



PEDERNALES ELECTRIC COOPERATIVE

Board of Directors Agenda - Final

12/19/2025 | 9:00 AM | PEC Headquarters Auditorium

201 S Ave F, Johnson City, TX 78636

Open Session of this Regular Meeting is held in the PEC Auditorium and recorded in accordance with Board Meetings Policy. Members may watch this meeting by live stream from the PEC website at <https://pec.legistar.com/Calendar.aspx>.

Call to Order and Roll Call

9:00 AM Meeting called to order on December 19, 2025, at PEC Headquarters Auditorium, 201 South Avenue F, Johnson City, TX.

The following agenda items may be considered in a different order than they appear.

Safety Briefing

Adoption of Agenda

Cooperative Recognitions

1. [2025-321](#) Recognition of PEC True Blue Recipients and Member Service Appreciation Week - J Urban/D Evers

Attachments: [Recognition of PEC True Blue Recipients and Member Service Week v2 2025-321.pdf](#)

Consent Items

2. [2025-341](#) Wednesday, November 12, 2025 - Special Meeting Minutes
Friday, November 21, 2025 - Regular Meeting Minutes

Attachments: [2025-11-12 OS Special Board Meeting Minutes.pdf](#)
[2025-11-21 OS Meeting Minutes.pdf](#)

Cooperative Monthly Report

3. [2025-351](#) Cooperative Update - J Parsley/J Greene/N Fulmer/R Kruger/J Urban

Attachments: [Cooperative Update v5 w COOT, Ops, and CFO 2025-351.pdf](#)

Member Comments (3-minute limitation or as otherwise directed by Board)

4. [2025-373](#) Member Comments

Attachments: [Decorum Policy](#)

Action Items / Other Items

5. [2025-374](#) Resolution - Approval of 2026 Election Timeline and Communications Plan - A Stover/C Tinsley Porter

Attachments: [2026 Election Timeline Final - Updated - 2025-374](#)
[2026 Election Timeline & Communications Plan 2025-374 FINAL](#)

6. [2025-375](#) Resolution - Approval of 2026 Key Performance Indicators Plan - E Dauterive
Attachments: [2026 KPI Plan Revisions 2025-375 Final](#)
[2026 KPI Plan 2025-375](#)
7. [2025-376](#) Resolution - Approval of Capital Credits Distribution during Calendar Year 2026 - J Smith
Attachments: [Approval of 2026 Capital Credits 2025-376 Final](#)
8. [2025-377](#) Resolution - Approval of Renewal of Advanced Metering Infrastructure (AMI) Software Maintenance Agreement - L Mueller/S McCoy
Attachments: [Approval of Ext AMI Software License Agreement 2025-377](#)
9. [2025-378](#) Resolution - Approval of Budget Amendment - Cedar Valley T1 & T2 Upgrade - J Greene
Attachments: [Budget Amendment for Cedar Valley T1 and T2 Upgrade 2025-378](#)
10. [2025-389](#) Resolution - Approval of Structure Contract for T328 Buda-Manchaca Transmission Line Upgrade - J Greene
Attachments: [Structure Contract for T328 Buda-Manchaca 2025-389](#)
11. [2025-379](#) Resolution - Approval of Budget Amendment - Burnet Conversion - N Fulmer
Attachments: [Budget Amendment Burnet Conversion 2025-379 Final](#)
12. [2025-380](#) Resolution - Approval of Budget Amendment - Fairland Conversion - N Fulmer
Attachments: [Budget Amendment Fairland Conversion 2025-380 Final](#)
13. [2025-381](#) Resolution - Approval of GIS Contract - N Fulmer/M White
Attachments: [GIS Contract 2025-381 Final](#)
14. [2025-382](#) Resolution - Approval of Wood Pole Contract - N Fulmer/N Swartz
Attachments: [Wood Pole Contract 2025-382 Final](#)
15. [2025-404](#) Retirement Plan Committee Update - A Alcazar/Drew McCorkle, CapTrust

Proposed Future Items / Meetings (subject to final posting)

16. [2025-383](#) List of Board Approved Future Meetings
Attachments: [2026 Board Meeting Calendar.pdf](#)
17. [2025-384](#) Board Planning Calendar (Written Report in Materials)
Attachments: [Annual Board Planning Calendar.pdf](#)
[3-Month Outlook.pdf](#)

Recess to Executive Session

Executive Session - Legal Matters

18. [2025-385](#) Matters in Which the Board Seeks the Advice of Its Attorney as Privileged Communications in the Rendition of Professional Legal Services
19. [2025-386](#) Litigation and Related Legal Matters - A Stover
20. [2025-387](#) Resolution - Approval of Authorization for Initiation, Settlement, or Disposition of Litigation Matter(s) - A Stover
21. [2025-403](#) Draft Resolution - Approval for Directing the General Counsel to Prepare 2026 Proposed Non-Director Election Ballot Matter(s) - A Stover
22. [2025-402](#) Franchise Agreement Update - A Stover
23. [2025-405](#) Retirement Plans Update - A Stover

Executive Session - Contract and Competitive Matters

24. [2025-388](#) Resolution(s) - Approval of Contract Renewals or Extensions - A Stover
25. [2025-390](#) Draft Resolution - Approval of Construction Contract - Cement Plant Substation - J Greene
26. [2025-399](#) Draft Resolution - Approval of Construction Contract for Bee Creek T1 and T2 Upgrade - J Greene
27. [2025-400](#) Draft Resolution - Approval to Amend 2025 Capital Improvement Plan (CIP) for Category Level Expenditure - J Smith
28. [2025-401](#) Draft Resolution - Approval of Amendments to the Power Supply and Commodity Risk Policy - R Kruger
29. [2025-391](#) Update on Competitive ERCOT Regulatory Matters - C Powell/E Blakey
30. [2025-392](#) Markets Report - R Kruger/R Strobel

Executive Session - Real Estate Matters

31. [2025-393](#) Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions - C Powell
32. [2025-394](#) Resolution(s) - Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions - C Powell

Executive Session - Safety and Security Matters

33. [2025-395](#) Safety and Security Matters

Executive Session - Personnel Matters

34. [2025-397](#) Resolution - Review of 2025 Corporate Initiatives and CEO Action Items with Consideration of Performance Bonus - T Cox
35. [2025-398](#) Review of 2026 Corporate Initiatives and CEO Action Items - J Parsley
36. [2025-396](#) Personnel Matters

Reconvene to Open Session

Items from Executive Session

Adjournment



File #: 2025-321, **Version:** 1

Recognition of PEC True Blue Recipients and Member Service Appreciation Week - J Urban/D Evers

Submitted By: JP Urban/DeLisa Evers
Department: CAO/Member Relations



Recognition of PEC True Blue Recipients

JP Urban | Chief Administrative Officer
DeLisa Evers | Director, Member Relations

True Blue Recognizes Professionalism

The **True Blue** recognition program is a way to recognize Member Relations employees, one time each year, for outstanding soft skills and performance on the phone, in person, and with their team.

Upon receiving a nomination and meeting the qualification requirements, selected employees will be deemed **True Blue** in acknowledgement of their dedication to our membership, ability to work cohesively with co-workers, demonstration of consistent professionalism, and meeting Performance Peek soft skill standards.

Qualifications

Any Member Relations employee demonstrating the following:

- Positive team influence
- Excellence in demonstrating soft skills

True Blue Recognizes Professionalism



True Blue Recognizes Professionalism





File #: 2025-341, **Version:** 1

Wednesday, November 12, 2025 - Special Meeting Minutes
Friday, November 21, 2025 - Regular Meeting Minutes



Pedernales Electric Cooperative

PO Box 1
Johnson City, TX 78636

Meeting Minutes - Draft

Board of Directors

Wednesday, November 12, 2025

3:00 PM

PEC Headquarters Auditorium

Special Meeting

Open Session of this Special Meeting was held in the PEC Auditorium and audio recorded in accordance with Board Meetings Policy.

Call to Order and Roll Call

This meeting was called to order at 3:02 p.m., on November 12, 2025, at the PEC Headquarters Auditorium, 201 South Avenue F, Johnson City, Texas. Director Travis Cox and Director Amy Akers were not present.

Present: 5 - Director Milton Rister, President Emily Pataki, Secretary/Treasurer Mark Ekrut, Director Alice Price, and Director Paul Graf

Absent: 2 - Vice President Travis Cox, and Director Amy Akers

Safety Briefing

President Emily Pataki provided the Safety Briefing.

Adoption of Agenda

The agenda was adopted as posted and without objection.

Consent Items

Member Comments (3-minute limitation or as otherwise directed by Board)

1. [2025-370](#) Member Comments

Attachments: [Decorum Policy](#)

There were no members present.

Recess to Executive Session

President Emily Pataki announced the items to be discussed in Executive Session and at 3:04 p.m., stated the Board would go into Executive Session.

Executive Session - Legal Matters

2. [2025-371](#) Discussion of Rebalance and Equitable Consideration of Director District Boundaries - A Stover

Reconvene to Open Session

At 4:46 p.m., the Board reconvened to the Open Session meeting. Director Travis Cox was not present.

Present: 6 - Director Milton Rister, President Emily Pataki, Secretary/Treasurer Mark Ekrut, Director Alice Price, Director Paul Graf, and Director Amy Akers

Absent: 1 - Vice President Travis Cox

Items from Executive Session**Adjournment**

There being no further business to come before the Board of the Directors, the meeting adjourned at 4:46p.m.

Approved:

Mark Ekrut, Secretary

Emily Pataki, President



Pedernales Electric Cooperative

PO Box 1
Johnson City, TX 78636

Meeting Minutes - Draft

Board of Directors

Friday, November 21, 2025

9:00 AM

PEC Headquarters Auditorium

201 S Ave F, Johnson City, TX 78636

Open Session of this Regular Meeting was held in the PEC Auditorium and recorded in accordance with Board Meetings Policy. Members may watch the recording from the PEC website at <https://pec.legistar.com/Calendar.aspx>.

Call to Order and Roll Call

This meeting was called to order at 9:04 a.m. on November 21, 2025, at the PEC Headquarters Auditorium, 201 South Avenue F, Johnson City, Texas. Director Paul Graf arrived to the meeting at 9:10 a.m.

Present: 7 - Director Milton Rister, President Emily Pataki, Secretary/Treasurer Mark Ekrut, Vice President Travis Cox, Director Alice Price, Director Paul Graf, and Director Amy Akers

Safety Briefing

President Emily Pataki provided the Safety Briefing.

Adoption of Agenda

The agenda was adopted as posted and without objection.

Cooperative Recognitions

1. [2025-323](#) **Recognition of Veterans Day - E Pataki**

President Emily Pataki recognized and thanked all Veterans, including employees for their service to the country.

2. [2025-324](#) **Recognition of PEC Linemen Participation at Annual International Lineman's Rodeo - N Fulmer/B Magott**

Mr. Brian Maggot, Director, Regional Operations, announced the PEC award recipients who participated in the 2025 Annual International Lineman's Rodeo, and presented a video from the event. The Board took a break from 9:11 a.m. to 9:15 a.m. for a photo opportunity with the rodeo team.

Consent Items**3. [2025-322](#) Friday, October 24, 2025 - Regular Meeting Minutes**

Attachments: [2025-10-24 OS Meeting Minutes](#)

Without objection the items listed under Consent Items were approved by general consent.

Cooperative Monthly Report**4. [2025-325](#) Cooperative Update - J Parsley/E Dauterive/N Fulmer/R Kruger/J Urban**

Attachments: [November Cooperative Update 2025-325.pdf](#)

Ms. Julie Parsley, Chief Executive Officer (CEO), Mr. Eddie Dauterive, Chief Strategy Officer, Mr. Nathan Fulmer, Chief Operations Officer - Distribution, Mr. Randy Kruger, Chief Financial Officer (CFO), and Mr. JP Urban, Chief Administrative Officer, presented a collaborative Cooperative Update.

Member Comments (3-minute limitation or as otherwise directed by Board)**5. [2025-326](#) Member Comments**

Attachments: [Decorum Policy](#)

There were no members present.

Action Items / Other Items**6. [2025-327](#) Resolution - Approval of 2026 Operating Budget and 2026 Capital Improvement Plan (CIP), Including Items Concerning Competitive Matters, Personnel, Contracts and Real Estate - J Smith/A Murosko**

Body: NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that based on the information presented by Executive Management regarding the PEC's 2026 Operating and Capital Improvement Plan Budget, including amounts budgeted for the Power of Change Round-Up funds allocated to Special Requests for Community Support, as presented this day as described herein and reflected on Exhibit A attached hereto; and

BE IT FURTHER RESOLVED that the Chief Executive Officer, or designee, is authorized to take such actions as needed to implement this resolution.

Attachments: [PPT-2026 Operating and CIP Budget-2025-327-Final](#)

A motion was made by Director Akers, seconded by Secretary/Treasurer Ekrut, that this item be approved. The motion failed by the following vote:

Yes: 7 - Rister, Pataki, Ekrut, Cox, Price, Graf, and Akers

7. [2025-329](#) Resolution - Approval of Rate Changes - R Kruger/W Symank

Body: NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE the rates and effective dates as described herein are approved with such changes, if any, as were discussed and approved by the Board on this day; and

BE IT FURTHER RESOLVED that the Cooperative is directed to incorporate such rate changes into its Tariff and Business Rules as of the effective date described herein; and

BE IT FURTHER RESOLVED that the Chief Executive Officer, or designee, is authorized to take all such actions as needed to implement this resolution.

Attachments: [PPT - Approval of 2026 Rate Plan 2025-329 - Final](#)

A motion was made by Vice President Cox, seconded by Director Akers, that this item be approved. The motion carried by the following vote:

Yes: 7 - Rister, Pataki, Ekrut, Cox, Price, Graf, and Akers

8. [2025-330](#) Resolution - Approval to Amend Tariff and Business Rules - C Powell

Body: BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the amendments to the Tariff and Business Rules as attached and presented this day is approved with such changes, if any, as were discussed and approved by the Board; and

BE IT FURTHER RESOLVED that these changes are to become effective March 1, 2026; and

BE IT FURTHER RESOLVED that the General Counsel and Chief Compliance Officer, or designee, are authorized to take all such actions as needed to implement this resolution.

Attachments: [Tariff and Business Rules - Annual and Rates - 2025-330 - FINAL REDLINE](#)
[Tariff and Business Rules - Annual and Rates - 2025-330 - FINAL CLEAN](#)
[PPT - Tariff & Bus. Rule Annual Updates - 2025-330](#)

A motion was made by Director Akers, seconded by Secretary/Treasurer Ekrut, that this item be approved. The motion failed by the following vote:

Yes: 7 - Rister, Pataki, Ekrut, Cox, Price, Graf, and Akers

9. [2025-331](#) Resolution - Approval of Sale of Land and Improvements and Release from Lien for Property in Hays County - C Powell

Body: WHEREAS, PEC intends to sell the Bunton Creek Road Property to the City of Kyle through a negotiated transaction in reasonable anticipation of the taking of such property by eminent domain;

WHEREAS, the Cooperative's Board of Directors has reviewed the Term Sheet for the sale of the Bunton Creek Road Property in Hays County as provided in

Executive Session;

WHEREAS, the Cooperative's Board of Directors hereby concludes that the sale price represents the fair value for the Land and Improvements;

WHEREAS, the Bunton Creek Road Property constitutes less than all of the property in the Cooperative's possession that constitutes the Trust Estate (as defined in the Master Indenture); and

WHEREAS, the Cooperative's Board of Directors desires to obtain a release of the Lien (as defined in the Master Indenture) from the Trustee under the Master Indenture pursuant to Section 1.9(a) and a release from the Deed of Trust in order to sell the Bunton Creek Road Property.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the Cooperative is authorized to sell the Bunton Creek Road Property for the amount as discussed in Executive Session, with certain details of any such transaction to be publicly available upon public filing of instruments;

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the Cooperative requests that the Trustee release the Land and Improvements from the Lien under the Master Indenture pursuant to Section 1.9(a) of the Master Indenture and release the Land and Improvements from the Deed of Trust;

BE IT FURTHER RESOLVED that the Chief Compliance Officer or designee, is authorized to prepare, execute, acknowledge as appropriate, and deliver any deed, certificates, and other instruments of any nature necessary to give effect to such sale of the Bunton Creek Road Property and release the Bunton Creek Road Property from the Lien, in such form and containing such terms and conditions as may be necessary, appropriate, or desirable; and

BE IT FURTHER RESOLVED that the Chief Compliance Officer or designee is authorized to take all such actions as needed to implement this resolution.

Attachments: [PPT - Bunton Creek Rd. Goforth Substation Prop Disp - 2025-331](#)

A motion was made by Vice President Cox, seconded by Director Akers, that this item be approved. The motion carried by the following vote:

Yes: 7 - Rister, Pataki, Ekrut, Cox, Price, Graf, and Akers

10. [2025-332](#) **Resolution - Approval of Budget Amendment - Friendship Upgrade T1 and T2 to 46.7 MVA - J Greene**

Body: **NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the amendment to the Cooperative's Capital Improvement Plan Individual Project Budget for Friendship T1 and T2 Upgrade as described in the Executive Session is approved; and

BE IT FURTHER RESOLVED that all actions taken prior to the date herein by

the officers and duly authorized agents of the Cooperative in connection with the subject of the foregoing, be ratified, confirmed, and approved; and

BE IT FURTHER RESOLVED that the Chief Executive Officer or designee is authorized to take such actions as needed to implement this resolution.

Attachments: [PPT - T360 Friendship-Rutherford Structure Contract 2025-254 Final](#)

A motion was made by Director Akers, seconded by Secretary/Treasurer Ekrut, that this item be approved. The motion failed by the following vote:

Yes: 7 - Rister, Pataki, Ekrut, Cox, Price, Graf, and Akers

11. [2025-333](#) **Resolution - Approval of Contract Extension for National Information Solutions Cooperative (NISC) - J Urban**

Body: **NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Cooperative is authorized to execute a three (3) year extension and amendment for software services as discussed in Executive Session; and

BE IT FURTHER RESOLVED, that the Chief Administrative Officer, or designee, is authorized to take all such actions as needed to implement this resolution.

Attachments: [Approval of Contract Ext for NISC 2025-333](#)

A motion was made by Vice President Cox, seconded by Director Rister, that this item be approved. The motion failed by the following vote:

Yes: 7 - Rister, Pataki, Ekrut, Cox, Price, Graf, and Akers

12. [2025-334](#) **Resolution - Approval of Oracle Master Service Agreement Contract Extension and Amendment - L Mueller/A Robertson**

Body: **NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the Cooperative is authorized to execute a three (3) year extension and amendment for software services as discussed in Executive Session and in the confidential term sheet; and

BE IT FURTHER RESOLVED, that the Chief Administrative Officer, or designee, is authorized to take all such actions as needed to implement this resolution.

Attachments: [PPT - Oracle 3-Year Master Service Agreement 2025-334](#)

A motion was made by Secretary/Treasurer Ekrut, seconded by Director Akers, that this item be approved. The motion carried by the following vote:

Yes: 7 - Rister, Pataki, Ekrut, Cox, Price, Graf, and Akers

13. [2025-335](#) **Resolution - Revocation of Plan Administration Committee (PAC) Bylaws and Approval of Retirement Plan Committee Charter - A Stover**

Body: **NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that PEC as the Plan Sponsor revokes any bylaws in

connection with the creation of the Plan Administration Committee and any other operating guidelines and reconstitute the existing administration committee and approve the charter for a Retirement Plan Committee;

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that PEC as the Plan Sponsor adopt the Charter for the Retirement Plan Committee substantially in the form presented to the Board in Executive Session, effective as of December 1, 2025;

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that each of the officers of the Cooperative is hereby individually authorized, empowered and directed to take all actions and steps necessary or advisable to implement the establishment of the Retirement Plan Committee and the adoption of its charter;

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that a majority of the members of the Retirement Plan Committee are authorized to approve and execute amendments to the Retirement Plan Committee Charter in order to facilitate efficient administration of the Retirement Plan Committee; and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that all actions taken prior to the date hereof by an officer or employee of the Cooperative in respect of, related to, or in connection with the preceding resolutions are hereby ratified, confirmed and approved in all respects; and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the officers of the Cooperative are authorized and empowered individually to execute and deliver such additional agreements, instruments and documents, and to take or cause to be taken such other actions, as the officer may deem necessary, advisable or appropriate to implement the purposes and intent of the foregoing resolutions; each such agreement, instrument and document to be in such form and to contain such terms and conditions, consistent with the foregoing resolutions, as the officer may approve, the execution and delivery of any such agreement, instrument or document by the officer or the taking of such action to be conclusive evidence of such authorization and approval.

