



Cooperative Update

Christian Powell | Chief Executive Officer

Nathan Fulmer | Chief Operations Officer - Distribution

Jonathan Greene | Chief Operations Officer - Transmission

Randy Kruger | Chief Financial Officer

JP Urban | Chief Administrative Officer



Around Our Co-op

Christian Powell | Chief Executive Officer

1. Around
our co-op

PEC team joins in first CEO meeting Aug. 10



Office visits will continue



Listening Tour

Christian Powell, CEO

Your voice matters

- What's working well?
- What's frustrating?
- What should we protect?
- What should we change?

What happens with your feedback?

My commitment:

1. Listen
2. Learn
3. Understand
4. Act
5. Follow up

- Meeting with employees now through early Oct.
- 7 visits completed
- Enjoying engaging with employees and hearing first-hand our strengths and improvement opportunities

PEC attends TEC 86th Annual Meeting



Texas Electric Cooperatives

A Touchstone Energy® Cooperative 

Texas Electric Cooperatives

86th Annual Meeting

Aug. 2 – 5

San Antonio

- Updates from TEC leadership and board members
- Presentations on current events, emerging technologies, and regulatory affairs
- Collaboration with partners and co-ops from across the state

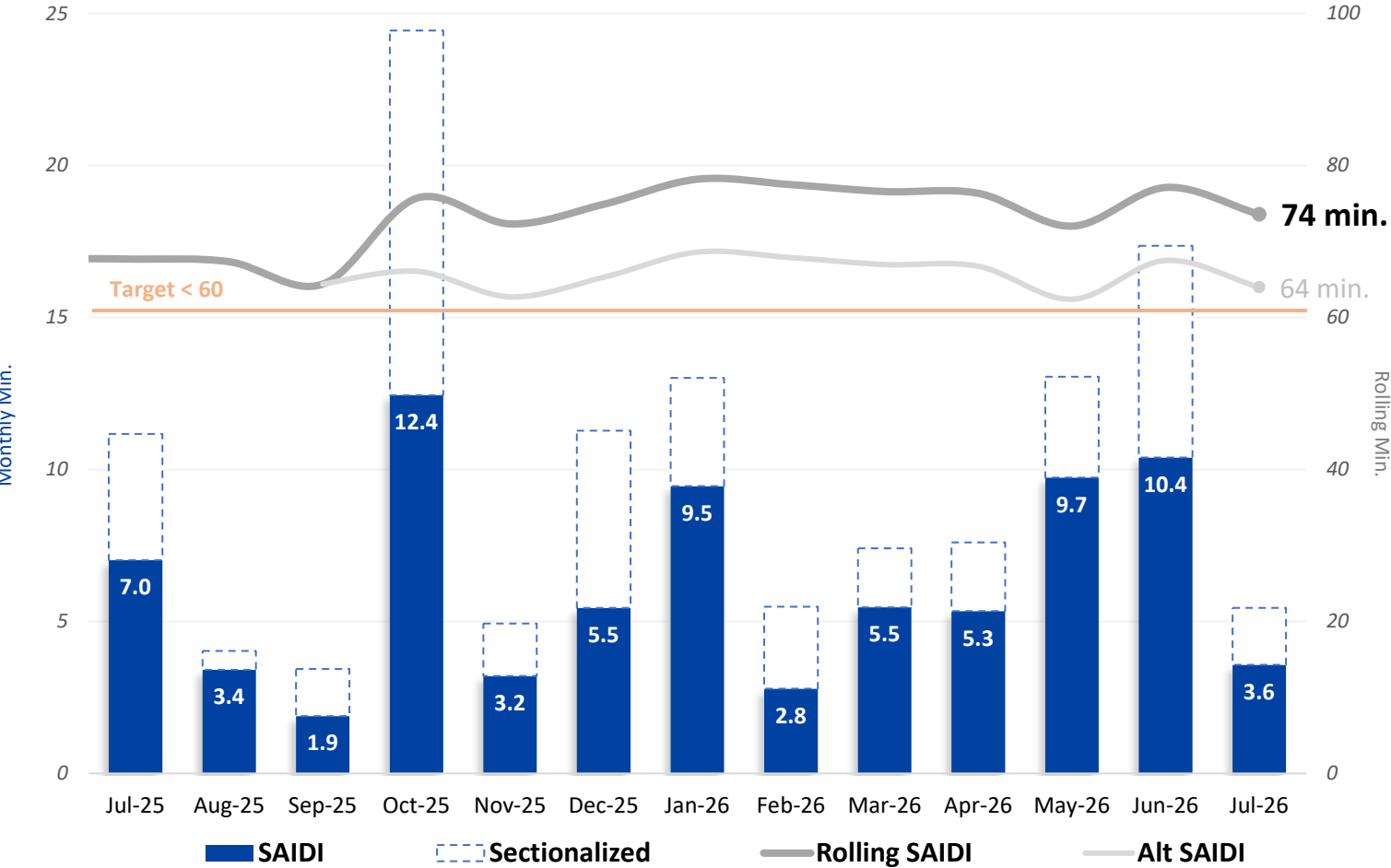


Operations Report

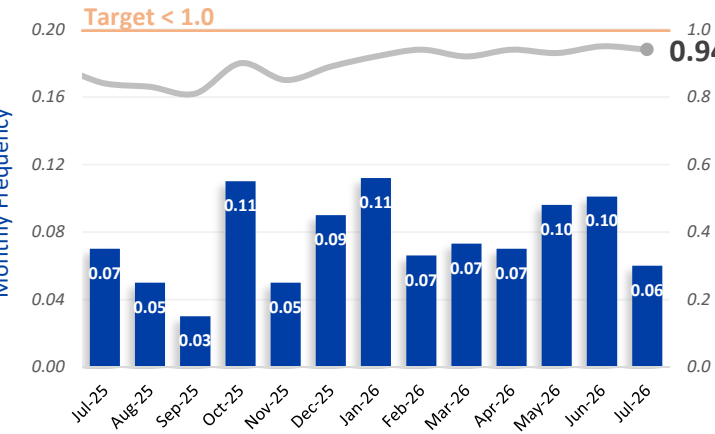
Nathan Fulmer | Chief Operations Officer - Distribution
Jonathan Greene | Chief Operations Officer - Transmission

SAIDI System Average Interruption Duration Index

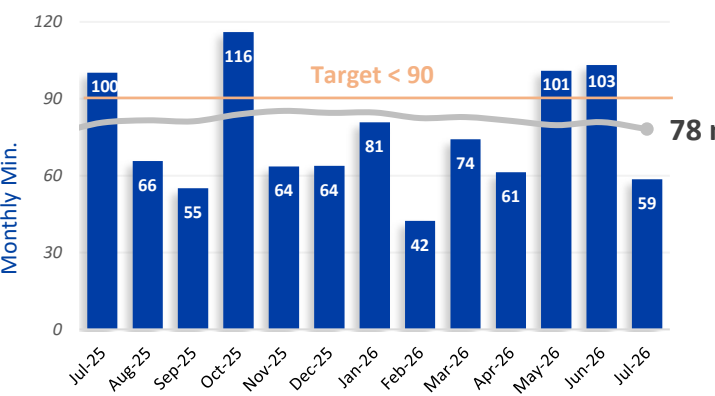
TX Avg SAIDI in 2024 = **153 min.** reported by the Dept. of Energy



