,154,088)	\$ -	\$ 4,154,088	\$ -
Total Capital Improvement Plan Spend	\$ 8,295,423	\$ 11,217,683	\$ 19,513,106	\$ 45,843,984	\$ 26,330,878	\$ 260,319,171

Fleet Spend Current & Prior Year Orders	YTD Actuals	Prior Year Orders	Net YTD Actuals	YTD Budget	Variance (Over)/Under Budget	Annual Budget
5000 Vehicles	1,809,823	634,078	1,175,745	1,281,500	105,755	7,689,000



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