Attachments: [PPT - PAC Reconstitution - 2025-335](#)

A motion was made by Secretary/Treasurer Ekrut, seconded by Director Akers, that this item be approved. The motion failed by the following vote:

Yes: 7 - Rister, Pataki, Ekrut, Cox, Price, Graf, and Akers

14. [2025-336](#) Resolution - Approval of Amendment and Restatement of ERISA Wrap Plan for Health and Welfare Benefit Plans - A Stover

Body: WHEREAS PEC sponsors and maintains the Wrap Plan, originally adopted by its Board of Directors (Board) and most-recently amended and restated effective January 1, 2023;

WHEREAS, effective January 1, 2025, the PEC is required to amend and restate the Wrap Plan, consistent with its terms, to comply with mandatory and certain optional requirements of law;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the proposed amendments to the Wrap Plan are approved, effective January 1, 2025, in substantially the form presented to the Board in Executive Session;

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that each of the officers of the Cooperative is hereby individually authorized, empowered and directed to take all actions and steps necessary or advisable to implement the amendment and restatement of the Wrap Plan in accordance with the terms of the Wrap Plan and applicable law;

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that any and all actions taken prior to the date hereof by an officer of the Cooperative or other authorized Cooperative employee in respect of, related to or in connection with the preceding resolutions are hereby ratified, confirmed and approved in all respects;

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the officers of the Cooperative are authorized and empowered individually to execute and deliver such additional agreements, instruments and documents, and to take or cause to be taken such other actions, as the officer may deem necessary, advisable or appropriate to implement the purposes and intent of the foregoing resolutions; each such agreement, instrument and document to be in such form and to contain such terms and conditions, consistent with the foregoing resolutions, as the officer may approve, the execution and delivery of any such agreement, instrument or document by the officer or the taking of such action to be conclusive evidence of such authorization and approval; and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the Board hereby delegates to the General Counsel of the Cooperative full authority to approve and execute any and all future amendments to the Wrap Plan, and to take all actions and execute all documents necessary or appropriate to effectuate such amendments, without further action or approval by the Board.

Attachments: [PPT - Wrap Plan - November 2025 - 2025-336](#)

A motion was made by Vice President Cox, seconded by Director Akers, that this item be approved. The motion carried by the following vote:

Yes: 7 - Rister, Pataki, Ekrut, Cox, Price, Graf, and Akers

15. [2025-337](#) **Resolution - Approval of ERISA Self-Insured Medical Plan Document - A Stover**

Body: **WHEREAS**, effective January 1, 2025, the Cooperative transitioned to a self-insured medical plan structure and must adopt a self-insured medical plan document in accordance with legal requirements under the Employee Retirement Income Security Act of 1974 (ERISA), which shall be referred to as the *Pedernales Electric Cooperative, Inc. Self-Insured Medical Plan* (Medical Plan), to be effective January 1, 2025.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the Medical Plan substantially the same form presented to the Board in Executive Session, is hereby adopted, effective January 1, 2025;

BE IT FURTHER RESOLVED that each of the officers of the Cooperative is hereby individually authorized, empowered and directed to take all actions and steps necessary or advisable to implement the adoption of the Medical Plan in accordance with the terms of the Medical Plan and applicable law;

BE IT FURTHER RESOLVED that any and all actions taken prior to the date hereof by an officer of the Cooperative or other Cooperative employee in respect of, related to or in connection with the preceding resolutions are hereby ratified, confirmed and approved in all respects;

BE IT FURTHER RESOLVED that the officers of the Cooperative are authorized and empowered individually to execute and deliver such additional agreements, instruments and documents, and to take or cause to be taken such other actions, as the officer may deem necessary, advisable or appropriate to implement the purposes and intent of the foregoing resolutions; each such agreement, instrument and document to be in such form and to contain such terms and conditions, consistent with the foregoing resolutions, as the officer may approve, the execution and delivery of any such agreement, instrument or document by the officer or the taking of such action to be conclusive evidence of such authorization and approval; and

BE IT FURTHER RESOLVED that the Board hereby delegates to the General Counsel of the Cooperative full authority to approve and execute any and all future amendments to the Medical Plan, and to take all actions and execute all documents necessary or appropriate to effectuate such amendments, without further action or approval by the Board.

Attachments: [PPT - Self-Insured Medical Plan - 2025-337](#)

A motion was made by Director Akers, seconded by Secretary/Treasurer Ekrut, that this item be approved. The motion carried by the following vote:

Yes: 7 - Rister, Pataki, Ekrut, Cox, Price, Graf, and Akers

16. [2025-338](#) Resolution - Approval of ERISA Severance Plan - A Stover

Body: **WHEREAS**, after consultation with counsel, PEC determined it to be in the best interests of the Cooperative and its employees to adopt a severance plan which satisfies the requirements for a welfare plan under ERISA.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the *Pedernales Electric Cooperative, Inc. Severance Plan* (Severance Plan), substantially in the form presented to the Board in Executive Session, is approved and adopted, effective as of December 1, 2025;

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that each of the officers of the Cooperative is hereby individually authorized, empowered and directed to take all actions and steps necessary or advisable to implement the adoption of the Severance Plan in accordance with the terms of the Severance Plan and applicable law;

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that all actions taken prior to the date hereof by an officer or employee of the Cooperative in respect of, related to, or in connection with the preceding resolutions are hereby ratified, confirmed and approved in all respects;

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the officers of the Cooperative are authorized and empowered individually to execute and deliver such additional agreements, instruments and documents, and to take or cause to be taken such other actions, as the officer may deem necessary, advisable or appropriate to implement the purposes and intent of the foregoing resolutions; each such agreement, instrument and document to be in such form and to contain such terms and conditions, consistent with the foregoing resolutions, as the officer may approve, the execution and delivery of any such agreement, instrument or document by the officer or the taking of such action to be conclusive evidence of such authorization and approval; and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the officers of the Cooperative are authorized to approve and execute future amendments to the Severance Plan, in order to facilitate efficient administration and implementation of the Plan.

Attachments: [PPT - ERISA Severance Plan - October - 2025-338](#)

A motion was made by Director Akers, seconded by Secretary/Treasurer Ekrut, that this item be approved. The motion carried by the following vote:

Yes: 7 - Rister, Pataki, Ekrut, Cox, Price, Graf, and Akers

17. [2025-339](#) **Resolution - Approval of Rebalance and Equitable Consideration of Director District Boundaries - A Stover**

Body: NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that Director District boundary revisions as presented this day are consistent with the law and criteria established under PEC bylaws and are therefore approved, to be effective for Director elections beginning in 2026; and

BE IT FURTHER RESOLVED that the General Counsel, or designee, is authorized to take any actions necessary to implement this resolution.

Attachments: [Director District Rebalance 2025-339](#)

A motion was made by Director Akers, seconded by Director Rister, that this item be approved. The motion failed by the following vote:

Yes: 7 - Rister, Pataki, Ekrut, Cox, Price, Graf, and Akers

18. [2025-340](#) **Draft Resolution - Approval of 2026 Election Timeline and Communications Plan - A Stover/C Tinsley Porter**

Body: BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that pursuant to Sections 3.2 of the PEC Election Policy and Procedures, the Election Timeline in the form presented to the Board, and with any changes approved by the Board, is approved as the 2026 Election Timeline and Communication Plan for the 2026 PEC Election; and

BE IT FURTHER RESOLVED that pursuant to Section 7.3 of the PEC Election Policy and Procedures, the Communications Plan in the form presented to the Board, and with any changes approved by the Board, is adopted as the 2026 Election Communications Plan for the 2026 PEC Election; and

BE IT FURTHER RESOLVED that the Chief Executive Officer, the General Counsel, and their designees, are hereby authorized to take all such action as may be necessary to implement this resolution and conduct the 2026 PEC Election.

Attachments: [2026 Election Timeline working copy draft_v1 - 2025-340](#)

[PPT - 2026 Election Communications Plan - 2025-340](#)

Ms. Andrea Stover, General Counsel, and Ms. Caroline Tinsley Porter, External Relations Director, presented a collaborative summary of the 2026 Election Timeline and Communications Plan.

19. [2025-342](#) **Draft Resolution - Approval of 2026 Key Performance Indicators Plan - E Dauterive**

Body: BE IT RESOLVED BY THE BOARD OF DIRECTORS that the 2026 KPI Plan presented to the Board this day is approved; and

BE IT FURTHER RESOLVED that the Chief Executive Officer and Chief Financial Officer, or designee, is authorized to take all actions necessary to

implement this resolution.

Attachments: [2026 KPI Plan Revisions 2025-342 Final.pdf](#)

Mr. Eddie Dauterive, Chief Strategy Officer, presented the draft resolution of the 2026 Key Performance Indicators Plan.

20. [2025-343](#) **Winter Preparedness Report - N Fulmer/J Greene/J Urban**

Attachments: [Winter Preparedness 2025-343 Final](#)

Mr. Jonathan Greene, Chief Operations Officer - Transmission, Mr. Nathan Fulmer, Chief Operations Officer - Distribution, and Mr. JP Urban, Chief Administrative Officer, provided a collaborative report.

Proposed Future Items / Meetings (subject to final posting)

21. [2025-344](#) **Resolution - Approval of 2026 Board of Directors List of Proposed Future Meetings - E Pataki**

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that the proposed 2026 Board Meeting Calendar which includes the dates of its Regular Board Meetings is approved as presented to the Board this day; and

BE IT FURTHER RESOLVED that the Chief Executive Officer, General Counsel, and designee, are authorized to take all such actions as may be necessary to implement this resolution.

Attachments: [Proposed 2026 Board Meeting Calendar - 2025-344](#)

The Board considered the 2026 Board of Directors list of proposed future meetings.

A motion was made by Secretary/Treasurer Ekrut, seconded by Director Price, that this item be approved. The motion carried by the following vote:

Yes: 7 - Rister, Pataki, Ekrut, Cox, Price, Graf, and Akers

22. [2025-345](#) **List of Board Approved Future Meetings**

Attachments: [2025 Board Meeting Calendar.pdf](#)

President Emily Pataki stated that the Board approved meeting dates were included in the meeting materials.

23. [2025-346](#) **Board Planning Calendar (Written Report in Materials)**

Attachments: [Annual Board Planning Calendar](#)
[3-Month Outlook](#)

President Emily Pataki stated that the planning calendars were included in the meeting materials.

Recess to Executive Session

President Emily Pataki announced the items to be discussed in Executive Session and at 11:13 a.m., stated the Board would go into Executive Session.

Executive Session - Legal Matters

- 24. [2025-347](#) Matters in Which the Board Seeks the Advice of Its Attorney as Privileged Communications in the Rendition of Professional Legal Services
- 25. [2025-348](#) Litigation and Related Legal Matters - A Stover
- 26. [2025-349](#) Resolution - Approval of Authorization for Initiation, Settlement, or Disposition of Litigation Matter(s) - A Stover
- 27. [2025-350](#) Ethics and Compliance Semiannual Update - C Powell/J Rickman
- 28. [2025-366](#) Discussion of Rebalance and Equitable Consideration of Director District Boundaries - A Stover

Executive Session - Contract and Competitive Matters

- 29. [2025-358](#) Resolution(s) - Approval of Contract Renewals or Extensions - A Stover
- [2025-328](#) Resolution - Approval of Authorization for Increase and Extension of Long-Term Debt Financing for the Cooperative - R Kruger
- 31. [2025-354](#) Draft Resolution - Approval of Capital Credits Distribution during Calendar Year 2026 - J Smith
- 32. [2025-372](#) Draft Resolution - Approval of Renewal of Advanced Metering Infrastructure (AMI) Software License Agreement - L Mueller/S McCoy
- 33. [2025-301](#) Draft Resolution - Approval of Budget Amendment - Cedar Valley T1 & T2 Upgrade - J Greene
- 34. [2025-352](#) Draft Resolution - Approval of Budget Amendment - Burnet Conversion - N Fulmer
- 35. [2025-363](#) Draft Resolution - Approval of Budget Amendment - Fairland Conversion - N Fulmer
- 36. [2025-355](#) Draft Resolution - Approval of GIS Contract - N Fulmer/M White
- 37. [2025-353](#) Draft Resolution - Approval of Wood Pole Contract - N Fulmer/N Swartz
- 38. [2025-364](#) Material Alliance Contract Update - N Fulmer/N Swartz

- 39. [2025-365](#) Update on Transmission Operations & Planning - J Greene
- 40. [2025-356](#) Update on Competitive ERCOT Regulatory Matters - C Powell/E Blakey
- 41. [2025-357](#) Markets Report - R Kruger/R Strobel
- 42. [2025-367](#) Discussion of 2026 Budget - R Kruger
- 43. [2025-368](#) Discussion of Rate Changes - R Kruger
- 44. [2025-369](#) Discussion of Amendments to Tariff and Business Rules - C Powell

Executive Session - Real Estate Matters

- 45. [2025-359](#) Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions - C Powell
- 46. [2025-360](#) Resolution(s) - Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions - C Powell

Executive Session - Safety and Security Matters

- 47. [2025-361](#) Safety and Security Matters

Executive Session - Personnel Matters

- 48. [2025-362](#) Personnel Matters

Reconvene to Open Session

At 2:47 p.m., the Board reconvened to the Open Session meeting. Director Milton Rister was not present.

Present: 6 - President Emily Pataki, Secretary/Treasurer Mark Ekrut, Vice President Travis Cox, Director Alice Price, Director Paul Graf, and Director Amy Akers

Absent: 1 - Director Milton Rister

Items from Executive Session

The following agenda item was discussed in Executive Session and set for approval in Open Session.

- 30. [2025-328](#) Resolution - Approval of Authorization for Increase and Extension of Long-Term Debt Financing for the Cooperative - R Kruger

Body: WHEREAS, to continue to fund PEC's capital improvement budget and operating budget in the next five-years so that it may continue providing safe and reliable electric service to its members, the Cooperative requires an extension of its long-term debt facility with NY Life under reasonable terms;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the Cooperative is authorized to extend its long-term debt facility with NY Life in the aggregate principal amount up to \$400,000,000, which debt may be secured under the Supplemental Indenture by substantially all the assets of the Cooperative; and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the long-term debt authorized herein may include the issuance of bonds, notes or other obligations (including, without limitation, notes to be purchased by NY Life) in one or more series or tranches on behalf the Cooperative; and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that such bonds, notes or other obligations will be secured under the Supplemental Indenture; and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the Chief Executive Officer and the Chief Financial Officer of the Cooperative, or designee, (Authorized Officers) are authorized to negotiate and execute all necessary forms or agreements that may be required with a credit bank, lender, purchaser, trustee, or depository institution, and any other agreements, certificates, consents, affidavits, opinions, and other instruments necessary or appropriate to give effect to such documents or agreements or the long term financings described in this resolution; and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the Authorized Officers are authorized as necessary to negotiate and execute renewals, extensions, supplements and/or amendments to any of the aforementioned documents; and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the Authorized Officers are authorized to do any and all acts deemed by such officer in such officer's judgment to be necessary or appropriate in the best interests of the Cooperative to give effect to the foregoing resolutions; and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that all actions taken prior to the effective date hereof by the officers and duly authorized agents of the Cooperative in connection with the subject of the foregoing resolutions be and are hereby ratified, confirmed, and approved.

A motion was made by Secretary/Treasurer Ekrut, seconded by Vice President Cox, that this item be approved. The motion carried by the following vote:

Yes: 6 - Pataki, Ekrut, Cox, Price, Graf, and Akers

Absent: 1 - Rister

Adjournment

There being no further business to come before the Board of the Directors, the meeting adjourned at 2:48 p.m.

Approved:

Mark Ekrut, Secretary

Emily Pataki, President



File #: 2025-351, **Version:** 1

Cooperative Update - J Parsley/J Greene/N Fulmer/R Kruger/J Urban

Submitted By: Julie Parsley
Department: Chief Executive Officer



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

Regulatory Update: PUC

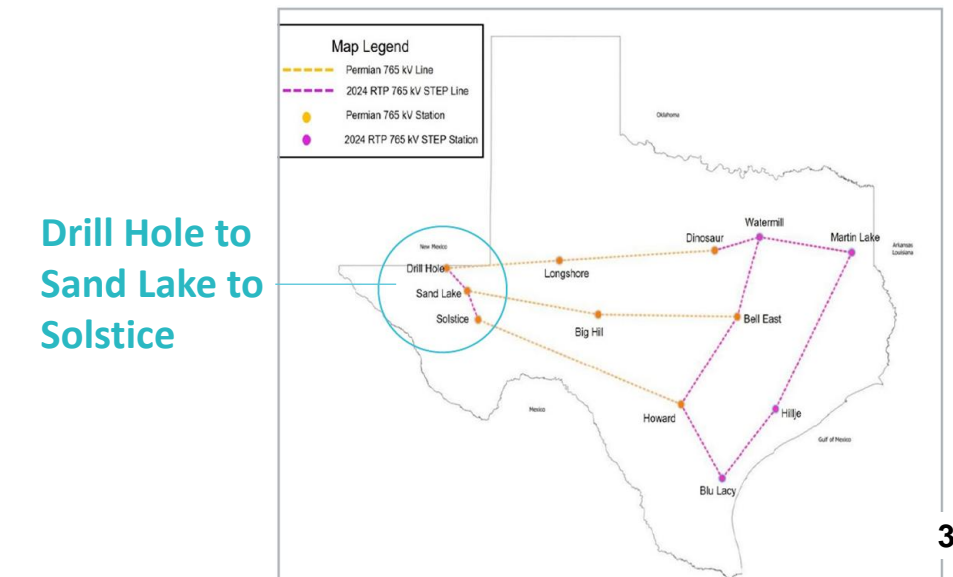
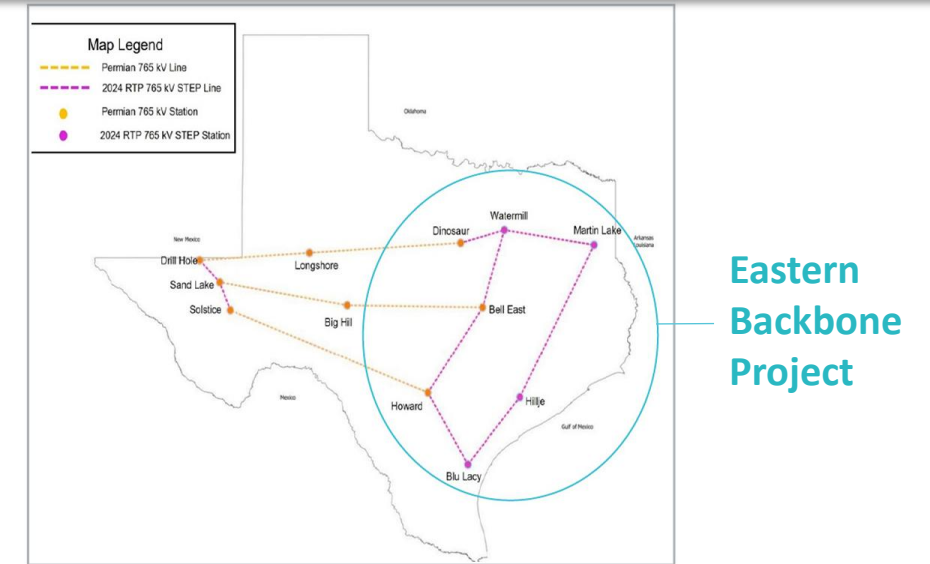
To be
updated