SAIFI System Average Interruption Frequency Index



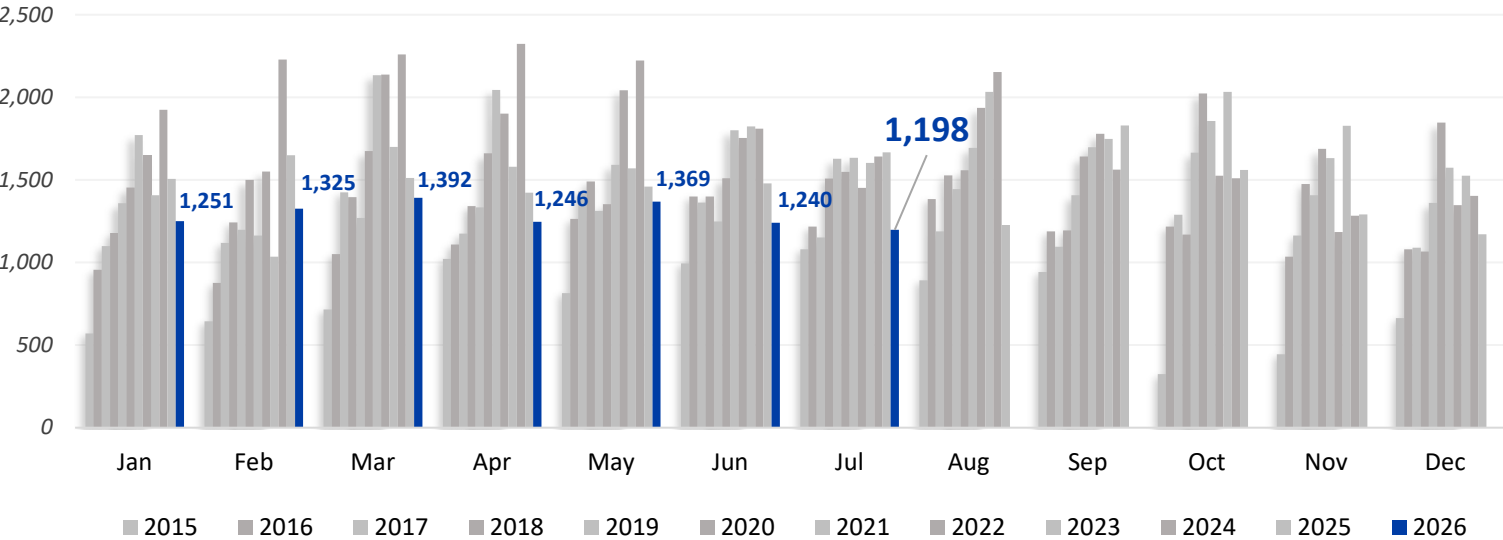
CAIDI Customer Average Interruption Duration Index



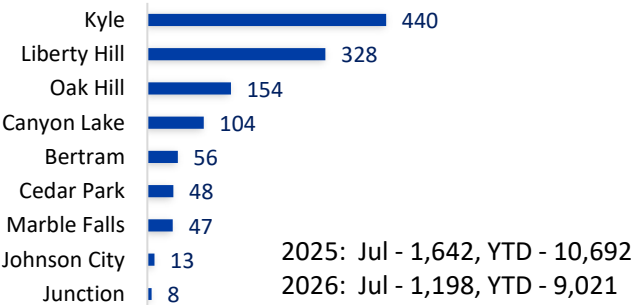
System growth

Line Extensions Completed

2023: 19,886 2024: 22,323 2025: 17,770 2026: 9,021



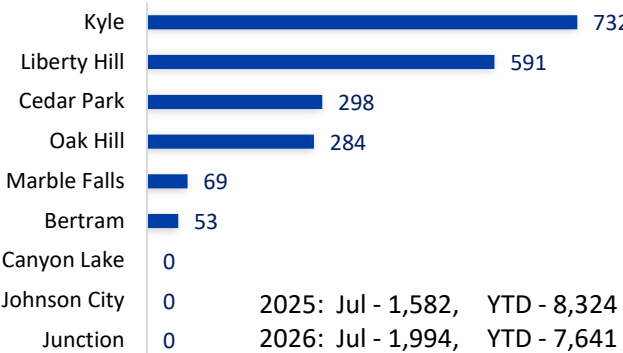
Line Extensions by District (1,198)



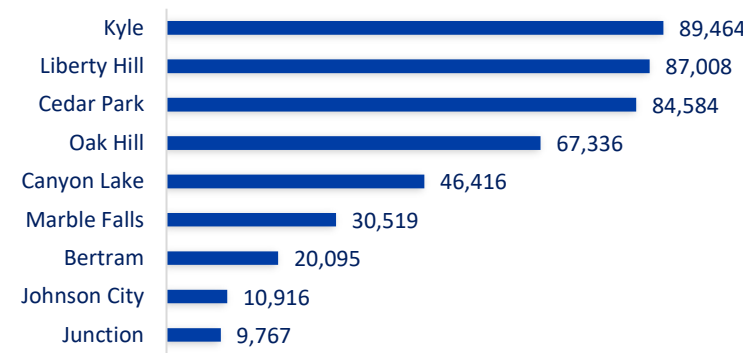
Miles of Distribution Line:

Overhead:	17,891	(68%)
Underground:	8,411	(32%)
Total:	26,302	

Net Meter Growth (1,994)

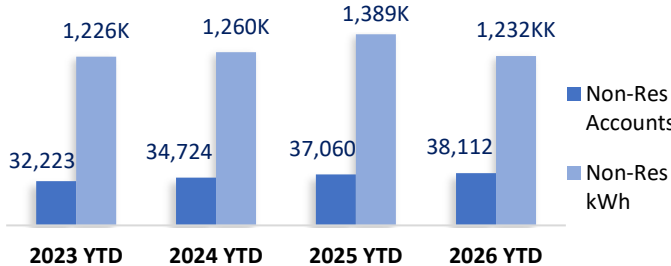


Meter Totals (446,105)



Residential & Commercial

Non-Residential Accounts and Consumption YTD

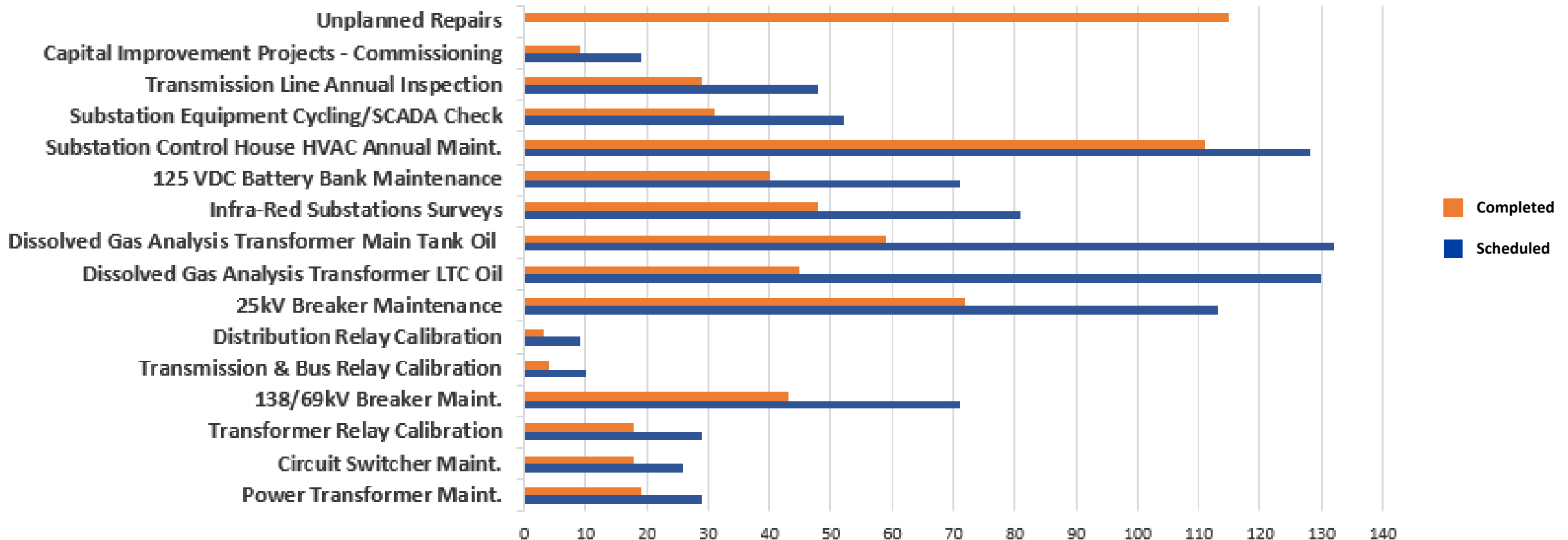


Residential: 92% of Accounts, 68% of kWh
Non-Residential: 8% of Accounts, 32% of kWh

System maintenance

2026 Substation and Transmission Maintenance

- Scheduled activities are progressing and are currently 55.9% complete
- 685 substation inspections and 115 corrective repairs finished
- ERCOT Summer Inspections – anticipating ERCOT inspections in August and September



Transmission operations

System Performance

- Transmission system is performing well – through first half of 2026, system availability is high, and PEC has experienced no transmission operations causing a loss of load

Summer Operations

- Quarterly Emergency Operations Drill held in July:
 - Focus on ERCOT-directed load shed event
 - Improved understanding of EEA steps across the cooperative
 - Refined membership communication processes
- TCC continues to monitor the system for any necessary changes to PEC operations plans



July 2026 Financial Report

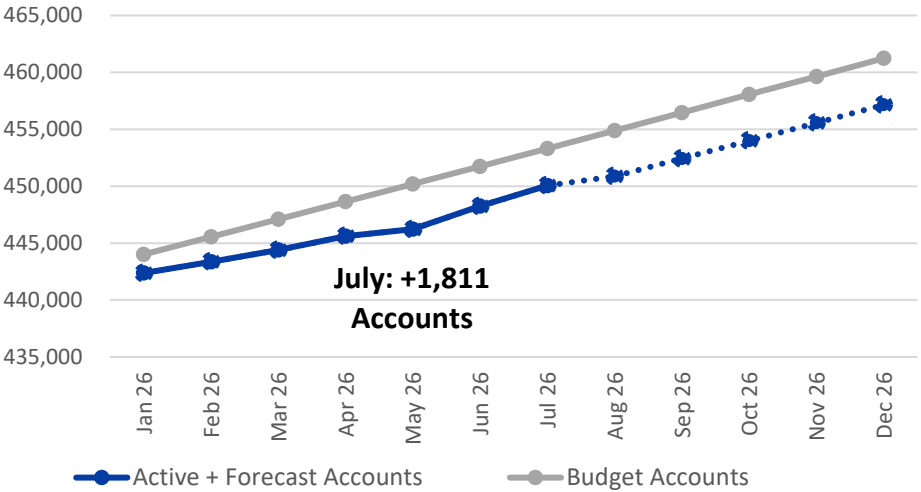
Randy Kruger | Chief Financial Officer

Finance at a glance – July 2026

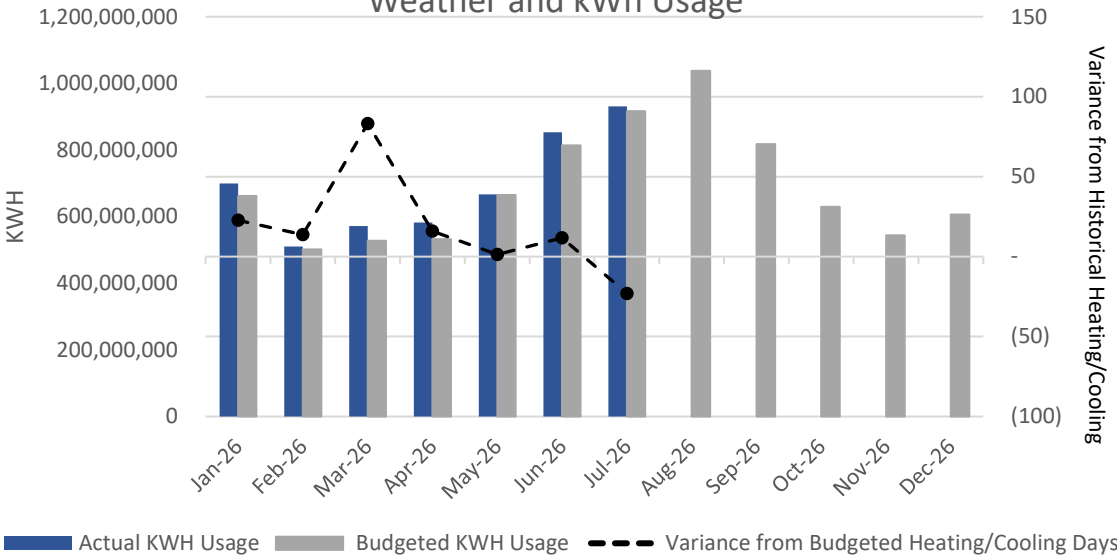
	MTD (\$ in millions)			YTD (\$ in millions)		
	Actual	Budget	Variance	Actual	Budget	Variance
MWH Sold	930,854	916,372	14,482	4,815,433	4,620,028	\$ 195,404
Gross Margins	\$ 41.6	\$ 40.4	\$ 1.2	\$ 250.1	\$ 243.8	\$ 6.3
Net Margins	\$ 10.6	\$ 11.2	\$ (0.6)	\$ 54.3	\$ 35.7	\$ 18.6
EBIDA	\$ 22.6	\$ 23.3	\$ (0.7)	\$ 137.8	\$ 118.6	\$ 19.2
Revenue O/(U)	\$ 4.9	\$ 2.1	\$ 2.8	\$ 6.1	\$ (3.0)	\$ 9.1
EBIDA(X)	\$ 27.5	\$ 25.4	\$ 2.1	\$ 143.9	\$ 115.6	\$ 28.3