- Real-Time Co-optimization Plus Batteries (RTC+B) now live:
 - Most substantial market design enhancement since 2010
 - Culmination of a multi-year initiative launched in 2019
- Reliability and Efficiency Gains:
 - Projected wholesale market savings > \$1 billion annually
 - Allows timely procurement of Ancillary Services – reduces ERCOT operator manual actions
 - Better congestion management – wider variety of resources dispatched in real time



ERCOT Update

- ERCOT Board greenlights \$10.2 billion in new transmission projects:
 - Eastern Backbone 765 kV Project
 - Drill Hole to Sand Lake to Solstice 765 kV Project
 - Oncor Connell 345/138 kV Switch and Connell to Rockhound 345-kV Double-Circuit Line Tier 1 Reliability Project
- ERCOT Posted the Preliminary Resource Adequacy Report following the Board Meeting:
 - A draft version of the Report on Capacity, Demand and Reserves is available for review and comment before the official release on December 19



Toy Drive

To be
updated

- Toy drive ended December 10
 - More information and additional photos to come



GridEx Event

- GridEx is a two-day, nationwide, tabletop exercise that allows organizations that support the electric grid to collaborate and test their emergency preparedness plans and protocols
- It is the largest cyber and physical grid security exercise in North America with more than 370 organizations simultaneously exercising their resilience
- These exercises build on previous tabletop exercises and incident responses, as well as keep us compliant with NERC CIP standards



Giving Is Easy With PEC's Power of Change

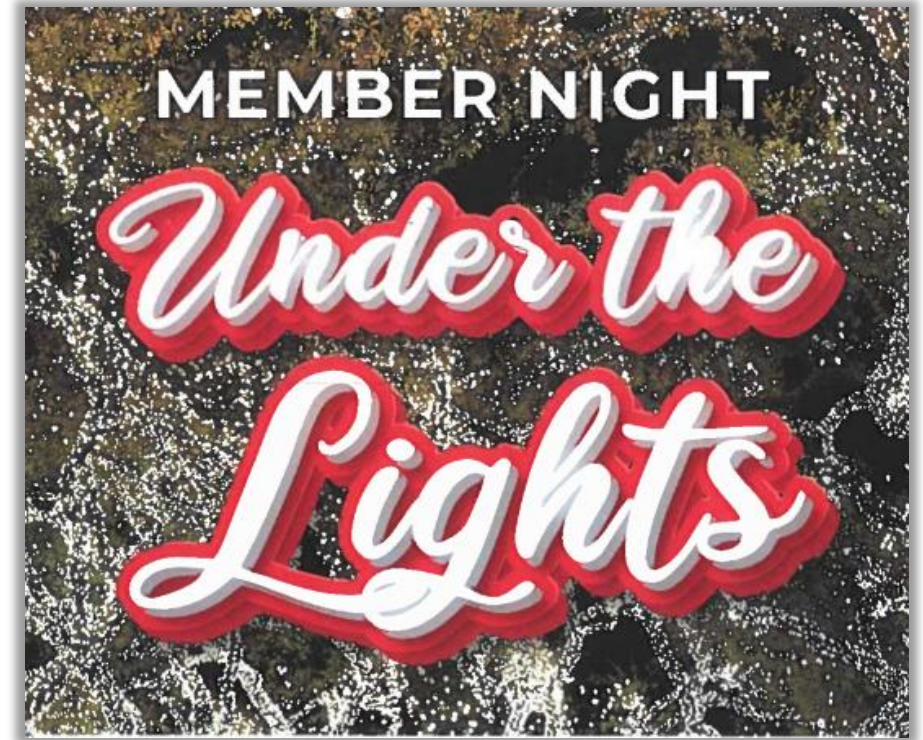
- PEC's Power of Change helps fund our charitable giving programs
 - Member Assistance Program
 - Community Grants
 - Education Foundation Contributions
 - United Charities
 - Youth Tour
 - Youth Engagement and Classroom Opportunities
- Sign up today at myPEC.com/change!



A Memorable Night Under the Lights!

To be
updated

- Event:
 - Thursday, December 11 from 6:00-8:00 p.m.
 - More information and photos to come





December Quarterly Report

Jonathan Greene | Chief Operating Officer -
Transmission

Graphite Mine T1 Upgrade

- Completed in November
- Transformer upgrade increases capacity for the substation
- Supports area load growth and improves reliability



Cedar Valley T1 and T2 Upgrade

- Completed in December
- Transformer upgrades increase capacity for the substation
- Supports area load growth, increases contingencies, and improves reliability



T323 Marshall Ford-Paleface Overhaul

- Construction began in August 2023, completed in October 2025
- This circuit was rebuilt to storm harden the corridor and improve system reliability
- This was a joint project with LCRA TSC



T358 Cedar Valley-Friendship Storm Hardening

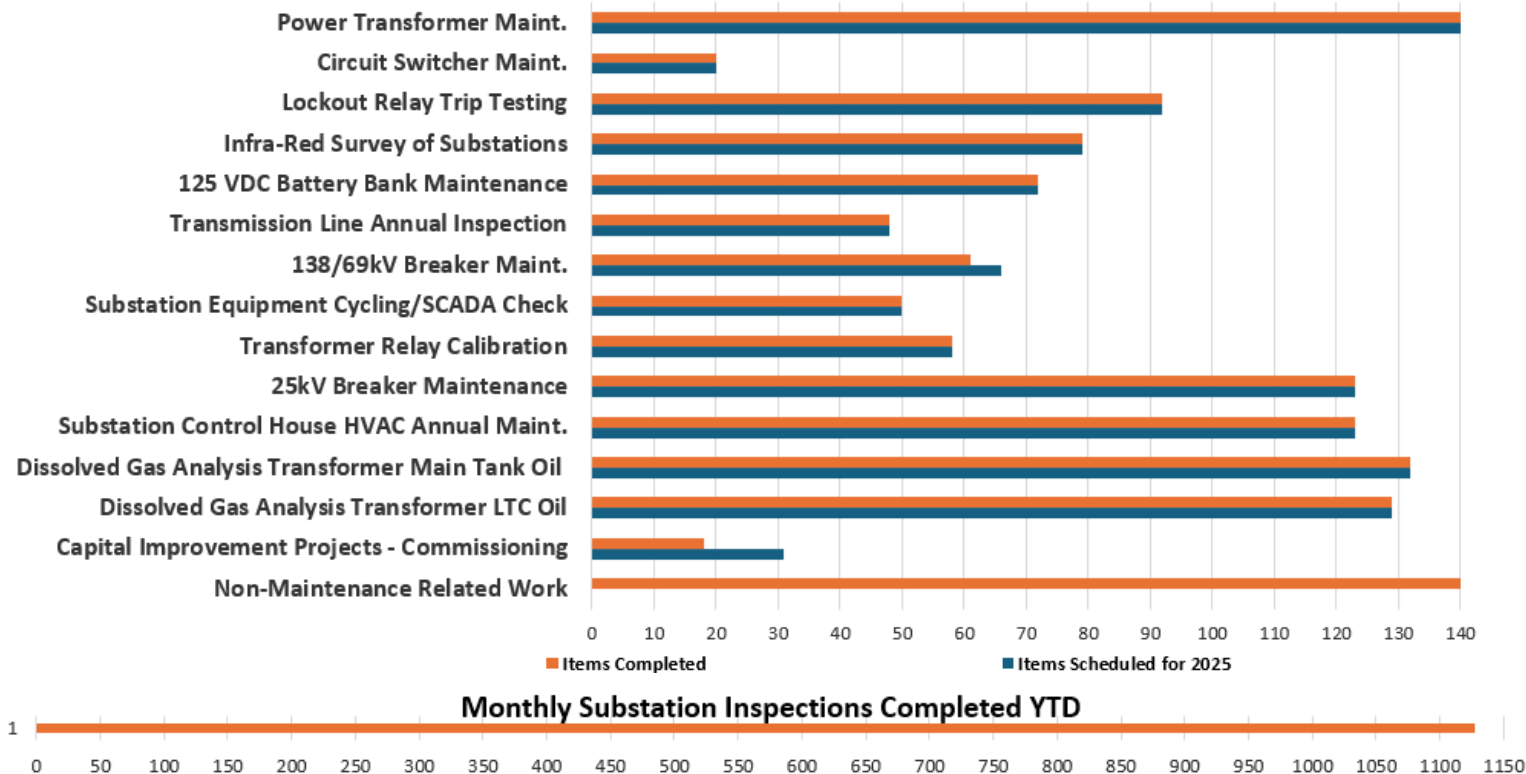
- Construction began in July and will complete in December
- This circuit was rebuilt to storm harden this corridor and improve system reliability



System Maintenance

2025 Transmission Maintenance

- Equipment maintenance is completing as scheduled
- Completed **1,128** substation inspections, and **228** corrective repairs
- ERCOT Weatherization Inspections – **11** substation inspections were conducted with no findings
- 2025 NERC Audit – TRE & FERC staff toured Leander and Blockhouse substations with no findings



System Performance

System Performance

- Transmission system availability is high, performance metrics are comparable to 2024

ITOA (*Integrated Tools for Operations Application*) Project Completion

- ITOA is an outage coordination app for use across PEC, with ERCOT, and with neighboring utilities
- Replaces internally-developed tool with industry leading tool used throughout North America
- Provides better visibility and functionality across departments in planning and scheduling capital projects and maintenance activities
- Transition to go-live in December after more than a year of selection and implementation
- Initial training completed for critical staff; training for other PEC users will be provided in early 2026

Winter Operations

- Completed winter preparations, including all ERCOT and internal training
- Completed winter assessments within Planning, Operations, and Maintenance
- TCC staff will continue to monitor the system for any necessary changes to PEC operations plans



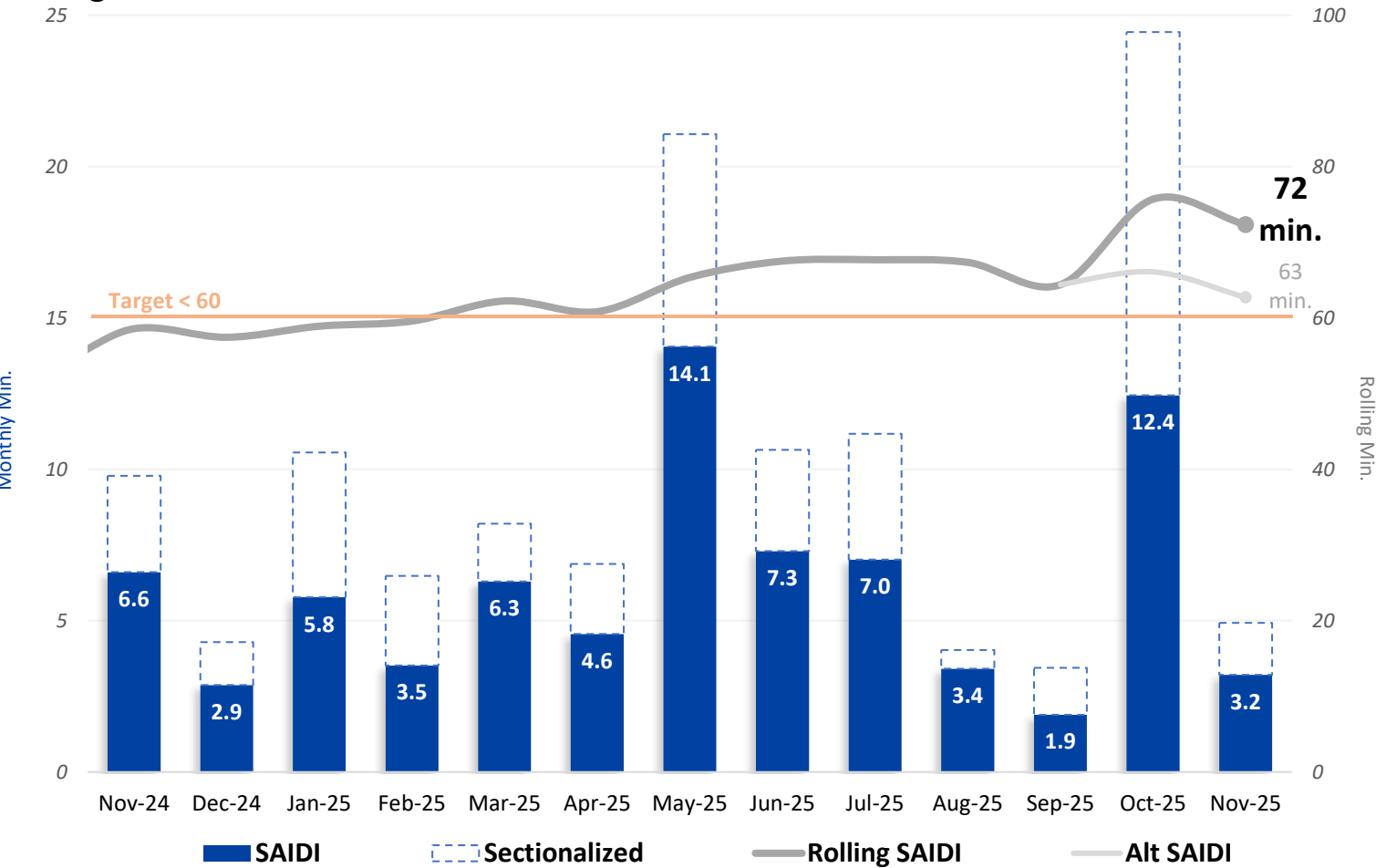
Operations Report

Nathan Fulmer | Chief Operations Officer -
Distribution

Reliability

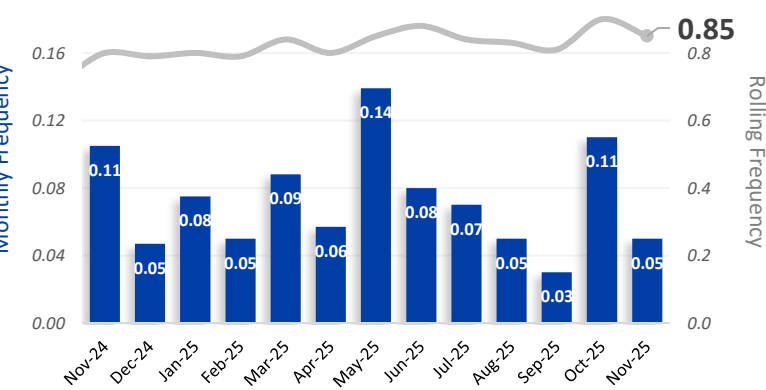
SAIDI System Average Interruption Duration Index

TX Avg SAIDI in 2023 = **150.3 min.** reported by the Dept. of Energy



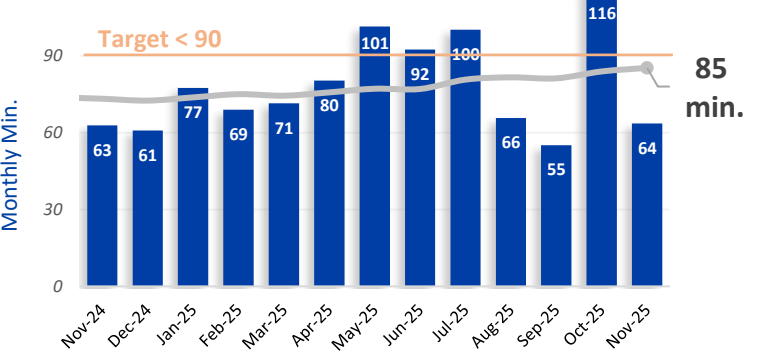
SAIFI System Average Interruption Frequency Index

Target < 1.0



CAIDI Customer Average Interruption Duration Index

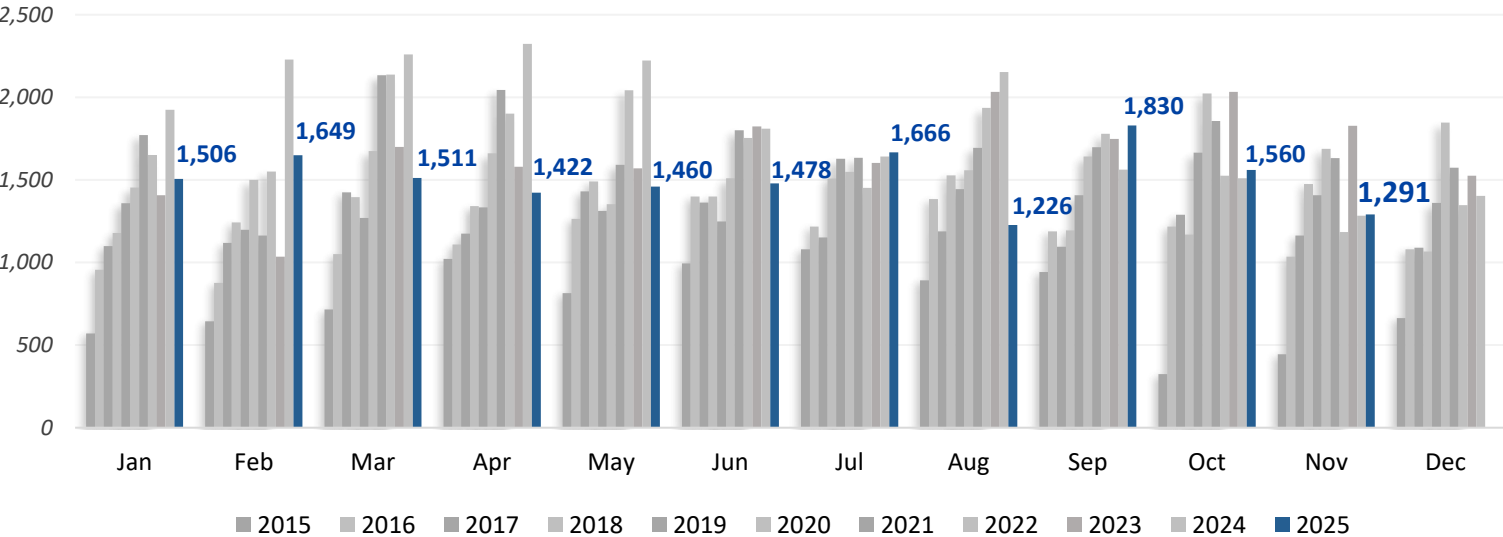
Target < 90



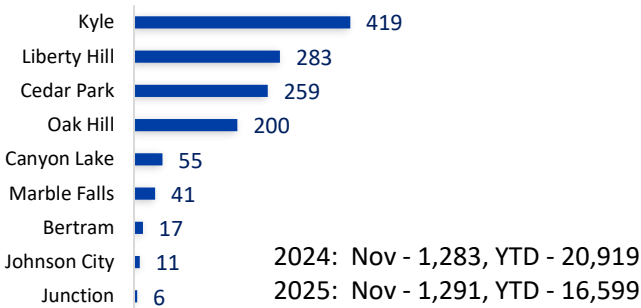
System Growth

Line Extensions Completed

2023: 19,886 2024: 22,323 2025 YTD: 16,599



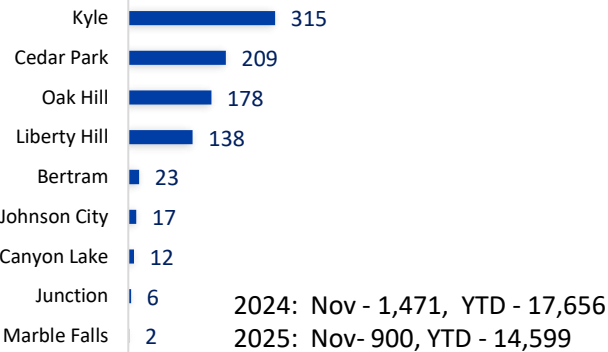
Line Extensions by District



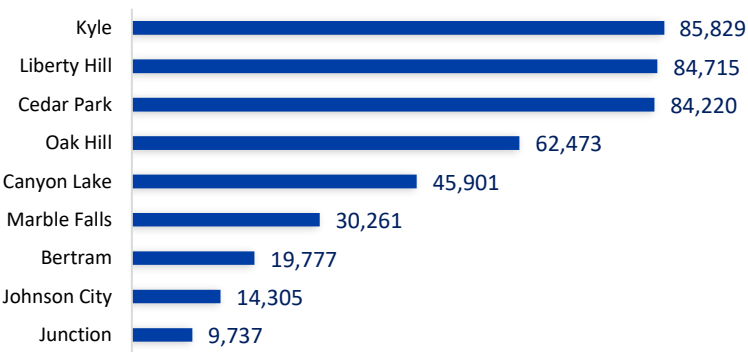
Miles of Distribution Line:

Overhead:	17,841	(69%)
Underground:	8,138	(31%)
Total:	25,979	

Meter Growth (900)

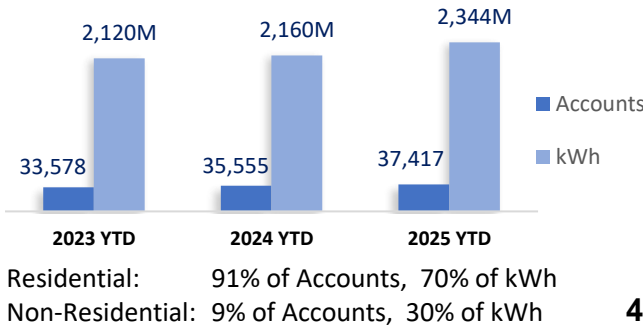


Meter Totals (437,218)



Residential & Commercial

Non-Residential Accounts and Consumption YTD



Safety & Technical Training Update

Department Highlights

Training and Classes

- Hosted five days of continued education focused on grounding and bonding practices to mitigate hazardous induced voltages, attended by 101 Journey workers and Year 4 apprentices.