	Liquidity Coverage
Cash & Marketable Securities	\$ 75,501,547
Short Term Facilities	605,000,000
Less: Short Term Borrowings	-
Available Liquidity	\$ 680,501,547
Liquidity Coverage (Days)	308

Active Account Growth



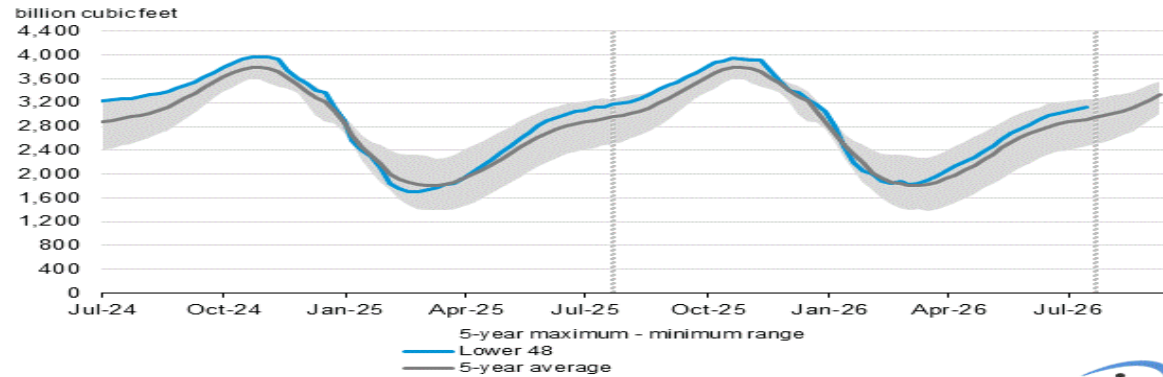
Weather and kWh Usage



3. Financial report

Power Market Fundamentals

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

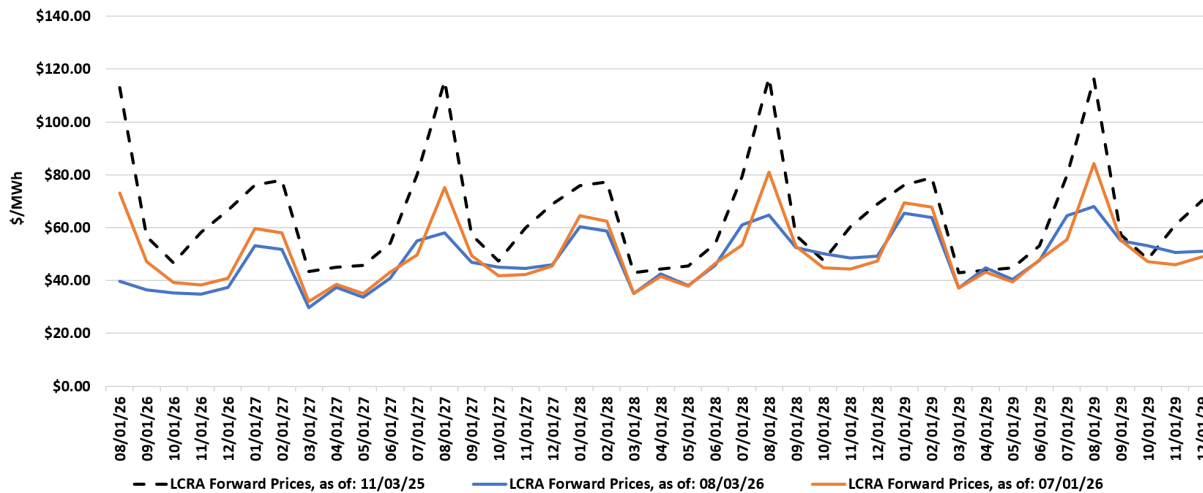


Data source: U.S. Energy Information Administration

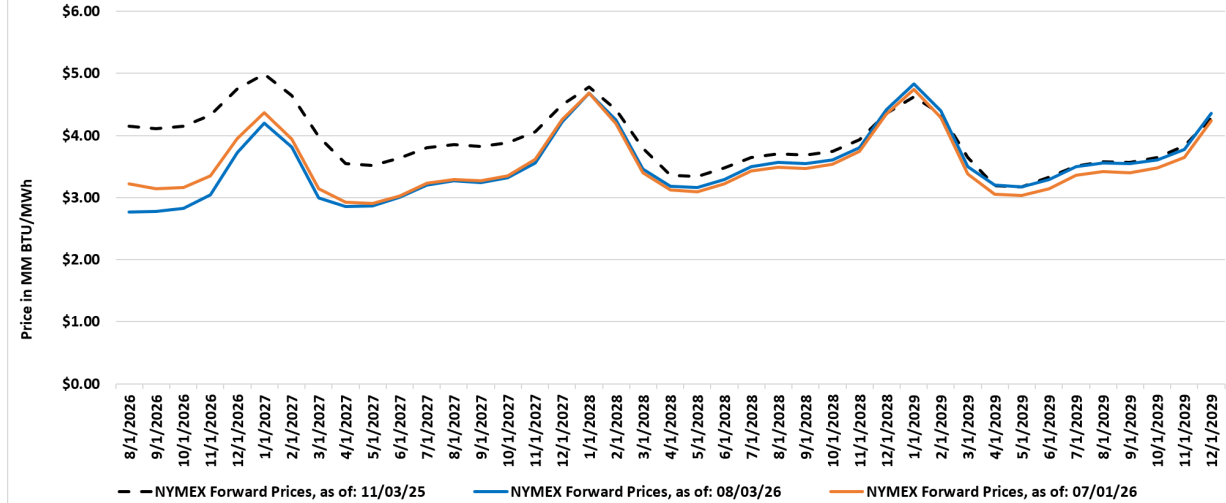
Note: The shaded area indicates the range between the historical minimum and maximum values for the weekly series from 2021 through 2025. The dashed vertical lines indicate current and year-ago weekly periods.