Assessments

- Completed 12 apprentice assessments as part of the apprenticeship program.
- Finalized and posted 2026 assessment schedules which includes a total of 38 weeks of training for lineworker apprentices.
- Audit Success: The technical training team received high marks from Northwest Line College during their annual audit, excelling in both classroom settings and education delivery.



Neil Dodson
Regional
Operations
Supervisor
Oak Hill

Employee Spotlight

Partnering with Technical Services to install equipment critical for sectionalization, Neil's line crew has helped to lower SAIDI in the Oak Hill district by **47%** (6 minutes) and have moved 3 feeders off the Top 10 Worst Performing Feeders List.

Equipment installed

- | | |
|------------------------|-------------|
| • 683 Fault Indicators | • 19 ABS |
| • 23 MVIs Removed | • 9 SBD |
| • 69 CMRs | • 21 Vipers |

2024 Outages

- 660 outages
- 65,748 members
- 11.96 SAIDI min.

2025 Outages

- 538 outages (122 fewer)
- 35,518 members affected (30,230 fewer)
- 5.97 SAIDI min.

Night Work Exercises

Pilot Training for Night Restorations:

- On Nov. 5, Year 3 Apprentices worked a 3pm -11pm shift for evening training on a broken-arm and down-pole scenario.
- Preparing to continue this at all levels:
 - Y1: Night climbing, transformer change-out
 - Y2: Night EPZ grounding, building transformer banks
 - Y3: Night hot-work
 - Y4: Night switching





November 2025 Financial Report

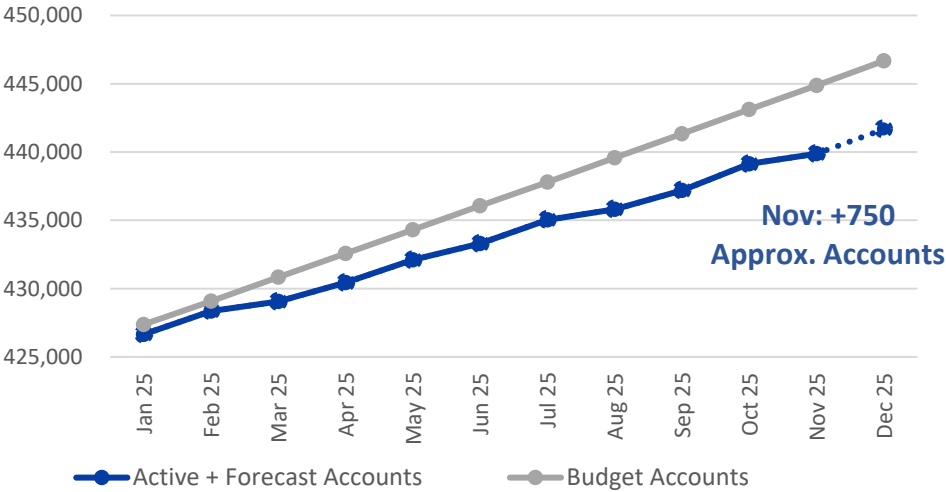
Randy Kruger | Chief Financial Officer

Finance at a Glance – November 2025

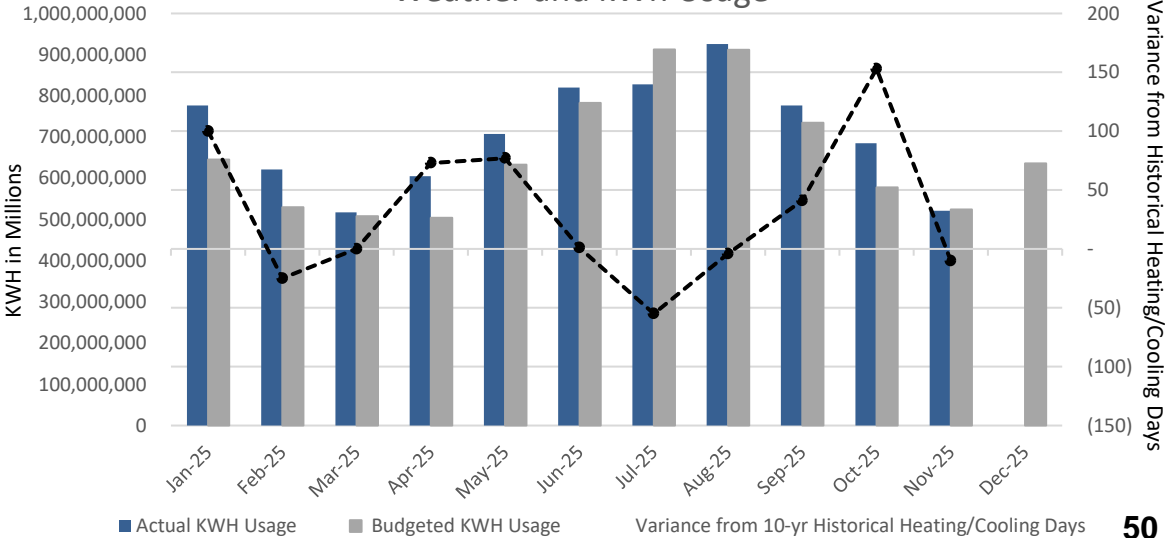
	MTD (\$ in millions)			YTD (\$ in millions)		
	Actual	Budget	Variance	Actual	Budget	Variance
MWH Sold	521,111	524,047	(2,936)	7,785,764	7,265,882	519,882
Gross Margins	\$ 30.6	\$ 30.9	\$ (0.3)	\$ 376.5	\$ 368.7	\$ 7.8
Net Margins	\$ 2.2	\$ 3.4	\$ (1.2)	\$ 78.7	\$ 67.8	\$ 10.9
EBIDA	\$ 13.8	\$ 15.3	\$ (1.5)	\$ 203.4	\$ 194.8	\$ 8.6
Revenue O/(U)	\$ 2.3	\$ 2.3	\$ (0.0)	\$ 35.4	\$ (1.1)	\$ 36.5
EBIDA(X)	\$ 16.0	\$ 17.7	\$ (1.7)	\$ 238.8	\$ 193.7	\$ 45.1

	Liquidity Coverage
Cash & Marketable Securities	\$ 176,463,769
Short Term Facilities	605,000,000
Less: Short Term Borrowings	181,512,114
Available Liquidity	\$ 599,951,655
Liquidity Coverage (Days)	253

Active Account Growth

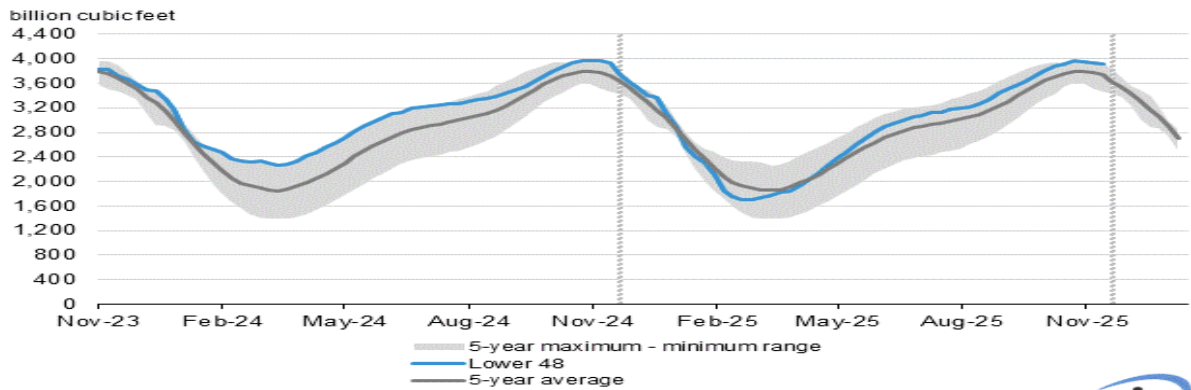


Weather and kWh Usage



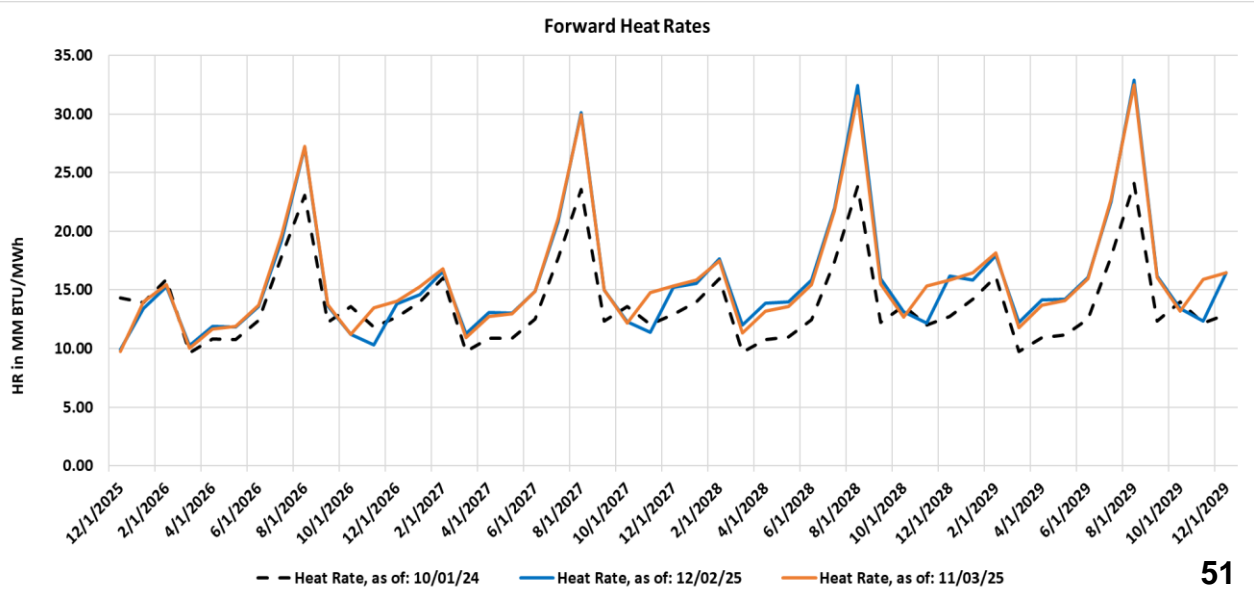
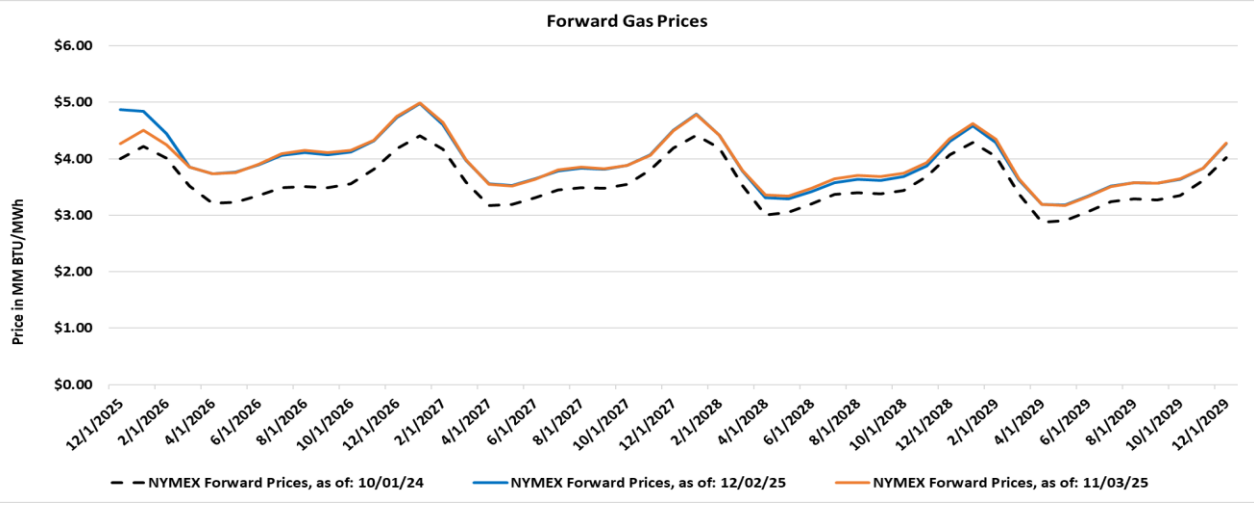
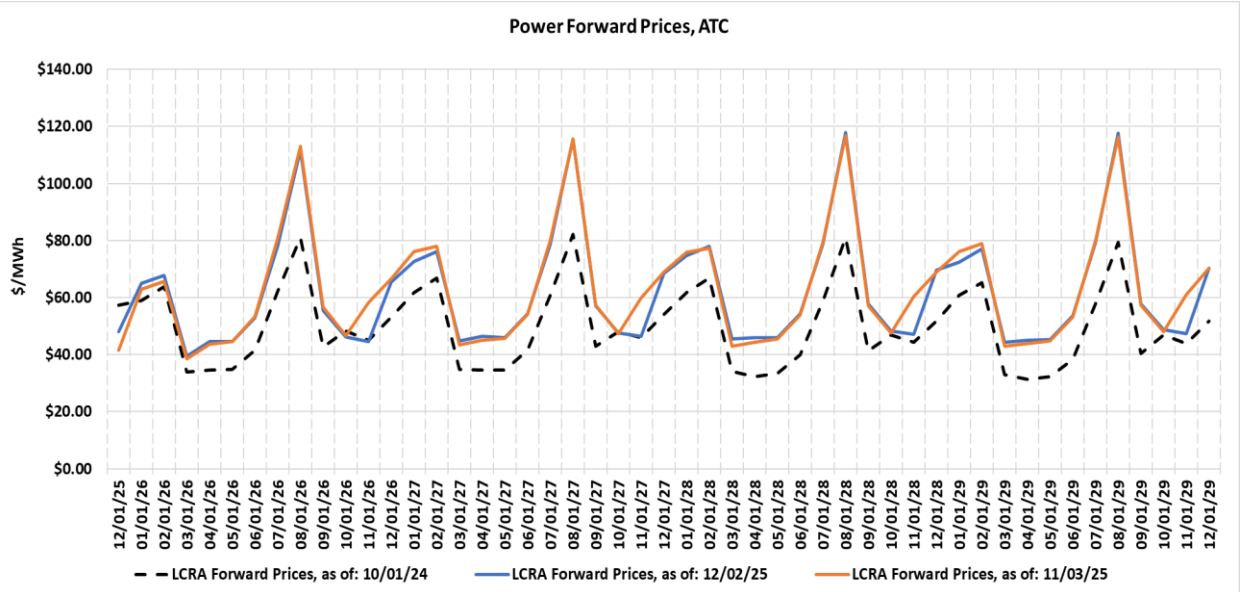
Power Market Fundamentals

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



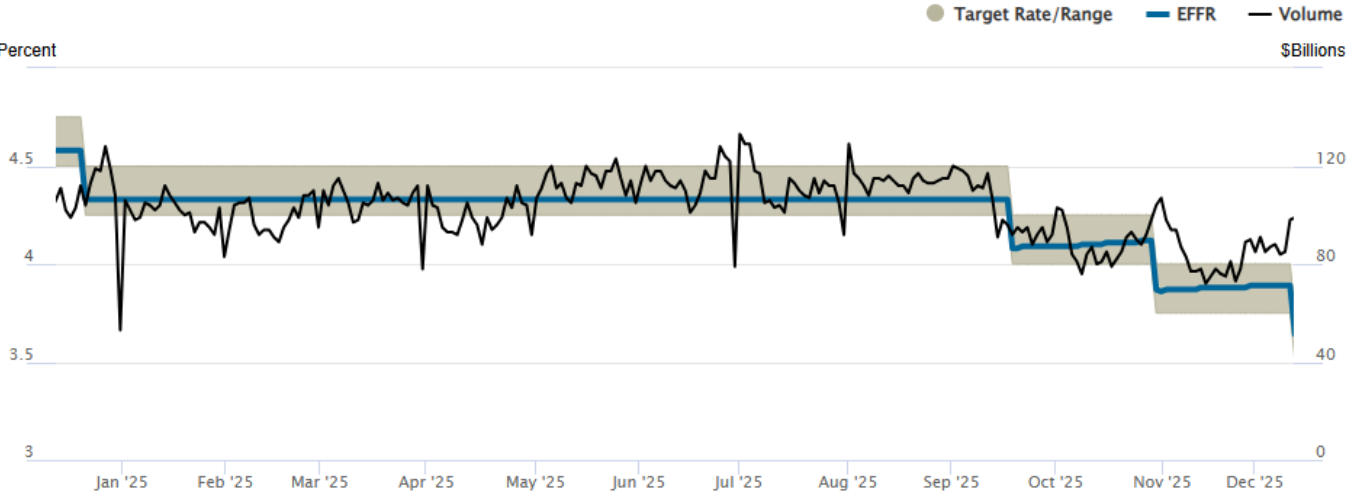
Data source: U.S. Energy Information Administration
Note: The shaded area indicates the range between the historical minimum and maximum values for the weekly series from 2020 through 2024. The dashed vertical lines indicate current and year-ago weekly periods.