As of August 6, 2026

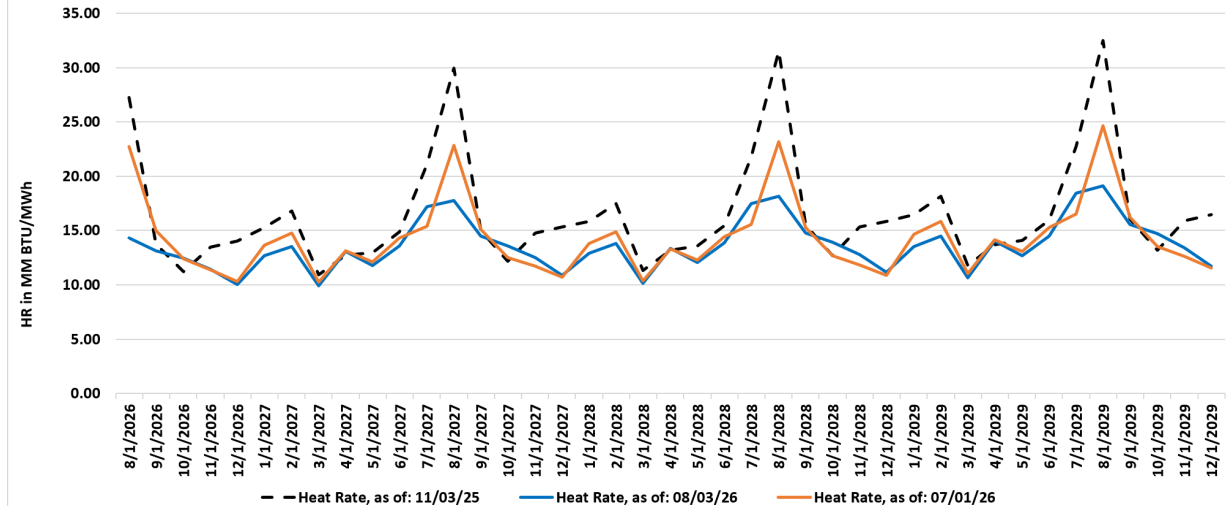
Power Forward Prices, ATC



Forward Gas Prices

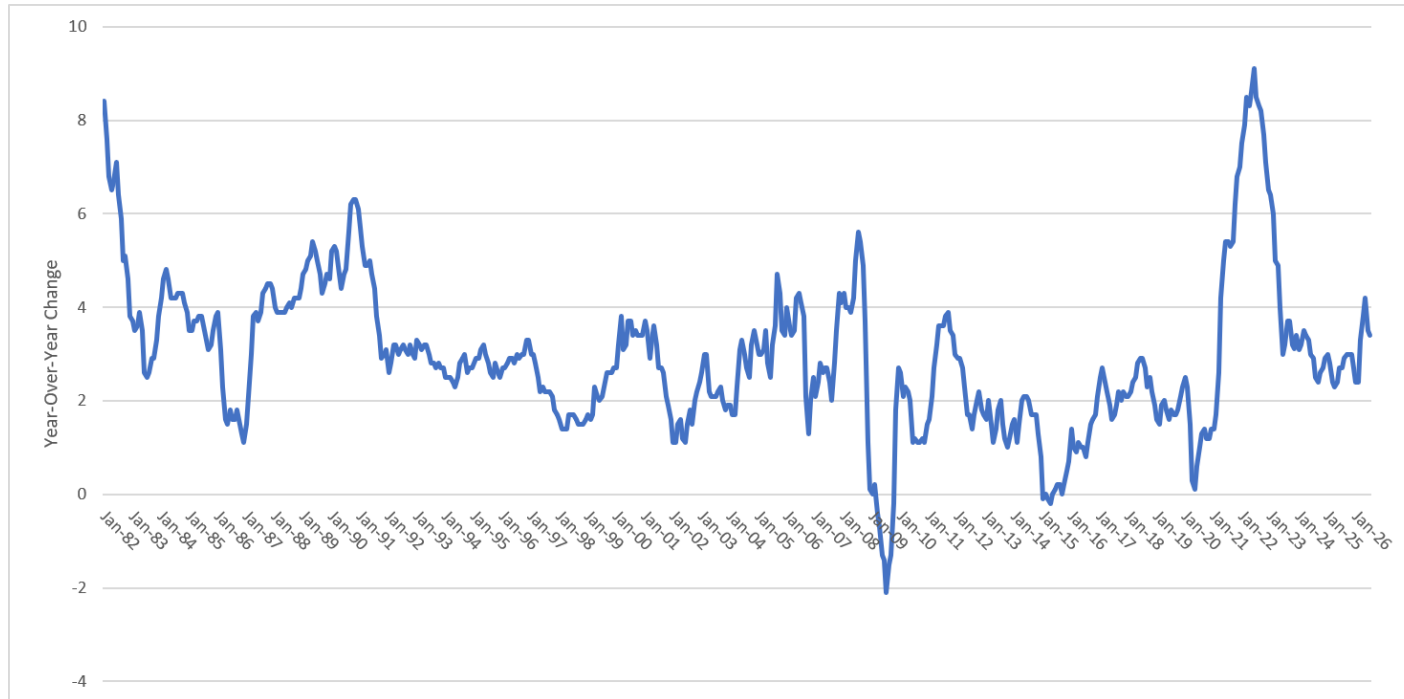


Forward Heat Rates



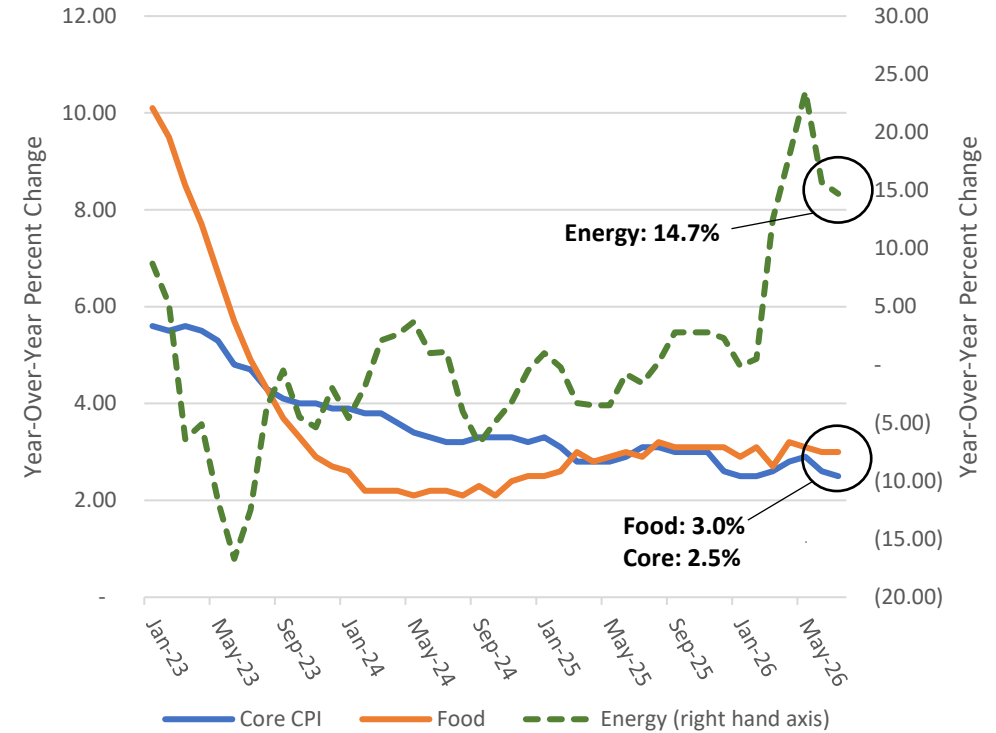
Overall CPI decreased to 3.4% YoY from 3.5% YoY in June; Core CPI decreased to 2.5% YoY from 2.6% YoY in June. Energy prices decreased to 14.7% from 15.7% YOY driven by fuel oil (+39.1%), gasoline (+24.6%), utility gas service (+4.3%), and electricity (+4.2%)

CPI Jan 1982 to July 2026



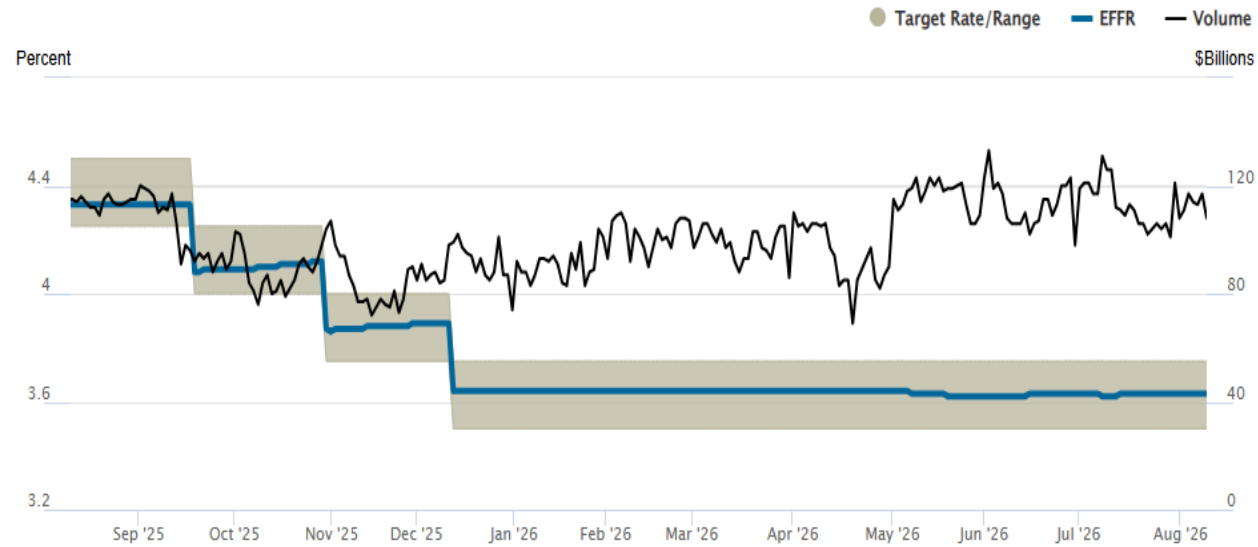
Source: U.S. Bureau of Labor Statistics

**Core CPI, Food and Energy
Jan 2023 to July 2026**



Source: U.S. Bureau of Labor Statistics

Federal Funds Rate



Source: Federal Reserve Bank of New York 8/10/2026

10-Year Note



Source: *The Wall Street Journal* 8/11/2026



Member Relations Report

JP Urban | Chief Administrative Officer

By the numbers: Member Relations

July Member Relations metrics

- Agent utilization: 84.23%
- Calls handled: 24,655
- Chats handled: 1,859
- Applications for existing service
 - Online: 4,226 (34%)
 - Phone: 8,133 (66%)
- Member experience satisfaction rating: 4.5 out of 5
- Member experience first contact resolution: 84.18%
- 91.24% of members say they would enjoy working with the same agent again



PEC makes back to school brighter!

- Educational Spotlight grant program
 - K-8th grade teachers are encouraged to **apply by Sept. 7!**
- PEC employees help “fill the bucket” with school supplies
- Safety campaigns for PEC employees and members
 - Watch for school buses
 - Move over, slow down





Appreciation and Look Ahead

Employee shoutouts



Tori Lugo

Member Relations
Agent
Oak Hill



Rosie Vasquez

Member Relations
Analyst
Junction



Pam Bryant

Member Relations
Analyst
Marble Falls



Brandon Offutt

Regional Operations
Supervisor
Cedar Park



Zachary McFee

Journeyworker
Canyon Lake



Appendix pages



Appendix - Operations Report

Nathan Fulmer | Chief Operations Officer - Distribution

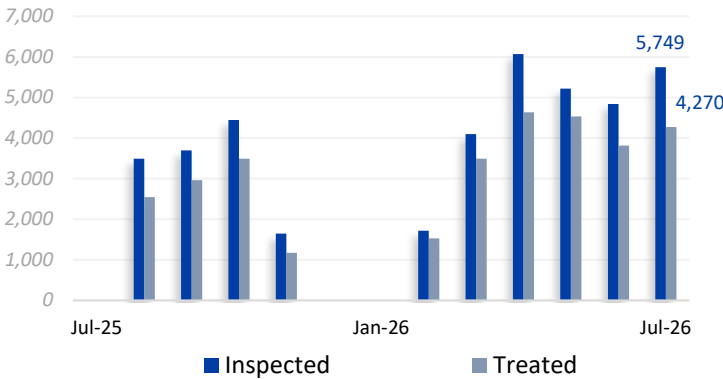
Jonathan Greene | Chief Operations Officer - Transmission

Maintenance & technical services

Pole Testing & Treatment (PTT)

Poles Inspected & Treated

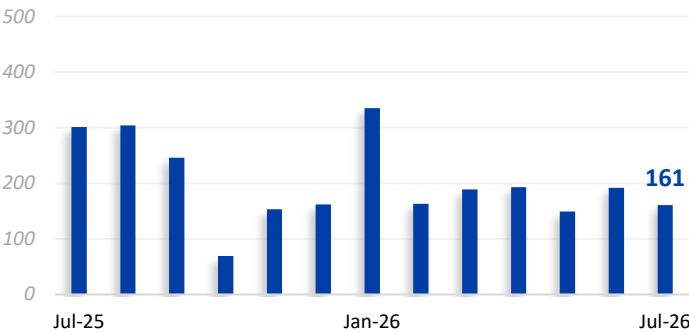
2025 YTD: Inspections - 29,315 Treated - 22,975
2026 YTD: Inspections - 27,683 Treated - 22,277



Underground Equipment

Pad Restorations

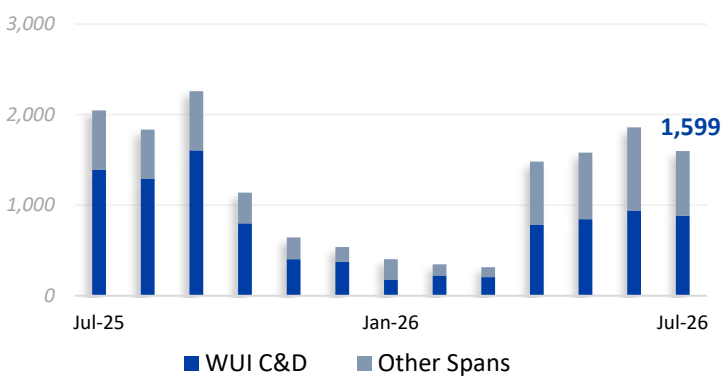
2025 YTD: 1,929
2026 YTD: 1,382



Vegetation Management

Span Clearings

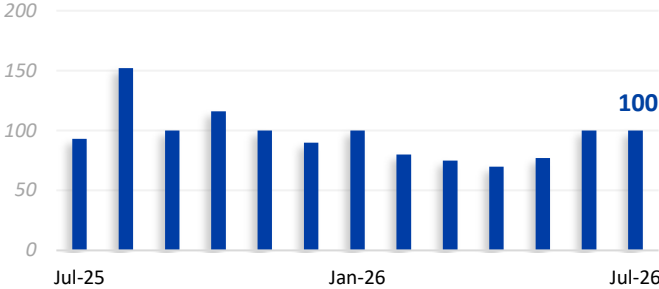
2025 YTD: Encroachments Completed - 12,985
2026 YTD: Encroachments Completed - 7,588