As of Dec 4, 2025



Interest Rates

Federal Funds Rate



Source: Federal Reserve Bank of New York 12/12/2025

2-Year Note



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



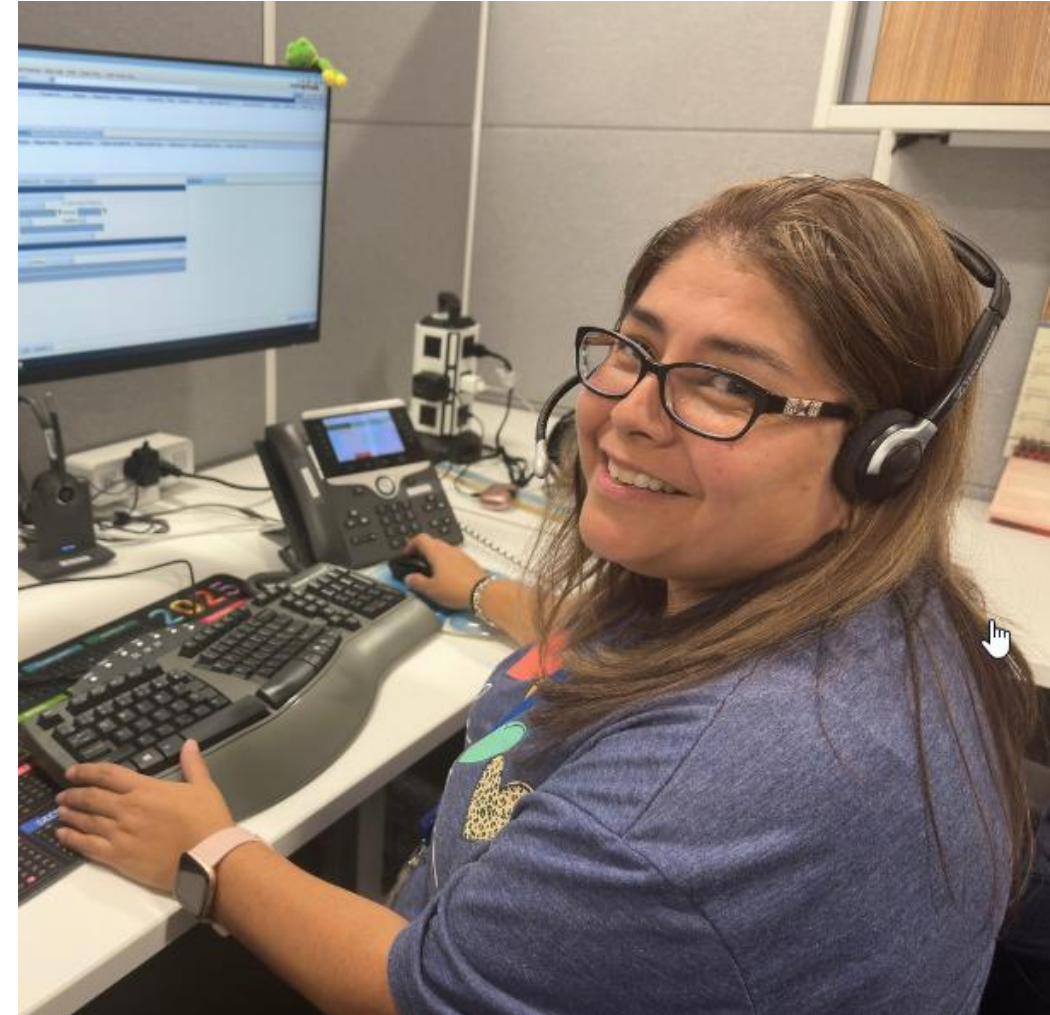
CAO Report

JP Urban | Chief Administrative Officer

Member Relations Report

November Member Relations Metrics

- Calls handled: 16,256
- Chats handled: 1,074
- Applications for existing service
 - Online: 1,922 (29%)
 - Phone: 4,642 (71%)
- Member experience satisfaction rating: 4.61 out of 5
- Member experience first contact resolution: 84.25%
- 92.62% of members say they would enjoy working with the same agent again



Community Grants

To be
updated

- Community Grants applications are currently being scored

System Enhancements

- New application portal is open for establishing distributed generation accounts.
- Will modernize the member and installer experience with enhanced transparency and notification features throughout the process.
- Tiered application workflows are correlated to project sizes and fees structures:
 - Tier 1: < 50 KW
 - Tier 2: 50 KW - 1 MW
 - Tier 3: 1 MW - 10 MW

DG Application Volumes:

- 2023: 2,635
- 2024: 2,355
- 2025 YTD: 1,610

Implementation Status:

- Tier 1 - 2: Active
- Tier 3: EOY 2025

Distributed Generation - Efficiencies

Goal: Improve satisfaction through transparency, expediency, and a modern digital experience:

- **60% reduction in manual processing steps**
Achieved through workflow automation, integrated data exchange, and digital approvals.
- **Application turnaround time reduced from 2 - 4 weeks to just 2 - 4 days**
Enabling faster member interconnections and improved operational throughput.
- **Real-time project visibility and automated email notifications**
Keep members and installers informed, reducing inquiries.
- **Built-in safety and validation checks**
Ensure compliance with PEC interconnection standards and reduce unnecessary field visits.
- **eSignatures and document automation**
Create streamlined approvals and enhanced audit readiness.
- **System integration between CPR and internal platforms**
Automates service order updates and application status updates, reducing duplication.

PEC Hosts Inaugural Job Shadow Day





Appreciation and Look Ahead

Employee Shoutouts*



Terran Wilson
Member Relations
Agent
Oak Hill



Marcos Marichalar
Field Construction
Coordinator
Johnson City



Carly Welch
Member Relations
Agent 2
Marble Falls



Priscilla Chapa
Member Relations
Analyst
Oak Hill



Heather Peterman
Member Relations
Analyst
Marble Falls

**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 or with the SmartHub app





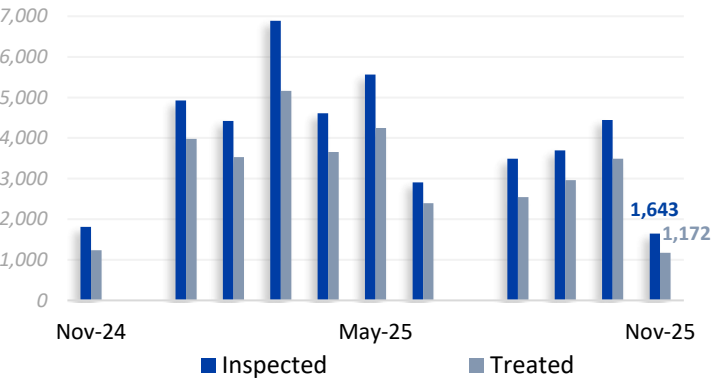
Appendix Pages

Maintenance & Technical Services

Pole Testing & Treatment (PTT)

Poles Inspected & Treated

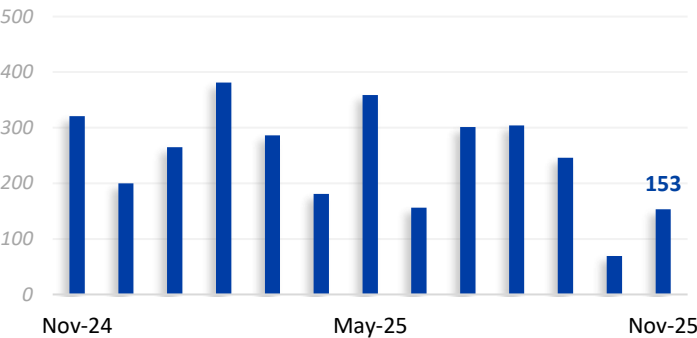
2024 YTD: Inspections - 43,271 Treated - 33,916
2025 YTD: Inspections - 42,589 Treated - 33,144



Underground Equipment

Pad Restorations

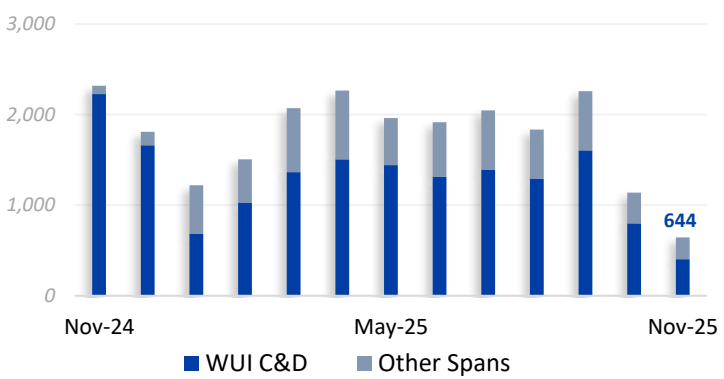
2024 YTD: 3,744
2025 YTD: 2,701



Vegetation Management

Span Clearings

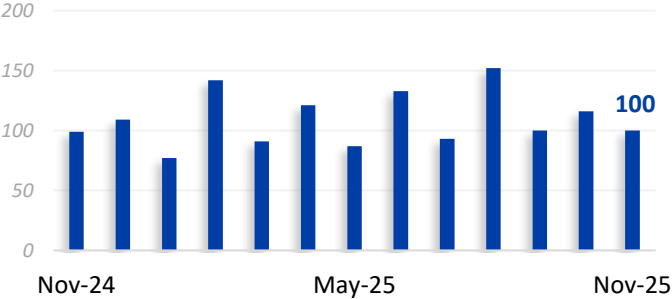
2024 YTD: Encroachments Completed - 21,750
2025 YTD: Encroachments Completed - 18,864



Technical Services

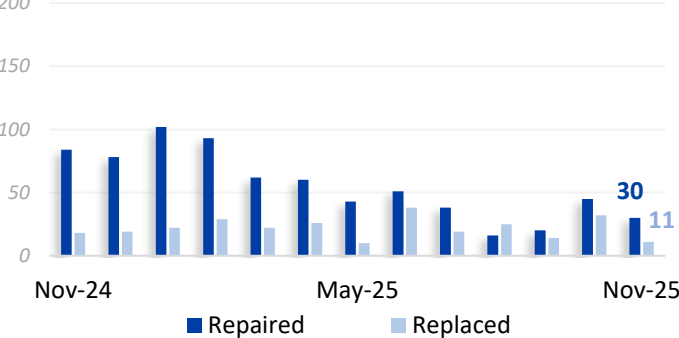
Equipment Inspections

2024 YTD: 1,616
2025 YTD: 1,212



Equipment Repaired or Replaced

2024 YTD: Repaired - 765 Replaced - 226
2025 YTD: Repaired - 560 Replaced - 248



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	100%
CIP (Final Draft) Study	Aug 2025	100%
Mock UFLS Study	Dec 2025	0%
20-Year Plan Study	Dec 2025	70%
Winter Contingency	Dec 2025	100%

Large Project Updates

Johnson City - Haley Road Phase II Yard Expansion

Construction underway with expected completion EOY 2025.

Junction Warehouse Expansion and Fleet Building

Construction complete, contractor working on final punch list items with move in expected in December ember 2025.

Liberty Hill Materials Yard Expansion

Construction underway with expected completion January 2026.

Liberty Hill Warehouse Expansion

Design and construct +/- 15k sf. warehouse and convert existing warehouse and training area to staff space. Design consultant chosen, contract pending review and approval.

Bertram Yard Expansion

Expand material 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. Currently evaluating proposals for design work, replacements began in Q4 2025 with completion in 2026.





Appendix to November 2025 Financial Presentation to the Board

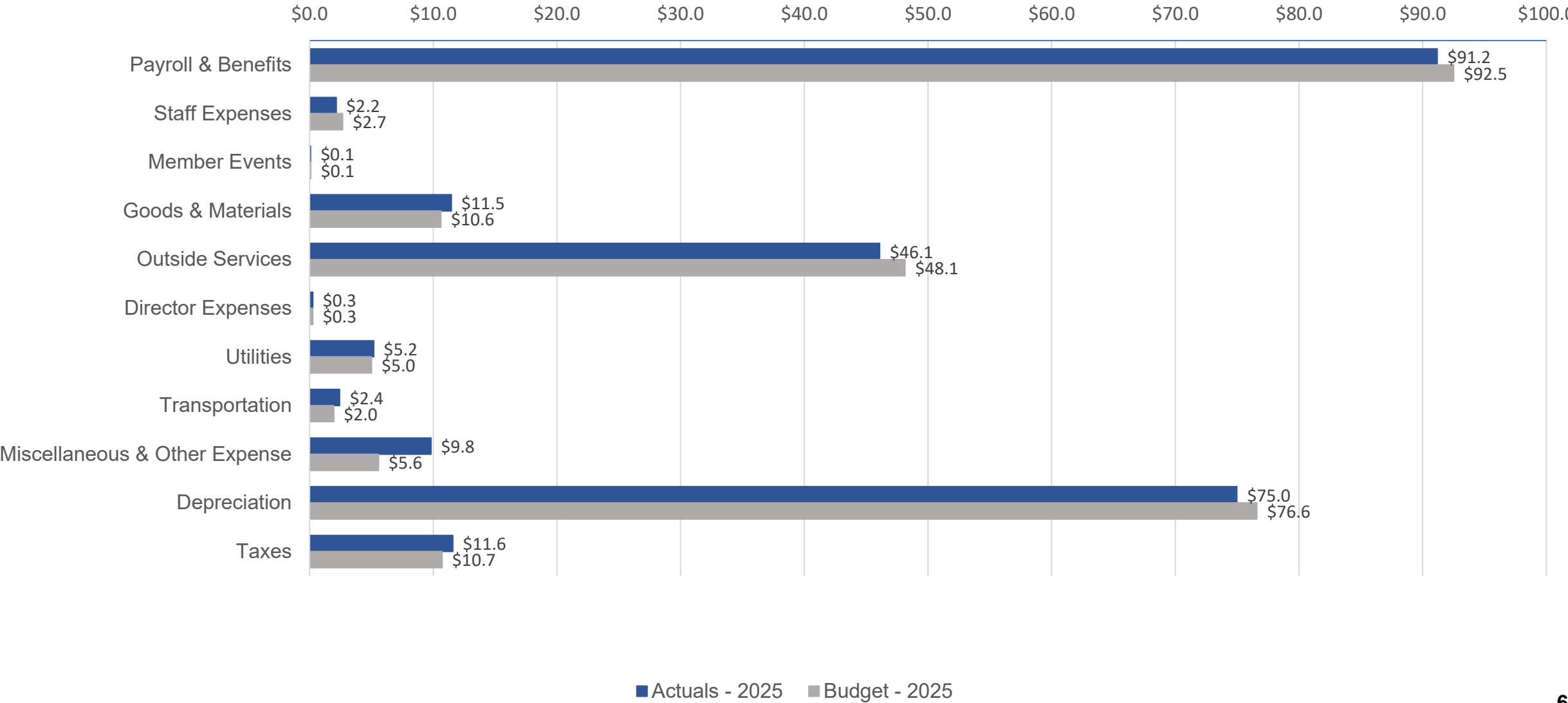
Randy Kruger | Chief Financial Officer

Financial Performance

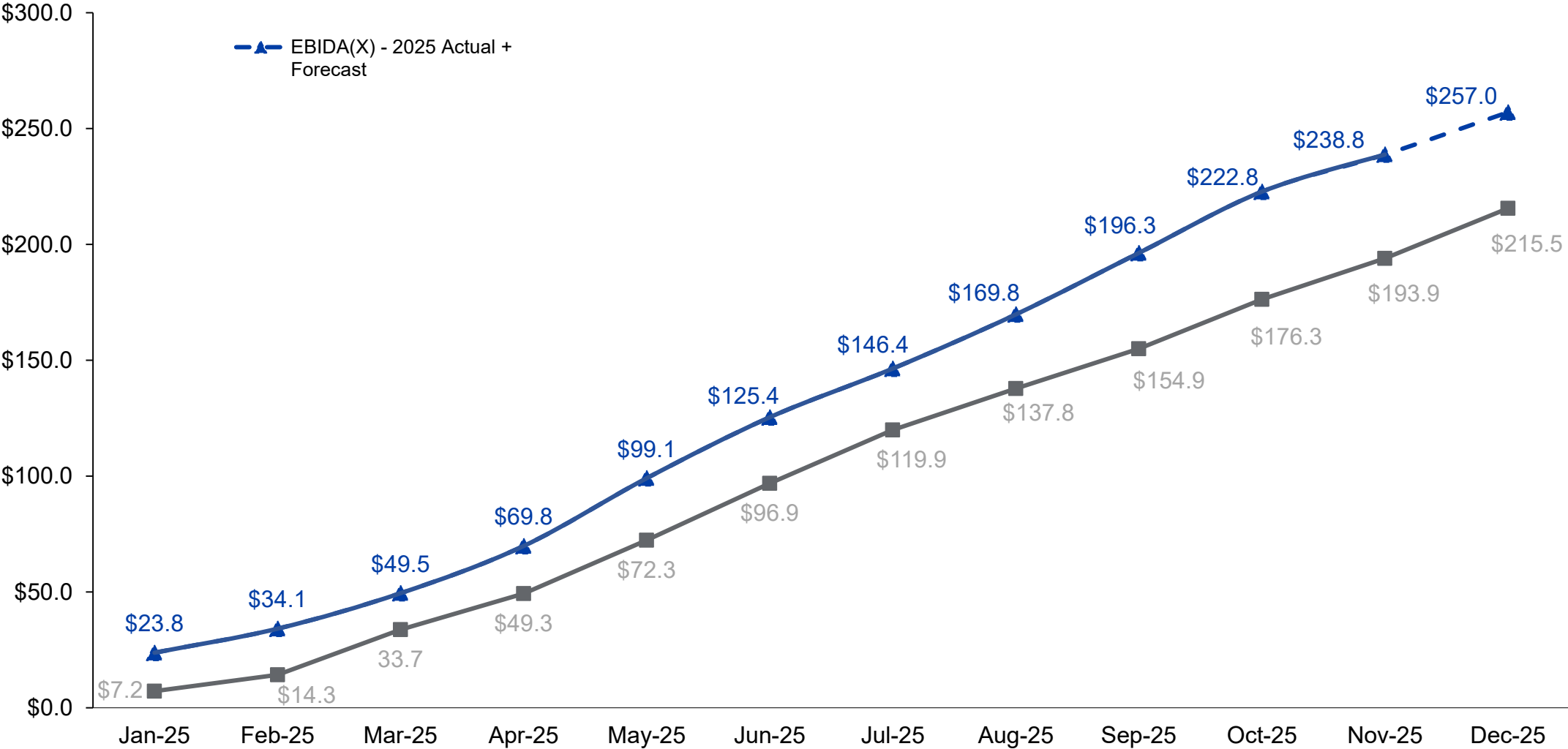
	MTD			YTD			Annual	2024 to 2025 % Change
	Actual	Budget	Prior Year	Actual	Budget	Prior Year	Budget	
Gross Margins	\$ 30,637,081	\$ 30,876,036	\$ 26,725,617	\$ 376,471,484	\$ 368,656,823	\$ 342,260,513	\$ 400,301,897	10.00%
Operating Expenses Ex. Depreciation	19,611,464	15,629,877	16,134,695	180,213,186	177,528,172	164,566,499	193,600,990	9.51%
Depreciation	6,950,119	7,143,704	6,492,215	74,976,454	76,588,049	80,299,496	83,735,262	
Interest Expense	4,612,018	4,763,896	4,451,630	49,692,648	50,476,380	47,792,934	55,458,822	
Other Income	(2,743,794)	(92,000)	(191,361)	(7,096,375)	(3,714,000)	(6,036,400)	(3,873,000)	
Net Margins	\$ 2,207,274	\$ 3,430,559	\$ (161,562)	\$ 78,685,571	\$ 67,778,222	\$ 55,637,984	\$ 71,379,824	
EBIDA	\$ 13,769,411	\$ 15,338,159	\$ 10,782,283	\$ 203,354,673	\$ 194,842,651	\$ 183,730,414	\$ 210,573,907	10.68%
Over (Under) Collected Revenues	2,269,425	2,334,557	7,511,105	35,439,963	(1,102,427)	23,446,495	4,966,279	
EBIDA(X)	\$ 16,038,836	\$ 17,672,716	\$ 18,293,388	\$ 238,794,636	\$ 193,740,224	\$ 207,176,909	\$ 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	521,111,249	524,047,098	500,526,410	7,785,763,523	7,265,882,425	7,306,720,004	7,910,451,206	6.56%
Energy Purchases kWh	555,199,416	557,538,991	532,474,904	8,145,228,635	7,730,196,138	7,773,106,387	8,415,380,400	4.79%
Active Accounts				439,215	444,884	422,929	446,678	3.85%

Cost of Service (in millions)

YTD Actuals vs Budget through November 2025



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)	9,486,858	90,170	9,577,028	13,812,550	4,235,522	14,793,728
300	Conversions or Line Changes	18,297,442	8,662,466	26,959,908	23,144,766	(3,815,142)	25,001,608
600	Miscellaneous Distribution Equipment	45,272,728	-	45,272,728	49,779,715	4,506,987	54,370,706
700	Other Distribution Items	971,779	-	971,779	358,683	(613,095)	391,422
Distribution Total		\$ 74,028,806	\$ 8,752,636	\$ 82,781,442	\$ 87,095,715	\$ 4,314,272	\$ 94,557,465
Substation							
400	New Substations, Switching Stations and Meter Points	7,914,774	5,392,148	13,306,922	17,569,647	4,262,725	20,969,733
500	Substations, Switching Stations and Meter Point changes	9,075,525	28,498,371	37,573,896	40,817,887	3,243,991	43,621,140
Substation Total		\$ 16,990,299	\$ 33,890,519	\$ 50,880,818	\$ 58,387,534	\$ 7,506,716	\$ 64,590,873
Transmission							
800	New Transmission Lines	294,208	13,830	308,038	833,477	525,439	1,125,657
1000	Line and Station Changes	5,080,093	27,257,763	32,337,855	43,391,083	11,053,227	49,195,185
Transmission Total		\$ 5,374,301	\$ 27,271,593	\$ 32,645,894	\$ 44,224,560	\$ 11,578,666	\$ 50,320,843
General Plant							
2000	Facilities	7,871,882	6,889,617	14,761,499	16,825,229	2,063,731	17,789,898
3000	Information Technology	1,785,495	-	1,785,495	6,539,349	4,753,854	7,017,520
4000	Tools & Equipment	545,321	-	545,321	458,333	(86,988)	500,000
5000	Vehicles	7,082,511	-	7,082,511	4,583,333	(2,499,178)	5,000,000
Total General Plant		\$ 17,285,209	\$ 6,889,617	\$ 24,174,826	\$ 28,406,245	\$ 4,231,419	\$ 30,307,418
Accrued WIP & Prepaid Aid		\$ (12,436,391)	\$ -	\$ (12,436,391)	\$ -	\$ 12,436,391	\$ -
Total Capital Improvement Plan Spend		\$ 101,242,224	\$ 76,804,365	\$ 178,046,589	\$ 218,114,053	\$ 40,067,464	\$ 239,776,599



myPEC.com



File #: 2025-373, **Version:** 1

Member Comments

Submitted By: Andrea Stover

Department: General Counsel

Financial Impact and Cost/Benefit Considerations: N/A

All Pedernales Electric Cooperative, Inc. ("Cooperative" or "PEC") Members have the right to attend any meetings called by the Board of Directors as defined in the Cooperative's Articles of Incorporation, and members may speak for up to 3 minutes or as otherwise directed by the Board.

Members may watch this meeting by live stream from the PEC website at <https://pec.legistar.com/Calendar.aspx> unless otherwise noted.

Board meeting dates, agendas, and supporting materials are available online <https://pec.legistar.com/Calendar.aspx>.

Members also may provide input by using the following methods. Comments are provided to all board directors.

- Members may submit comments and requests to the board by email or U.S. mail.
- Contact a member of PEC's Board of Directors at <https://www.mypec.com/board-of-directors>

Articles of Incorporation, Article IX, Section 3, Member Bill of Rights - Open Meetings:

A Member has the right to attend every regular, special, or called meeting of the Board of Directors and its committees, except for executive sessions as allowed by policy or law. All meetings shall be called with proper notice, and any final action, decision, or vote on a matter shall be made in an open meeting.

Articles of Incorporation, Article IX, Section 5, Member Bill of Rights - Right to Speak:

A Member has the right to speak at every regular, special, or called meeting of the Board of Directors and its committees, except for executive sessions, on any PEC matter at a time designated by the Board.

Members' attendance and their right to speak at all meetings called by the Board of Directors is further outlined in the Decorum Policy.

Decorum Policy, Purpose:

As a democratically-controlled and Member-owned Cooperative, Member participation in Cooperative affairs is valued and respected and individuals should be allowed to state opinions. Meetings or functions of the Cooperative and any business interactions with the Cooperative, whether conducted on or off premises shall be conducted in a professional and courteous manner.



DECORUM POLICY

Effective Date: February 21, 2025

1. PURPOSE

As a democratically controlled and Member-owned Cooperative, Member participation in Pedernales Electric Cooperative, Inc. ("Cooperative" or "PEC") affairs is valued and respected, and individuals should be allowed to state opinions. Meetings or functions of the Cooperative and any business interactions with the Cooperative, whether conducted on or off PEC premises or any PEC platform, shall be conducted in a professional and courteous manner.

2. SCOPE

This Policy applies to all Participants at meetings of PEC Board of Directors ("Board" or "Directors") and any other business meeting or function of the Cooperative, and any business interactions with the Cooperative, whether on or off PEC premises or any PEC platform.

3. POLICY AND IMPLEMENTATION

3.1. PEC Business Meetings, Functions, or Business Interactions with the Cooperative

- 3.1.1. Participants shall maintain an environment free of abusive, slanderous, or bullying behavior. To protect the security and safety of persons attending meetings or functions or with respect to any business interactions with the Cooperative, all Participants shall respect an individual's physical space and refrain from any form of physical intimidation or abuse. Any behavior demonstrating or threatening violence, personal attacks, or physical abuse will not be tolerated.
- 3.1.2. Participants may not display placards, bumper stickers, signs, or other campaigning, or political advocacy materials within the premises of a PEC meeting or function, other than those materials displayed on the individual Participants' body or clothing. Campaigning and electioneering for PEC elections is governed by the Cooperative's Election Policy and Procedures.
- 3.1.3. Participants shall refrain from disruptive or distracting behavior or from harassing or similar behavior. Personal or character attacks, or improperly sidetracking the attention of other Participants with subject matter that is irrelevant to PEC or unrelated to PEC are examples of disruptive or distracting behavior.
- 3.1.4. Directors and PEC Employees shall behave in an orderly fashion and preserve the decorum of any business meeting or function conducted on or off PEC premises or with respect to any business interactions with or on behalf of the Cooperative.

- 3.2. **Board Meetings** PEC Board meetings are conducted in accordance with the [Board Meetings Policy](#), the latest edition of Robert's Rules of Order Newly Revised, as practicable, and "Board and Committees – 'Procedure in Small Boards'" included therein.



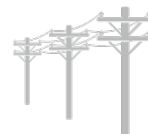
- 3.2.1. All Participants wishing to address the Board during the designated portion of a Board meeting shall sign a registry identifying themselves prior to speaking and shall open their remarks by stating their name and whether they are a Cooperative Member. Time allotted by the Board for each speaker cannot be shared or allotted with other speakers. The allotted time shall include and commence from the beginning of the speaker's remarks and include any time that passes during questioning or colloquy between the speaker and the Board. Additional time may be granted to a person by the Presiding Board Officer, or upon a majority vote of the Board.
- 3.2.2. When any Participant wishes to provide written or demonstrative materials to the Board or others, such Participant must, prior to the meeting's start, provide the information to the Board Secretary or their designee for distribution.
- 3.2.3. Participants shall refrain from disruptive or distracting behavior or from harassing or similar behavior. Personal or character attacks, speaking out of turn, approaching or standing at the Board meeting dais or areas designated for PEC employees without the permission of the Presiding Board Officer, or improperly sidetracking the attention of other Participants with subject matter that is irrelevant to PEC or unrelated to PEC are examples of disruptive or distracting behavior.
- 3.2.4. The Presiding Board Officer shall maintain order and preserve the decorum of Board meetings as provided in this Policy. Each Board Director shall cooperate with the Presiding Board Officer in preserving order and decorum, and no Participant shall, by conversation or otherwise, delay or interrupt the proceedings of the Board, nor disturb any person while speaking.

4. DEFINITIONS

- 4.1. **Participants** – Collectively includes Cooperative Board Directors, employees, Members, or any other persons in attendance at PEC Board meetings, other business meetings, functions, online interactions, or other discussions with respect to any business interactions with the Cooperative.

5. POLICY ENFORCEMENT

- 5.1. When a Participant's behavior violates this Policy, is severe, or threatens physical safety or property, the Presiding Board Officer, Chief Executive Officer, or designated Cooperative employee or agent may require the Participant to leave the PEC premises; to leave any PEC Board meeting, any other business meeting or function; or to discontinue any discussions regarding Cooperative business.
- 5.2. Upon repeated or severe violation of this Policy, the Presiding Board Officer, Chief Executive Officer, or designated Cooperative employee or agent, may prohibit a Participant from coming onto PEC premises, or from attendance at future PEC Board meetings, any other business meetings, functions, or discussions, or from oral discussions regarding Cooperative business. The duration of the prohibition shall be based upon the severity and nature of the violation and to be determined in the sole discretion of the Cooperative or its designee.
- 5.3. The Cooperative reserves the right to block, delete, or edit posts on its social media platforms where such posts are determined by PEC to be inappropriate, unprofessional, offensive, or otherwise in violation of PEC's policies.

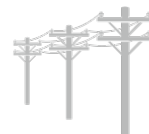


6. REFERENCES AND RELATED DOCUMENTS

Board Meetings Policy

Robert's Rules of Order Newly Revised (Latest edition, "Boards and Committees – Procedure in Small Boards")

Date adopted:	March 15, 2010
Last reviewed:	February 21, 2025
Review frequency:	Every Three Years
Amendment dates:	September 21, 2015, October 16, 2020; February 21, 2025
Effective date:	February 21, 2025
Approver:	Board of Directors
Applies to:	All Participants at meetings of the Board of Directors, any other business meeting or function of the Cooperative or with respect to any business interactions with the Cooperative, whether on or off PEC premises or any PEC platform.
Administrator:	Board of Directors and Chief Executive Officer
Superseding effect:	This Policy supersedes all previous policies and memoranda concerning the subject matter. Only the Approver may authorize exceptions to this Policy.





File #: 2025-374, Version: 1

Resolution - Approval of 2026 Election Timeline and Communications Plan - A Stover/C Tinsley Porter

Submitted By: Andrea Stover

Department: General Counsel/External Relations

Financial Impact and Cost/Benefit Considerations: N/A

Section 3.2 of the Pedernales Electric Cooperative Inc. (PEC) Election Policy and Procedures provides that “at a Regular Board Meeting at least [six] 6 months prior to each Annual Meeting, the General Counsel or designee will develop and present to the Board a proposed timeline, with specific dates and deadlines for election-related events . . . (“Election Timeline”).” After such presentation in accordance with Section 3.2, “[t]he Board will consider, amend (if desired), and approve an Election Timeline at least [five] (5) months prior to each Annual Meeting.” The proposed Election Timeline sets out the key dates relative to the 2026 election to be held before the PEC Annual Meeting, currently scheduled for June 19, 2026 (“2026 PEC Election”).

Given the PEC Annual Meeting is more than six (6) months away, the PEC Board may now review and approve the 2026 Election Timeline.

In addition, Section 7.3 of the PEC Election Policy and Procedures provides that “at or before the Regular Board Meeting five (5) months before an election, the PEC Communications Department will present to the Board an Election Communications Plan (“Communications Plan”), outlining the communications efforts that will be employed to inform PEC members of the issues in any Non-Director Election and the Candidates, and the contact information for Members who have questions about the election process.”

Section 7.3 of the PEC Election Policy and Procedures also provides that “at a minimum, the Communications Plan will include prominent references to the Election on PEC’s Internet site, posting of Candidates’ biographical materials and conflict-of-interest certification and disclosure forms of Candidates, use and distribution of printed materials and information on how to obtain answers to Election-related questions, obtain Ballots (including replacement Ballots), and cast Ballots; and PEC Corporate Statistics in a form approved by the Board in the Communications Plan PEC Corporate Statistics may be communicated multiple times during the election cycle as approved in the Communications Plan.”

Given the PEC Annual Meeting is more than five (5) months away, the PEC Board may now review and approve the 2026 Communications Plan.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that pursuant to Sections 3.2 of the PEC Election Policy and Procedures, the Election Timeline in the form presented to the Board, and with any changes approved by the Board, is adopted as the 2026 Election Timeline and Communication Plan for the 2026 PEC Election; and

BE IT FURTHER RESOLVED that pursuant to Section 7.3 of the PEC Election Policy and Procedures, the Communications Plan in the form presented to the Board, and with any changes approved by the Board, is adopted as the 2026 Election Communications Plan for the 2026 PEC Election; and

BE IT FURTHER RESOLVED that the Chief Executive Officer, the General Counsel, or their designees, are hereby authorized to take all such action as may be necessary to implement this resolution and conduct the

2026 PEC Election.

2026 Election Timeline draft_v1
Director Election Ballots, Districts 2 and 3
NOTE: All due dates apply to all election ballots.

#	Item	EPP or Other Policy	Responsible Party	Due Date	**2025-2026 Deadline
1	Draft Resolution - Approval of Annual Election Services Provider Contract	4.1	BOD/GC/BR	At or before the August regular board meeting	6/20/25
2	Final Resolution - Approval of Annual Election Services Provider Contract	4.1	BOD/GC/BR	At or before the August regular board meeting	7/18/25
3	Draft Resolution - Establish Annual Meeting date and location	3.1	BOD/GC/BR	At or before the August regular board meeting but no later than December each year	9/19/25
4	Final Resolution - Establish Annual Meeting date and location	3.1	BOD/GC/BR	At or before the August regular board meeting but no later than December each year	10/24/25
5	Present draft Election Timeline	3.2	BR	At least six (6) months prior to Annual Meeting	11/21/25
6	Communications draft plan overview presented to the BOD	7.3	ER	At or before regular board meeting five (5) months before an election	11/21/25
7	Approve Election Timeline	3.2	BOD	At least six (6) months prior to Annual Meeting	12/19/25
8	Final communications plan to be approved by the BOD	7.3	BOD	At or before regular board meeting five (5) months before an election	12/19/25
9	Conduct internal coordination meeting and establish PEC Election Team	3.3	GC/BR/ER/IT/Mapping/Member Relations/SBS	Upon approval of the Election Timeline (meeting set after approval of election timeline)	1/5/26
10	Retain candidate background verifier	6.2.1.7	GC/BR	As specified in this timeline	1/5/26
11	Post and make available nomination application and ballot materials	6.2.1.1.1	BR/ER/Mapping/Member Relations	At least five (5) months prior to Annual Meeting	1/19/26
12	Membership List available	7.7	BR/IT/Member Relations	Two (2) months before the deadline for candidate application as specified in Section 6.2.1.4.	1/23/26
13	Directors submit names of persons (including an alternate) residing in the directors' district eligible and willing to serve on the QEC	6.2.1.6	BOD/BR	At least a week before the regular board meeting four (4) months prior to an election	2/13/26
14	Election Services Provider to present quality control steps to the General Counsel	7.11	SBS/GC/BR	Four (4) months prior to the member meeting, the Election Services provider shall provide PEC a list of quality control steps to be taken before the member meeting, including process for the release and announcement of election results	2/20/26
15	BOD appoints the QEC	6.2.1.6	BOD/QC	At the regular board meeting (4) months before an election	2/20/26
16	Nomination application and ballot materials deadline to be delivered to the Governance Team at PEC Headquarters in Johnson City, TX	6.2.1.4	Candidate Applicants/BR	At or before 5:00PM on the last business day falling 82 days or more before the date of the member meeting	3/20/26
17	Member Record Date for Petition Signatures	5.1	BR/Member Relations	The date on which petition materials are properly submitted or as of the date the membership list for the election is generated	3/20/26
18	QEC meeting date	6.2.1.6	QEC/GC/EC/BR	The QEC reviews all candidate material and then makes recommendation to the BOD of the candidates' slate	3/31/26 & 4/1/26
19	Candidate Orientation	7.1, 7.5	Candidate Applicants/BR/ER	The week preceding the April regular meeting of the BOD	4/6/26
20	Election withdrawal deadline for removal from ballot	7.2	Candidate Applicants	Before BOD approval of ballot	4/17/26
21	Presentation and approval of candidate slate, ballot, and any non-director election items	6.2.1.9, 6.2.1.10	QEC/GC	At least two (2) months prior to an election	4/17/26
22	Written notice of annual member meeting	TX Utilities Code 161.068	GC/BR	Between 30 and 10 days before the date of the Annual Meeting	5/19/26
23	*Mailing of ballots	7.4.1	SBS	Delivered between 25 and 30 days before the Annual Meeting	*5/19/26

2026 Election Timeline draft_v1 Director Election Ballots, Districts 2 and 3 NOTE: All due dates apply to all election ballots.					
#	Item	EPP or Other Policy	Responsible Party	Due Date	**2025-2026 Deadline
24	Online voting site goes live	7.4.2	SBS	30 days before the Annual Meeting	5/19/26
25	Electronic voting devices available to membership at PEC offices		Election Committee/BR	Mobile devices are set-up in various district offices by 5:00PM on the business day prior to live online voting	5/18/26
26	Initial voting email notifications	7.4.3	SBS	Between 25 and 30 days before the Annual Meeting	5/19/26
27	Initial PEC Corporate Fact Sheet emailed to all PEC members	7.3	ER	As approved in the communications plan	5/19/26
28	Update on voter turnout (totals by each director election district)	7.10.2	GC/BR	Once weekly after ballots are initially mailed	5/26/26
29	Supplemental mailing of ballots to members since previous mailing	7.4.1	SBS/IT	As specified in this timeline	5/26/26
30	Second voting email notifications	7.4.3	SBS	As specified in this timeline	5/26/26
31	Second PEC Corporate Fact Sheet emailed to all PEC members	7.3	ER	As approved in the communications plan.	5/26/26
32	Update on voter turnout (totals by each director election district)	7.10.2	GC/BR	Once weekly after ballots are initially mailed	6/2/26
33	Supplemental mailing of ballots to new members since previous mailing	7.4.1	SBS/IT	No later than 16 days before the member meeting at which election results are announced	6/3/26
34	Third voting email notifications	7.4.3	SBS	As specified in this timeline	6/2/26
35	Third PEC Corporate Fact Sheet emailed to all PEC members	7.3	ER	As approved in the communications plan	6/2/26
36	Update on voter turnout (totals by each director election district)	7.10.2	GC/BR	Once weekly after ballots are initially mailed	6/9/26
37	Final reminder voting emails	7.4.3	SBS	As specified in this timeline	6/9/26
38	Final PEC Corporate Fact Sheet emailed to all PEC members	7.3	ER	As approved in the communications plan	6/9/26
39	Supplemental mailing of ballots to members since previous mailing	7.4.1	SBS/IT	As specified in this timeline	6/3/26
40	Record Date for casting ballot	5.2 Bylaws, Art. II, § 9	IT/BR	Close of business (5:00PM) at least eight (8) business days before Annual Meeting	6/11/26
41	Deadline for mailing or casting online ballots; ballots must be received by Election Services Provider	8.2, 8.4 Bylaws Art. II, § 8	SBS	No later than 5:00PM, seven (7) days prior to the member meeting at which elections results are announced	6/12/26
42	Pre-announcement and pre-results delivery quality control; post tabulation quality control	7.11, 7.12, 8.2, 8.4 & 8.7 Bylaws Art. II, § 8	SBS/GC	No later than four (4) days prior to the member meeting at which pre-announcement and pre-results delivery quality control and pre/post-tabulation quality control is performed by SBS	6/15/26
43	Election Services Provider certifies election results and provides results to PEC	7.11, 8.4, 8.8	GC/BR	No later than four (4) days prior to the member meeting at which election results are announced	6/15/26
44	Candidates and board advised of election results immediately before results released to membership	7.11, 8.4	GC/BR	Three (3) days prior to the member meeting at which election results are announced	6/16/26
45	Election results released to PEC membership	7.11, 8.4	GC/BR/ER	No later than three (3) days prior to the member meeting at which election results are released	6/16/26
46	Announcement of certified election results at Annual Meeting	8.4, 8.8	SBS, or as designated by BOD	On the date of member meeting and as specified in this timeline election results are announced	6/19/26

2026 Election Timeline draft_v1
Director Election Ballots, Districts 2 and 3
NOTE: All due dates apply to all election ballots.