Technical Services

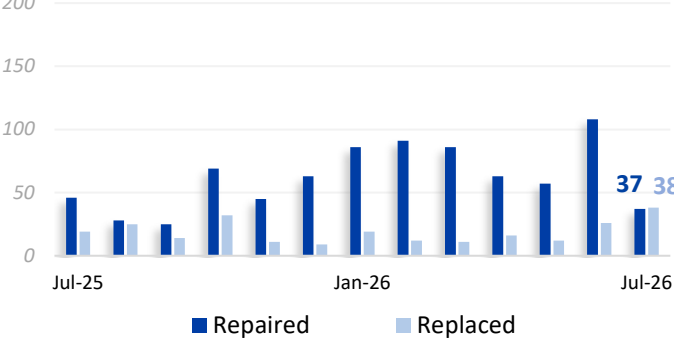
Equipment Inspections

2025 YTD: 744
2026 YTD: 602



Equipment Repaired or Replaced

2025 YTD: Repaired - 557 Replaced - 166
2026 YTD: Repaired - 528 Replaced - 134



Planning engineering projects

Project	Completion	Percent Complete
20-Year Plan Study	Feb 2026	100%
2026 CIP Project Maps	Feb 2026	100%
Load Projection Study	Mar 2026	100%
Capacitor Settings	Mar 2026	100%
4CP Study	Apr 2026	100%
Summer Contingency	May 2026	100%
UFLS Study	Jul 2026	100%
CIP (1 st Draft) Study	Aug 2026	95%
CIP (Final Draft) Study	Sep 2026	0%
Mock UFLS Study	Dec 2026	0%
Winter Contingency	Dec 2026	0%

Facilities projects

Large Project Updates

Liberty Hill Materials Yard Expansion

Completed June 2026.

Liberty Hill Warehouse Expansion

Design and construct 15K sq. ft. warehouse and convert existing warehouse and training area to staff space. Submittals under review with General Contractor selection expected mid-August.

Bertram Yard Expansion

Expand materials yard into adjacent property. Grade and stabilize base. Install perimeter fencing, lighting, and new gate along Hwy 29. Construction underway. Expected completion Q3 2026.

Generator Refresh

Replacement of end-of-life back-up generators at Kyle, Cedar Park, Bertram, Canyon Lake, and Haley Rd. Bertram completed. Haley Rd. changeover in late August. Canyon Lake prep work began in June.

Spring Branch Fencing

Upgrade fencing along Hwy 281 frontage and install concrete drive with motorized vehicle gate. General Contractor selected, contract execution underway.