#	Item	EPP or Other Policy	Responsible Party	Due Date	**2025-2026 Deadline
47	Post-election director acknowledgements	8.90	BOD	On the date of member meeting after the meeting has concluded	6/19/26
48	Final election results breakdown for district-by-district	9.1	SBS	Within five (5) business days of the Annual Meeting, SBS will provide district-by-district results	6/26/26
49	Post-election analysis	9.2	GC/BR	Within two (2) months after the Annual Meeting	8/18/26

*Ballots mailed for intended delivery to members on the first day of voting period. It is anticipated that U.S. addresses will be mailed 3 days in advance; international addresses 10-15 days in advance of the first day of voting.

**Dates listed are subject to change with BOD meeting dates.

LEGEND:			
Board of Directors	BOD	Information Technology Department	IT
Board Relations	BR	Qualifications & Election Committee	QEC
General Counsel	GC	Survey & Ballot Systems (Election Services Provider)	SBS (ESP)
Election/Board Counsel	EC	Articles of Incorporation	Art.
External Relations	ER	Election Policy and Procedures	EPP



2026 Election Timeline and Communications Plan

Andrea Stover | General Counsel

Caroline Tinsley Porter | Director, External Relations

2026 Election Dates and Information – Districts 2 and 3

- **Candidate Application and Petition Forms**
 - Forms available - January 19
 - Filing Deadline - March 20
- **Qualifications and Elections Committee (QEC)**
 - Committee member proposals due February 13
 - Board approves QEC members by February 20
 - QEC meets March 31 and April 1 to approve candidates
- **Board Candidate Orientation:** April 6
- **Voting:** May 19 – June 12
- **Election Results Released:** June 16
- **Annual Membership Meeting:** June 19 at 9 a.m. The June Regular Board Meeting occurs at the conclusion of the Annual Membership Meeting.



Communications Objectives and Platforms

Objectives

- To promote and inform members of the 2026 election, including voting, district boundaries, registration, respective candidates, and deadlines
- To encourage member participation and provide instructions and tools for members to see voting eligibility
- To share the various convenient ways to vote
- To reinforce the cooperative difference

Platforms

- PEC Website
- Texas Co-op Power Magazine
- Press Releases
- Bill messaging
- Social Media
- SmartHub
- Print and digital advertising



Communications Plan Timeline

Phase	Timeline
I. Nomination Application and Petition Forms <ul style="list-style-type: none">• Texas Co-op Power• Bill messaging• Print and digital ads	January – March
II. Candidates <ul style="list-style-type: none">• Candidate application deadline and orientation through digital platforms	January – April
III. Voting <ul style="list-style-type: none">• Voting begins: Promote on all communications platforms• Annual Membership Meeting notice• PEC corporate statistics provided to membership• Texas Co-op Power dustcover to voting districts	May – June
IV. Election Results and Annual Membership Meeting <ul style="list-style-type: none">• Election results released to membership• Annual Membership Meeting election results announced; welcome new directors• Inform members of election results on various channels	June – August

Note: All phases include social media communications.



File #: 2025-375, Version: 1

Resolution - Approval of 2026 Key Performance Indicators Plan - E Dauterive

Submitted By: Eddie Dauterive

Department: Chief Strategy Officer

Financial Impact and Cost/Benefit Considerations: The financial impact of the proposed 2026 Key Performance Indicators (KPI) Plan will not be known until after the full KPI Plan Years conclude on December 31, 2026. An estimated amount is included within the approved budget.

The purpose of Pedernales Electric Cooperative Inc.'s (PEC or Cooperative) Key Performance Indicator (KPI) Plan is to set organizational performance targets based on PEC's Strategic Plan and to provide an objective method for evaluating the degree of success with which PEC achieves those targets. Evaluation of PEC's performance in achieving the targets set by the KPI Plan is conducted twice a year, at which time a financial distribution is calculated for eligible employees based on the level of PEC's achievement.

PEC's Board of Directors reviews and approves the targets set in the annual KPI Plan proposed by PEC. After it is approved, PEC reports the subsequent performance under the KPI plan and the level of financial distribution for eligible employees.

BE IT RESOLVED BY THE BOARD OF DIRECTORS that the 2026 KPI Plan presented to the Board this day is approved; and

BE IT FURTHER RESOLVED that the Chief Executive Officer and Chief Financial Officer, or designee, is authorized to take all actions necessary to implement this resolution.



2026 Key Performance Indicators Plan

Eddie Dauterive | Chief Strategy Officer

Key Performance Indicators (KPI)

Program Structure

- Each year, new indicators can be introduced and metrics adjusted to incentivize improved performance in areas that serve our mission.
- Metric categories are weighted evenly across the five Board of Director Goals.
- Individual metrics in each category can obtain a Silver, Gold, Platinum, or Not Achieved performance rating.
- Financial distributions are calculated based on metric achievement and distributed twice per year to incentivize the accomplishment of strategic goals.
 - **KPI Period 1:** Jan. 1 – Jun. 30
 - **KPI Period 2:** Jul. 1 – Dec. 31
- Financial distributions are calculated based on Cooperative wide performance and an employee's total wages during the KPI Period.
- An “Adder” can be obtained each period that will add 1% to the total distribution if a specific, and challenging, goal is achieved that supports PEC's strategic planning.

2026 Strategic Goals & KPI Categories		
1)	Maximize Value to Our Membership	20%
2)	Achieve Operational Excellence	20%
3)	Protect the Financial Health of the Cooperative	20%
4)	Advance Workforce Continuity, Safety, and Security	20%
5)	Pursue Enterprise Optimization	20%

Goal 1: Maximize Value to Our Membership

- **Objective 1 – Communications:** Deliver member messaging campaigns that regularly distribute compelling and educational cooperative information in order to surpass the American Customer Satisfaction Index (ASCI) industry benchmark for member satisfaction.
- **Objective 2 – Community Partnerships:** Establish enhanced partnerships with municipalities and local governments to bolster project planning and emergency operation preparedness for optimized system resiliency that benefits members.
- **Objective 3 – Member Experience:** Enrich the member experience by aligning business processes, technologies, and systems to support members, including preferences for self-service and modernized interactions.

KPI Metric	2026 KPI Goals		
	Silver	Gold	Platinum
Power of Change Enrollments	≥ 8.6%	≥ 8.8%	≥ 9.0%
Community Outreach	≥ 8	≥ 12	≥ 16
Customer Satisfaction Score (5-point scale)	≥ 4.40	≥ 4.45	≥ 4.50
Queries Solved on First Contact	≥ 75%	≥ 80%	≥ 85%

Goal 2: Achieve Operational Excellence

- **Objective 1 – System Reliability and Resiliency:** Advance proactive and responsive policies and programs to ensure distribution and transmission system reliability and resiliency in order to exceed industry standards in system availability, including the development of a system sectionalization plan.
- **Objective 2 – System Expansion:** Enhance the framework and processes for the acquisition and disposition of real estate and land rights for PEC system expansion to prepare for member growth. Plan and construct a new distribution control center and backup transmission control center.
- **Objective 3 – System Planning:** Optimize resource planning for system efficiencies to include cost control, accessibility, and responsive service. Draft a five-year facility and system plan to address capacity needs.

KPI Metric	2026 KPI Goals		
	Silver	Gold	Platinum
Remediating Most Impactful Feeders	≥ 3	≥ 5	≥ 7
System Average Interruption Duration Index (SAIDI)	P1 ≤ 33 min. P2 ≤ 27 min.	P1 ≤ 30.5 min. P2 ≤ 24.5 min.	P1 ≤ 28 min. P2 ≤ 22 min.
First Step Restoration Duration	≤ 120 min.	≤ 105 min.	≤ 90 min.
Outage Sectionalizing	≥ 32%	≥ 35%	≥ 38%

Goal 3: Protect the Financial Health of the Cooperative

- **Objective 1 – Power Supply:** Advance power procurement capabilities and ongoing review and refinement of hedging strategies to maintain competitive power costs while meeting the growing power demand of the membership.
- **Objective 2 – Transmission Investment:** Develop a strategic transmission investment and funding plan to ensure overall system reliability, resiliency, and support timely recovery of transmission investment implemented through an annual capital plan.
- **Objective 3 – Controls and Processes:** Review and enhance financial metrics and control processes to ensure they adequately protect cooperative resources while maximizing efficiencies.

KPI Metric	2026 KPI Goals		
	Silver	Gold	Platinum
Distribution Cost per kWh	≤ 4.25%	≤ 4.20%	≤ 4.15%
Competitively Sourced Spend	≥ 92%	≥ 94%	≥ 96%
Competitive Rates	≥ 5%	≥ 8%	≥ 10%

Goal 4: Advance Workforce Continuity, Safety, & Security

- **Objective 1 – Workforce Development and Stability:** Develop the workforce through tailored training programs, talent acquisition strategies, and effective succession planning to prepare the cooperative through transitions of leadership.
- **Objective 2 – Safety Culture:** Maintain ongoing prioritization of employee safety through fostering proactive hazard identification, reporting, technical training, and employee engagement.
- **Objective 3 – Integrated Security:** Develop effective integrated physical and cyber security programs to protect cooperative assets, data, intellectual property, facilities, and employees.
- **Objective 4 – Business Continuity and Emergency Preparedness:** Implement ongoing enterprise-wide risk mitigation and emergency preparedness initiatives to support crisis avoidance and recovery management from potential operational disruptions.

2026 KPI Goals			
KPI Metric	Silver	Gold	Platinum
Employee Compliance Training	≥ 90%	≥ 95%	≥ 99%
Total Case Incident Rate (TCR)	≤ 3.5	≤ 3.0	≤ 2.5
Days Away Restricted Duty (DART)	≤ 2.0	≤ 1.5	≤ 1.0
Vehicle Accident Rate	≤ 3.0	≤ 2.5	≤ 2.0
Cyber Engagement	≥ 60%	≥ 62%	≥ 64%

Goal 5: Pursue Enterprise Optimization

- **Objective 1 – Technology Advancement and System Efficiencies:** Design scalable enterprise technologies to create efficiencies in automation, integration, and operations, including the evaluation and optimization of core systems.
- **Objective 2 – Planning and Analytics:** Execute methodologies for cost-benefit-analysis and organizational scaling, with objective consideration of member value and industry standards in financial and long-term strategic planning.
- **Objective 3 – Process Improvement and Resource Allocation:** Leverage enterprise technologies, optimize workflows, and streamline operations to enhance efficiency, reduce costs, improve quality, and drive organizational success.

	2026 KPI Goals		
KPI Metric	Silver	Gold	Platinum
Paperless Billing Enrollments	≥ 50%	≥ 51%	≥ 52%
IT Critical Business Application Availability	≥ 99.0%	≥ 99.5%	≥ 99.9%
Storm Availability	≥ 70%	≥ 75%	≥ 80%

Additional Coop-Wide Goal

Distribution Adder

In addition to the measured distribution, there is an opportunity for a **1% adder** for each period if PEC reaches a large, cooperative-wide milestone.

2026 P1 & P2 Adder Goals

Obtain Platinum scoring in each of these three metrics:

KPI Metric	Platinum
Employee Compliance Training	≥ 99%
Days Away Restricted Duty (DART)	≤ 1.0
Cyber Engagement	≥ 64%

These three metrics represent critical safety and security areas where all employees can have a direct impact to achievement.



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2026 Key Performance Indicators

Pedernales Electric Cooperative

December 2025

Purpose and Structure

The purpose of Key Performance Indicators (KPIs) is to provide an objective method for evaluating the degree of success with which PEC achieves organizational performance targets. A performance-based financial distribution is calculated for eligible employees who contribute to the advancement of the goals and initiatives outlined in the approved PEC Strategic Plan as approved by the Board of Directors.

PEC's Board of Directors approves PEC's annual KPI Plan and is notified of the subsequent performance-based financial distributions for eligible employees.

KPI Plan Year

The KPI Plan year coincides with the calendar year (January 1 to December 31) to align with the cooperative's fiscal year. The KPI financial distribution occurs biannually with two equal periods of 6 months. The first measurement period (KPI-P1) is Jan. 1 to Jun. 30, and the second period (KPI-P2) is Jul. 1 to Dec. 31.

Employee Eligibility Requirements

The KPI distribution percentage will be applied to total wages, which includes base pay, overtime and double time that were paid for each of the equal measurement periods (KPI-P1 and KPI-P2). To be eligible for a KPI distribution for a particular measurement period, an employee must meet each of the following requirements:

- Have worked any time during the KPI measurement period
- Be employed by PEC on the day the KPI is distributed

KPI Distribution Payout

The KPI distribution will be issued on the Friday that is not a pay-period following the July board meeting for KPI-P1 and the February board meeting for KPI-P2.

KPI Communication

KPI data is updated on the 26th of each month, with performance through the end of the previous month. Employees may view the performance dashboard through the KPI link on PEC's intranet.

Methodology

The KPI plan is designed to align with Board Goals and Objectives identified in PEC's Strategic Plan that is drafted by the Board of Directors every five years. The primary categories are weighted evenly as shown on Table 1 below:

Table 1: KPI Categories

KPI Categories	Weight
Maximize Value to Our Membership	20%
Achieve Operational Excellence	20%
Protect the Financial Health of the Cooperative	20%
Advance Workforce Continuity, Safety, and Security	20%
Pursue Enterprise Optimization	20%

Performance Calculation

Each category contains individual performance metrics that apply to the Strategic Plan Objectives provided by the Board of Directors. Specific goals are set each year for each metric, and as goals are met, the performance calculation will apply a measurement distribution percentage for each metric using the following calculation:

$$\text{Measurement Distribution} = \text{Performance Level Percentage} \times \text{Measurement Weight}$$

Performance Level Percentage is defined in Table 2 below:

Table 2: Performance Level Payout Structure

Performance Level	Payout
Silver	5%
Gold	7%
Platinum	10%

Through this methodology, the maximum possible KPI distribution payout percentage, based on category performance metrics, is 10%.

Distribution Adder

In addition to the category distributions, there is an opportunity for an additional 1%, or “adder,” to the distribution payout if PEC reaches the following conditions:

- 2026 P1 & P2 Adder: 1% adder, per period, if PEC reaches Platinum-level goals for three selected metrics in the 2026 KPI Plan:
 - Employee Compliance Training
 - Days Away Restricted Duty (DART)
 - Cyber Engagement

PEC Strategic Plan Objectives and 2026 KPI Metric Definitions

Board of Directors’ Goal #1: Maximize Value to Our Membership

- **Objective 1 – Communications:** Deliver member messaging campaigns that regularly distribute compelling and educational cooperative information in order to surpass the American Customer Satisfaction Index (ASCI) industry benchmark for member satisfaction.
- **Objective 2 – Community Partnerships:** Establish enhanced partnerships with municipalities and local governments to bolster project planning and emergency operation preparedness for optimized system resiliency that benefits members.
- **Objective 3 – Member Experience:** Enrich the member experience by aligning business processes, technologies, and systems to support members, including preferences for self-service and modernized interactions.

Table 3 below shows the metrics and goals set for this category:

Table 3: Maximize Value to Our Membership Metrics and Weighting

Metric	Silver	Gold	Platinum	Weight
Power of Change Enrollments	≥ 8.6%	≥ 8.8%	≥ 9.0%	25%
Community Outreach	≥ 8	≥ 12	≥ 16	25%
Customer Satisfaction Score	≥ 4.40	≥ 4.45	≥ 4.50	25%
Queries Solved on First Call Contact	≥ 75%	≥ 80%	≥ 85%	25%

Power of Change Enrollments measures the PEC membership’s engagement with its Power of Change Program. This program is part of the cooperative’s commitment to serving the community by providing funding for grants and other resources. This metric is calculated as the number of accounts enrolled as a percentage of all active accounts.

Community Outreach measures community engagement through outreach programs that include member events and system, or emergency preparedness, planning with local municipalities and local governments.

Customer Satisfaction Score measures how well PEC meets membership expectations for customer service through PEC's member surveys. This metric is recorded monthly with an average score provided per KPI period and is based on a 5-point scale.

Queries Solved on First Call Contact identifies the effectiveness of resolving member inquiries upon the first attempt. This metric is recorded monthly through PEC's member surveys with an average score provided per KPI period.

Board of Directors' Goal #2: Achieve Operational Excellence

- **Objective 1 – System Reliability and Resiliency:** Advance proactive and responsive policies and programs to ensure distribution and transmission system reliability and resiliency in order to exceed industry standards in system availability, including the development of a system sectionalization plan.
- **Objective 2 – System Expansion:** Enhance the framework and processes for the acquisition and disposition of real estate and land rights for PEC system expansion to prepare for member growth. Plan and construct a new distribution control center and backup transmission control center.
- **Objective 3 – System Planning:** Optimize resource planning for system efficiencies to include cost control, accessibility, and responsive service. Draft a five-year facility and system plan to address capacity needs.

Table 4 below shows the metrics and goals set for this category:

Table 4: Achieve Operational Excellence Metrics and Weighting

Metric	Silver	Gold	Platinum	Weight
Remediating Worst Performing Feeders	≥ 3	≥ 5	≥ 7	25%
System Average Interruption Duration Index (SAIDI)	P1 ≤ 33 min. P2 ≤ 27 min.	P1 ≤ 30.5 min. P2 ≤ 24.5 min.	P1 ≤ 28 min. P2 ≤ 22 min.	25%
First Step Restoration Duration	≤ 120 min.	≤ 105 min.	≤ 90 min.	25%
Outage Sectionalizing	≥ 32%	≥ 35%	≥ 38%	25%

Remediating Worst Performing Feeders is a program to identify and improve the system's reliability by focusing maintenance and power restoration programs to periodically remove feeders from its Top 10 Worst Performing Feeders List that ranks each feeder based on critical and preventable factors impacting outage frequencies and duration.

System Average Interruption Duration Index (SAIDI) is an indicator of the Cooperative's service reliability as measured by the system's average outage time during the applicable KPI measurement period. This index uses the IEEE Standard that excludes planned, transmission, and major weather outages. This metric is calculated per KPI period which has separate metric goals for each period due to the seasonality of outage events.

First Step Restoration Duration is an indicator of performance in large outage response where partial restoration efforts are initiated as a priority to, or in parallel with, system repair work. This measurement is calculated by the average time it takes to restore partial service in large outages.

Outage Sectionalizing represents the performance impact of sectionalization efforts by measuring the percentage of potential outage minutes saved through sectionalizing practices, and is calculated by totaling the potential minutes against the total of potential and actual outage minutes of all outage events in the KPI period.

Board of Directors' Goal #3: Protect the Financial Health of the Cooperative

- **Objective 1 – Power Supply:** Advance power procurement capabilities and ongoing review and refinement of hedging strategies to maintain competitive power costs while meeting the growing power demand of the membership.

- **Objective 2 – Transmission Investment:** Develop a strategic transmission investment and funding plan to ensure overall system reliability, resiliency, and support timely recovery of transmission investment implemented through an annual capital plan.
- **Objective 3 – Controls and Processes:** Review and enhance financial metrics and control processes to ensure they adequately protect cooperative resources while maximizing efficiencies.

Table 5 below shows the metrics and goals set for this category:

Table 5: Protect the Financial Health of the Cooperative Metrics and Weighting

Metric	Silver	Gold	Platinum	Weight
Distribution Cost per KWh	≤ 4.25%	≤ 4.20%	≤ 4.15%	40%
Competitively Sourced Spend	≥ 92%	≥ 94%	≥ 96%	30%
Competitive Rates	≥ 5%	≥ 8%	≥ 10%	30%

Distribution Cost per kWh represents the average cost to deliver electricity from the grid to a meter for each kilowatt-hour consumed. It is calculated by dividing the total distribution costs by the total budgeted kilowatt-hours of electricity anticipated to be charged to members. Using budgeted kWh prevents unanticipated extreme weather from impacting the performance metric.

Competitively Sourced Spend measures the percentage of cooperative spend that is competitively sourced for all applicable spend categories. The calculation includes the total spend less sole-sourced spend as a percentage of total spend per KPI period.