Appendix – Financial Report

Randy Kruger | Chief Financial Officer

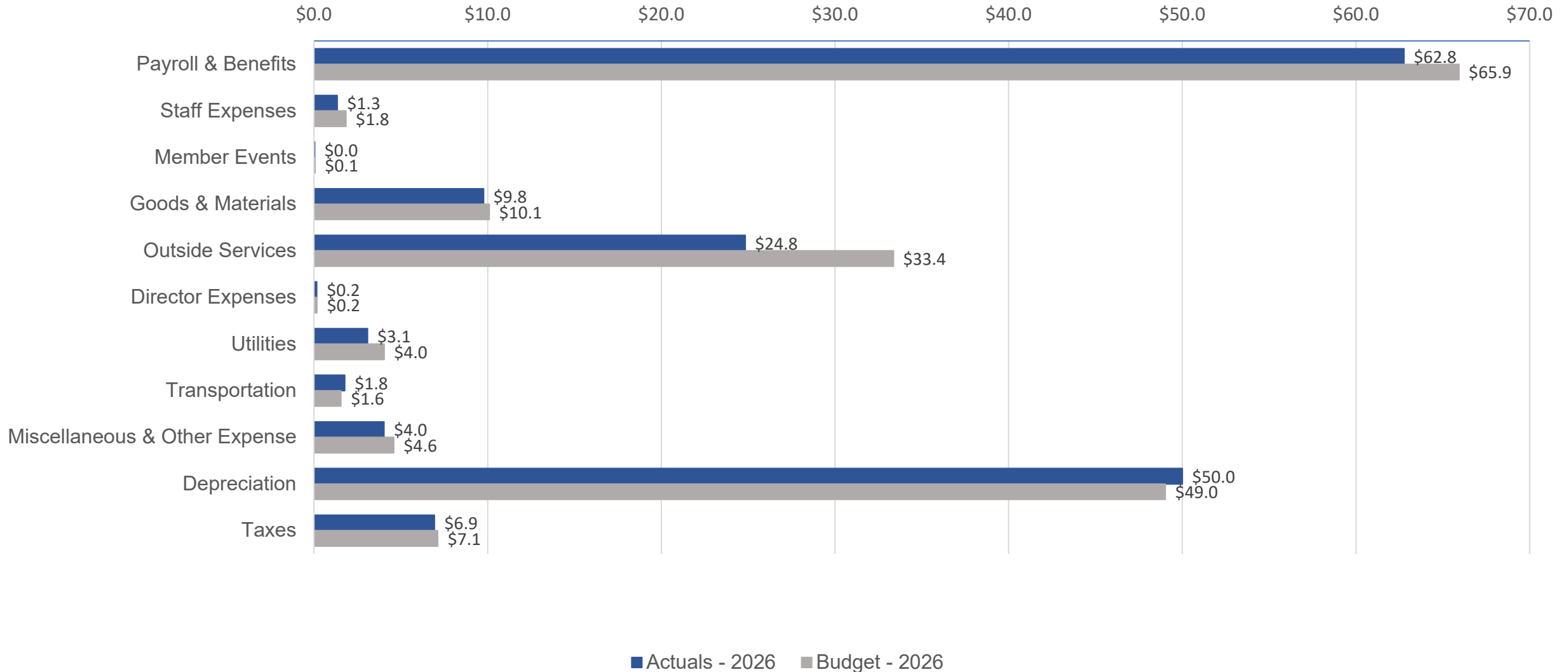
3. Financial report

Financial performance

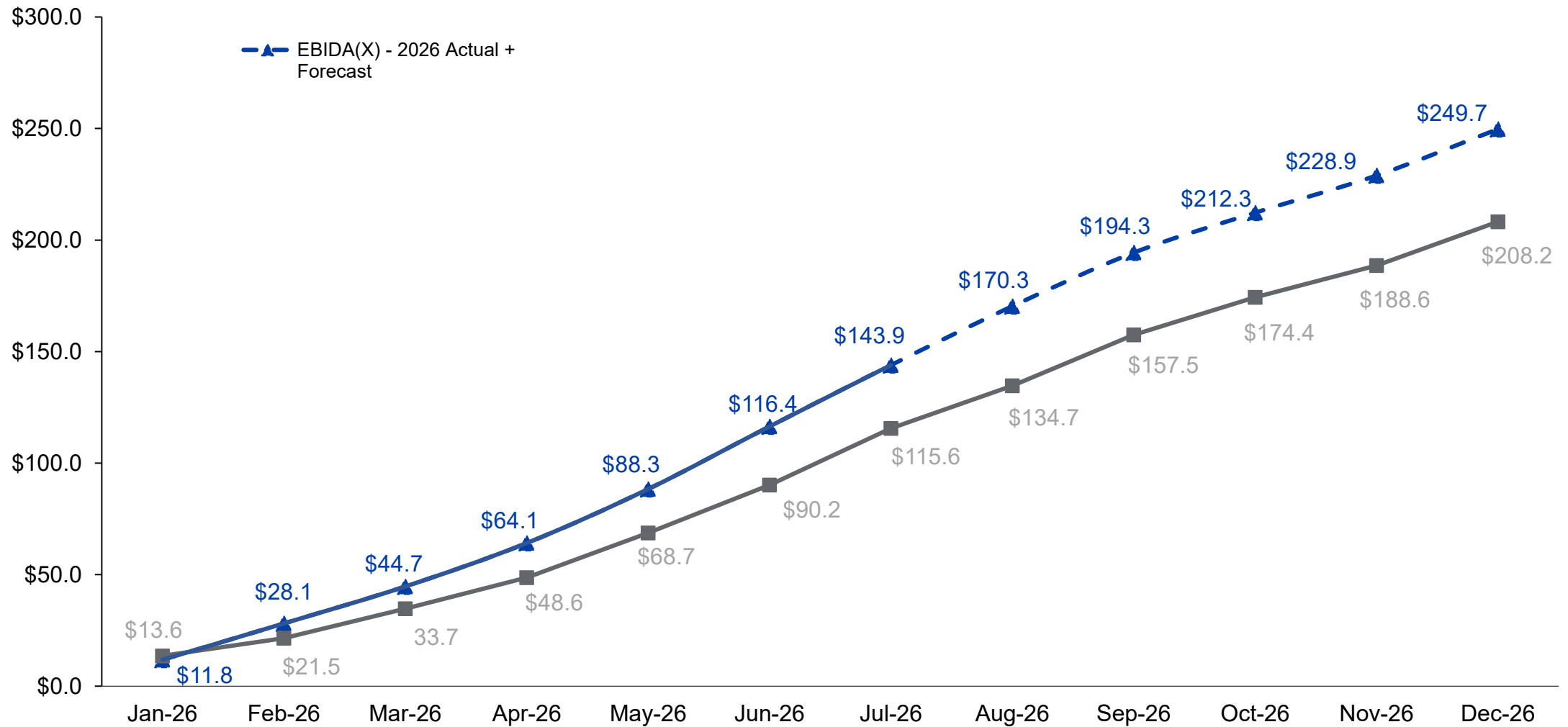
	MTD			YTD			Annual	2025 to 2026 % Change
	Actual	Budget	Prior Year	Actual	Budget	Prior Year	Budget	
Gross Margins	\$ 41,631,429	\$ 40,424,263	\$ 35,852,947	\$ 250,134,584	\$ 243,815,441	\$ 235,041,658	\$ 423,682,060	6.42%
Operating Expenses Ex. Depreciation	18,886,276	19,264,058	17,002,320	114,739,979	128,811,838	114,006,121	218,995,290	0.64%
Depreciation	7,111,642	7,182,633	6,797,994	50,003,625	49,023,619	47,164,357	85,396,529	
Interest Expense	4,950,182	4,844,220	4,437,608	33,498,000	33,884,630	31,276,791	58,430,758	
Other Income	110,975	(2,101,500)	(1,995,179)	(2,417,656)	(3,624,648)	(3,300,086)	4,982,148	
Net Margins	\$ 10,572,354	\$ 11,234,852	\$ 9,610,204	\$ 54,310,636	\$ 35,720,002	\$ 45,894,475	\$ 65,841,632	
EBIDA	\$ 22,634,178	\$ 23,261,705	\$ 20,845,806	\$ 137,812,261	\$ 118,628,251	\$ 124,335,623	\$ 209,668,918	10.84%
Over (Under) Collected Revenues	4,869,654	2,126,042	178,128	6,114,776	(3,025,820)	22,068,403	(1,461,948)	
EBIDA(X)	\$ 27,503,832	\$ 25,387,747	\$ 21,023,934	\$ 143,927,037	\$ 115,602,431	\$ 146,404,026	\$ 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	
Energy Sales kWh	930,853,883	916,372,027	828,312,975	4,815,432,743	4,620,028,496	4,876,896,319	8,292,263,992	-1.26%
Energy Purchases kWh	986,038,274	967,475,297	872,154,557	5,085,005,943	4,880,944,657	5,063,768,745	8,728,727,464	0.42%
Active Accounts				450,056	453,317	435,042	461,238	3.45%

Cost of service (in millions)

YTD Actuals vs Budget through July 2026



EBIDA(X) year to date (in millions)



3. Financial report

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)	5,604,744	207,459	5,812,203	11,715,555	5,903,352	18,564,728
300 Conversions or Line Changes	10,998,557	4,749,791	15,748,347	25,375,167	9,626,820	41,957,603
600 Miscellaneous Distribution Equipment	28,360,270	-	28,360,270	27,175,496	(1,184,774)	46,926,561
700 Other Distribution Items	510,753	-	510,753	313,893	(196,860)	540,908
Distribution Total	\$ 45,474,323	\$ 4,957,249	\$ 50,431,573	\$ 64,580,111	\$ 14,148,539	\$ 107,989,801
Substation						
400 New Substations, Switching Stations and Meter Points	199,600	7,259,123	7,458,722	20,554,093	13,095,371	30,909,244
500 Substations, Switching Stations and Meter Point changes	4,161,696	15,490,670	19,652,365	21,519,208	1,866,843	38,045,033
Substation Total	\$ 4,361,296	\$ 22,749,792	\$ 27,111,088	\$ 42,073,301	\$ 14,962,214	\$ 68,954,277
Transmission						
800 New Transmission Lines	2,069,108	29,630	2,098,738	3,186,543	1,087,805	4,443,228
1000 Line and Station Changes	2,317,581	17,492,470	19,810,051	27,889,783	8,079,731	48,883,575
Transmission Total	\$ 4,386,689	\$ 17,522,100	\$ 21,908,790	\$ 31,076,326	\$ 9,167,536	\$ 53,326,803
General Plant						
2000 Facilities	1,715,412	2,032,282	3,747,694	10,575,137	6,827,443	18,122,693
3000 Information Technology	1,882,024	-	1,882,024	3,297,641	1,415,617	6,786,598
4000 Tools & Equipment	231,765	-	231,765	350,000	118,235	600,000
5000 Vehicles	5,760,360	-	5,760,360	4,485,250	(1,275,110)	7,689,000
Total General Plant	\$ 9,589,562	\$ 2,032,282	\$ 11,621,844	\$ 18,708,028	\$ 7,086,184	\$ 33,198,291
Accrued WIP & Prepaid Aid	\$ 3,442,734	\$ -	\$ 3,442,734	\$ -	\$ (3,442,734)	\$ -
Total Capital Improvement Plan Spend	\$ 67,254,604	\$ 47,261,424	\$ 114,516,028	\$ 156,437,767	\$ 41,921,738	\$ 263,469,171

Fleet Spend Current & Prior Year Orders	YTD Actuals	Prior Year Orders	Net YTD Actuals	YTD Budget	Variance (Over)/Under Budget	Annual Budget
5000 Vehicles	5,760,360	1,156,197	4,604,164	4,485,250	(118,914)	7,689,000



myPEC.com