Competitive Rates compares the cost of 1,000 kWh paid by PEC residential members against the average Texas residential customer in competitive areas based on Board-approved data sources, per KPI period.

Board of Directors' Goal #4: Advance Workforce Continuity, Safety, and Security

- **Objective 1 – Workforce Development and Stability:** Develop the workforce through tailored training programs, talent acquisition strategies, and effective succession planning to prepare the cooperative through transitions of leadership.
- **Objective 2 – Safety Culture:** Maintain ongoing prioritization of employee safety through fostering proactive hazard identification, reporting, technical training, and employee engagement.
- **Objective 3 – Integrated Security:** Develop effective integrated physical and cyber security programs to protect cooperative assets, data, intellectual property, facilities, and employees.
- **Objective 4 – Business Continuity and Emergency Preparedness:** Implement ongoing enterprise-wide risk mitigation and emergency preparedness initiatives to support crisis avoidance and recovery management from potential operational disruptions.

Table 6 below shows the metrics and goals set for this category:

Table 6: Advance Workforce Continuity, Safety, and Security Metrics and Weighting

Metric	Silver	Gold	Platinum	Weight
Employee Compliance Training	≥ 90%	≥ 95%	≥ 99%	20%
Total Case Incident Rate (TCR)	≤ 3.5	≤ 3.0	≤ 2.5	20%
Days Away Restricted Duty (DART)	≤ 2.0	≤ 1.5	≤ 1.0	20%
Vehicle Accident Rate	≤ 3.0	≤ 2.5	≤ 2.0	20%
Cyber Engagement	≥ 60%	≥ 62%	≥ 64%	20%

Employee Compliance Training measures employee engagement with required compliance training. This metric is calculated as a percentage completed of assigned courses, through each KPI period.

Total Case Incident Rate (TCR) is defined as the total number of OSHA-recordable injuries/illnesses (collectively called “incidents”) that occurred throughout the cooperative during each KPI period. The metric is calculated by applying a factor of 200,000 work hours per each incident as a percentage of total hours worked.

Days Away Restricted Duty (DART) is defined as the total number of recordable injuries and illnesses that required an employee to miss work or perform restricted work during each KPI period. The metric is calculated by applying a factor of 200,000 work hours per each incident as a percentage of total hours worked.

Vehicle Accident Rate captures the vehicle incidents and miles traveled by PEC vehicles as a ratio per KPI period. The calculation applies to a factor of 1,000,000 miles per each incident as a percentage of total miles.

Cyber Engagement represents employee efforts to engage in cyber-security training through cyber activities. This is calculated in the Hoxhunt training software system as its Hoxhunt Security Score for the organization.

Board of Directors’ Goal #5: Pursue Enterprise Optimization

- **Objective 1 – Technology Advancement and System Efficiencies:** Design scalable enterprise technologies to create efficiencies in automation, integration, and operations, including the evaluation and optimization of core systems.
- **Objective 2 – Planning and Analytics:** Execute methodologies for cost-benefit-analysis and organizational scaling, with objective consideration of member value and industry standards in financial and long-term strategic planning.
- **Objective 3 – Process Improvement and Resource Allocation:** Leverage enterprise technologies, optimize workflows, and streamline operations to enhance efficiency, reduce costs, improve quality, and drive organizational success.

Table 7 below shows the metrics and goals set for this category:

Table 7: Pursue Enterprise Optimization Metrics and Weighting

Metric	Silver	Gold	Platinum	Weight
Paperless Billing Enrollments	≥ 50%	≥ 51%	≥ 52%	30%
IT Critical Business Application Availability	≥ 99.0%	≥ 99.5%	≥ 99.9%	30%
Storm Availability	≥ 70%	≥ 75%	≥ 80%	40%

Paperless Billing Enrollments identifies the effectiveness of enrolling member accounts in electronic (paperless) billing. Paperless enrollments offer financial savings for the cooperative and the membership. This metric is calculated by active paperless accounts as a percentage of total active accounts.

IT Critical Business Application Availability is an indicator of IT system continuity and reliability. This metric measures the uptime of specific and critical IT systems as a percentage of the time the applications are operational and accessible to users.

Storm Availability indicates the availability of crews for outage responsiveness during storm events. This index is a key factor in reliability and responsiveness to power interruptions. The metric is recorded post-storm events with outages over 50 meters as the number of lineworkers that made themselves available for support.

Summary of Measures, Targets, and Weights for 2026 KPI Plan

Table 8: Summary of KPI Categories, Metrics, Targets, and Weighting

Metric	Silver	Gold	Platinum	Metric Weight	Overall KPI Weight
1. BOD Goal: Maximize Value to Our Membership					20%
Power of Change Enrollments	≥ 8.6%	≥ 8.8%	≥ 9.0%	25%	5.0%
Community Outreach	≥ 8	≥ 12	≥ 16	25%	5.0%
Customer Satisfaction Score	≥ 4.40	≥ 4.45	≥ 4.50	25%	5.0%
Queries Solved on First Call Contact	≥ 75%	≥ 80%	≥ 85%	25%	5.0%
2. BOD Goal: Achieve Operational Excellence					20%
Remediating Worst Performing Feeders	≥ 3	≥ 5	≥ 7	25%	5.0%
System Average Interruption Duration Index (SAIDI) by Period	P1 ≤ 33 min. P2 ≤ 27 min.	P1 ≤ 30.5 min. P2 ≤ 24.5 min.	P1 ≤ 28 min. P2 ≤ 22 min.	25%	5.0%
First Step Resolution Duration	≤ 120 min.	≤ 105 min.	≤ 90 min.	25%	5.0%
Outage Sectionalizing	≥ 32%	≥ 35%	≥ 38%	25%	5.0%
3. BOD Goal: Protect the Financial Health of the Cooperative					20%
Distribution per kWh	≤ 4.25%	≤ 4.20%	≤ 4.15%	40%	8.0%
Competitively Sourced Spend	≥ 92%	≥ 94%	≥ 96%	30%	6.0%
Competitive Rates	≥ 5%	≥ 8%	≥ 10%	30%	6.0%
4. BOD Goal: Advance Workforce Continuity, Safety, and Security					20%
Employee Compliance Training	≥ 90%	≥ 95%	≥ 99%	20%	4.0%
Total Case Incident Rate (TCR)	≤ 3.5	≤ 3.0	≤ 2.5	20%	4.0%
Days Away Restricted Duty (DART)	≤ 2.0	≤ 1.5	≤ 1.0	20%	4.0%
Vehicle Accident Rate	≤ 3.0	≤ 2.5	≤ 2.0	20%	4.0%
Cyber Engagement	≥ 60%	≥ 62%	≥ 64%	20%	4.0%
5. BOD Goal: Pursue Workforce Optimization					20%
Paperless Billing Enrollments	≥ 50%	≥ 51%	≥ 52%	30%	6.0%
IT Critical Business Application Availability	≥ 99.0%	≥ 99.5%	≥ 99.9%	30%	6.0%
Storm Availability	≥ 60%	≥ 62%	≥ 64%	40%	8.0%



File #: 2025-376, Version: 1

Resolution - Approval of Capital Credits Distribution during Calendar Year 2026 - J Smith

Submitted By: Janelle Smith

Department: Financial Services

Financial Impact and Cost/Benefit Considerations: Expenditure of Cooperative funds estimated in the approximate amount of \$10,300,000. Expenditures of staff time limited to ordinary processing requirements.

Pedernales Electric Cooperative Inc.'s (PEC or Cooperative) Capital Credits Policy outlines the process for both General Capital Credits Retirements and Special Capital Credits Retirements including the payment of capital credits to members, former members and deceased members' estates, and permits the discounting of capital credits.

PEC conducts an annual review of the Capital Credits distribution and payments. Pursuant to its Policy, the Cooperative will retire capital credits in a manner that permits the Cooperative to comply with all applicable laws, all restrictions imposed by its debt financing covenants, the Cooperative Articles of Incorporation and Bylaws, is fair to the Cooperative's members and former members, and is reasonable to maintain a healthy financial state.

The Policy also requires the Cooperative to implement its retirement strategy with certain principles considering retirements to deceased estates, special retirements, and distributions and payments to the oldest outstanding year(s) for which allocations have been made and distributions and payments to the most recent year(s) with discounting for which allocations have been made.

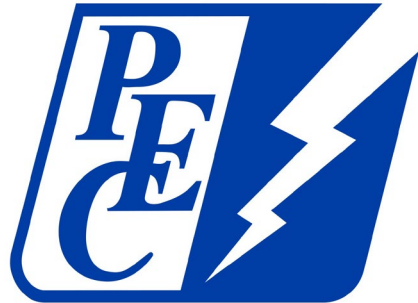
The Retirements (distribution and payment) of capital credits in an aggregate amount not to exceed \$10,300,000 would consist of approximately 1% to the oldest outstanding year without discounting, approximately 59% to the oldest outstanding year(s) with discounting and approximately 37% to the most recent year(s) with discounting each as General Capital Credit Retirements; and approximately 3% of such amount towards deceased members' estates through Special Capital Credits Retirements. The Retirements would consist of credits on electric bills for its current members, and to any former members and deceased members' estates who are entitled to at least \$10.00 by check in 2026.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE after its review, discussion and evaluation of the Capital Credits Policy and the financial state of the Cooperative and fairness to its members and former members, with input from the Cooperative's Chief Financial Officer, has determined that capital credit retirements as described herein and in Executive Session will not result in any adverse impact to the Cooperative;

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the Cooperative is approved to distribute and pay out General Capital Credit Retirements and Special Capital Credits Retirements in an amount not to exceed \$10,300,000 on or prior to January 31, 2026 as described herein to its eligible members as credits on electric bills, and to any former members or deceased estates who are entitled to a distribution of at least \$10.00 by check.

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the Chief

Financial Officer, or designee, is authorized as a duly authorized officer or agent of the Cooperative, for and in the name and on behalf of the Cooperative, to take actions necessary or appropriate in the best interests of the Cooperative to implement these resolutions.



2026 Capital Credits Distribution

Janelle Smith | Director, Finance

Policy

3.7. General Capital Credits Retirements

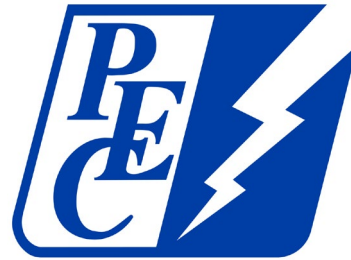
3.7.1. In general, Allocated Capital Credits are retired based upon the Retirement Schedule as permitted by the financial health of the Cooperative and in accordance with Cooperative policies, but other time frames may be appropriate as determined by the Board. Unless otherwise directed by the Board, Capital Credits are generally retired as follows:

- 3.7.1.1. A portion of the General Capital Credit Retirements will be from the oldest outstanding year(s) for which allocations have been made that have not yet been retired. To the extent the oldest outstanding year(s) being retired have been retained less than the Retirement Schedule, the amounts being retired will be made after application of the Discount Factor.
- 3.7.1.2. A portion of the General Capital Credit Retirements will be made from the most recent year(s) for which allocations have been made that have not yet been retired. To the extent the most recent year(s) being retired have been retained less than the Retirement Schedule, the amounts being retired will be made after application of the Discount Factor.

Recommended Distribution

2025 Distribution Proposal - \$10M							
CC_Year	Beg. Balance	Retire %	Retire	Discount Rate	Payout \$	Perm Equity	Balance
1995	130,957	100%	130,957	0%	130,957	-	-
1996-2023	338,226,200	4.3%	14,505,341	VARIES	6,053,252	8,452,089	323,720,859
2024	53,705,725	50.0%	26,852,863	85.79%	3,815,792	23,037,071	26,852,863
	391,931,925		41,358,203		10,000,000	31,489,160	350,573,721.91
BOD Proposed Amount					10,300,000		
Estate Retirements					300,000		

- Recommend retiring half of the newest year (2024) and a weighted average distribution for all other years not already retired (1996-2023), as presented in the 2025 budget. Additionally, pay remaining 1995 distributions due.
- If financial conditions allow, will recommend an additional special retirement for inactive accounts in 2026 per the 2026 budget.



PEDERNALES ELECTRIC COOPERATIVE



File #: 2025-377, Version: 1

Resolution - Approval of Renewal of Advanced Metering Infrastructure (AMI) Software Maintenance Agreement - L Mueller/S McCoy

Submitted By: Lori Mueller

Department: Information Technology

Financial Impact and Cost/Benefit Considerations: As discussed in Executive Session and in the confidential term sheet.

In March 2020 (2020-087), Pedernales Electric Cooperative, Inc. (PEC or the Cooperative) entered into a Software License Agreement with Maintenance Agreement for a three-year term for the purpose of upgrading its systems from Two-Way Automatic Communication System (TWAC) meters to AMI meters with Aclara Technologies, LLC. (Aclara). Subsequently, the Cooperative approved an additional three-year extension with Aclara in May 2023 (2023-143). The agreement is set to renew in January 2026.

PEC recommends the renewal of an extension software maintenance services with Aclara for a five-year period as discussed in Executive Session.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the Cooperative is authorized to extend its agreement with Aclara for software maintenance services for a (5) year period as discussed in Executive Session and in the confidential term sheet; and

BE IT FURTHER RESOLVED that the Chief Administrative Officer, or designee, is authorized to take all such actions as needed to implement this resolution.



Approval for Renewal of Advanced Metering Infrastructure (AMI) Software License Agreement

Lori Mueller | Vice President, Head of Technology and Digital Strategy

Sean McCoy | Director, Technology Portfolio Management

Aclara: AMI Metering Software

- Aclara provides critical metering infrastructure, software and services to PEC.
 - This includes all the physical meters at PEC member service locations, as well as our meter data collectors and systems throughout our service territory.
- Given the critical nature of the software, PEC management requests authorization to extend software maintenance services for 5 years.





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File #: 2025-378, **Version:** 1

Resolution - Approval of Budget Amendment - Cedar Valley T1 & T2 Upgrade - J Greene

Submitted By: Jonathan Greene

Department: Chief Operations Officer - Transmission

Financial Impact and Cost/Benefit Considerations: \$950k in additional capital expenditures for the Cedar Valley T1 and T2 Upgrade project.

Pursuant to Pedernales Electric Cooperative, Inc. (PEC or Cooperative) Budget Policy, the Cooperative's Finance Department, in consultation with PEC Executive Management, is required to prepare a budget amendment for the Board's review and consideration when capital expenditures exceed 5% of the Board approved individual project budget.

The authority to approve the Cooperative's operational budget and capital improvement plan is reserved to the Board under the Cooperative's Board Authority and Responsibilities Policy.

The Board, having been presented with the proposed budget amendment of \$950k in additional capital expenditures for the Cedar Valley T1 and T2 Upgrade project, may consider approving the budget amendment for the individually approved project as presented.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the amendment to the Cooperative's Capital Improvement Plan Individual Project Budget for Cedar Valley T1 and T2 Upgrade as described in Executive Session is approved; and

BE IT FURTHER RESOLVED that all actions taken prior to the date herein by the officers and duly authorized agents of the Cooperative in connection with the subject of the foregoing, be ratified, confirmed, and approved; and

BE IT FURTHER RESOLVED that the Chief Operations Officer - Transmission, or designee, is authorized to take such actions as needed to implement this resolution.

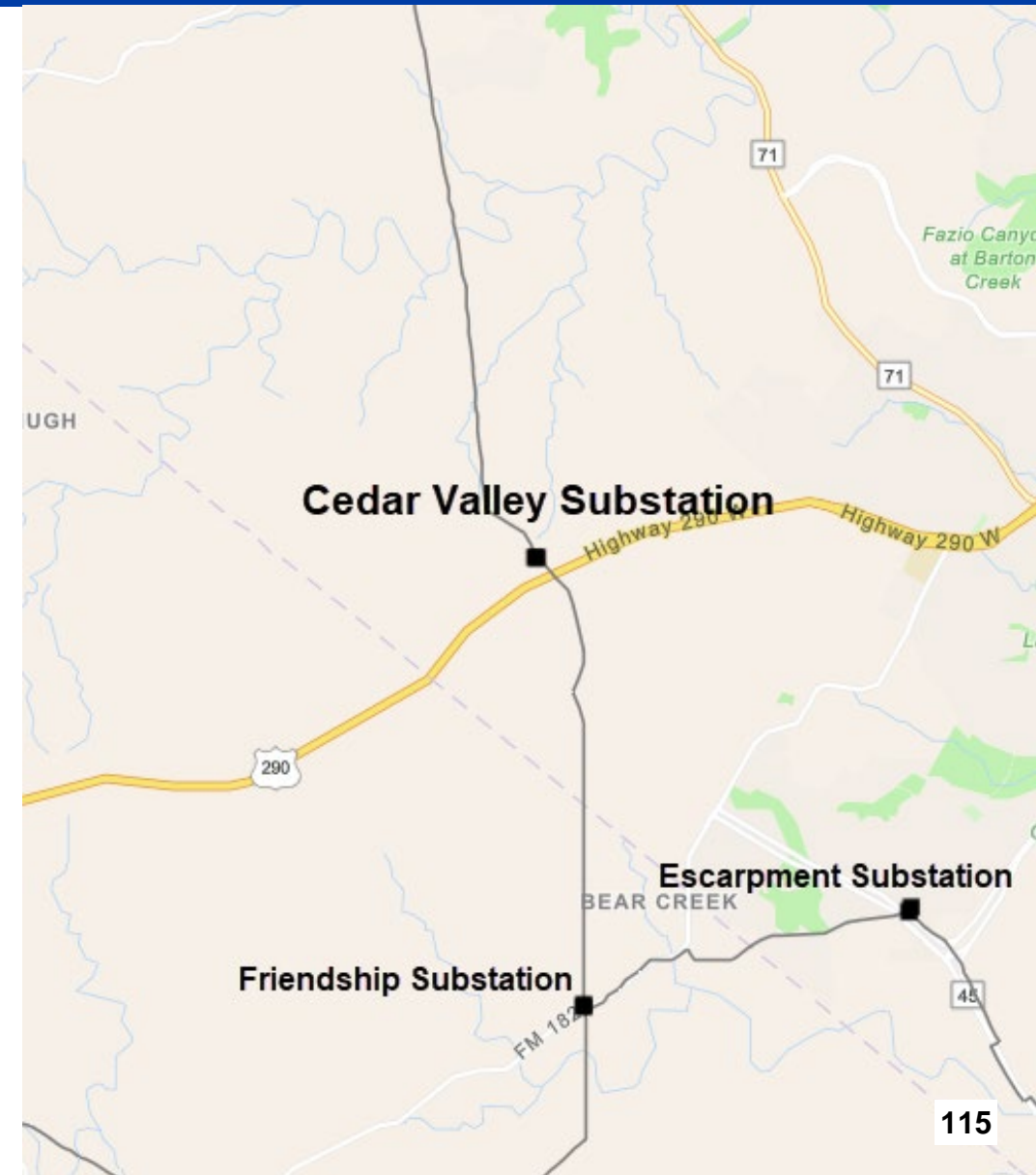


Resolution – Approval of Budget Amendment – Cedar Valley T1 and T2 Upgrade

Jonathan Greene | Chief Operations Officer - Transmission

Cedar Valley T1 and T2 Upgrade

- Project approved in 2024 Capital Improvement Plan
 - Upgrade T1 and T2 from 37.3 MVA to 46.7 MVA
 - Increases the load serving capacity to meet growing demand in the area
 - Construction began in June 2025 and will complete in December 2025
- Requesting approval to amend the budget for the project for cost increases of \$950,000
 - Budget increase will be managed within overall 2025 capital budget
 - Primary drivers for cost increases
 - Increased transformer and construction costs
 - Increased overhead costs





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File #: 2025-389, **Version:** 1

Resolution - Approval of Structure Contract for T328 Buda-Manchaca Transmission Line Upgrade - J Greene

Submitted By: Jonathan Greene

Department: Chief Operations Officer - Transmission

Financial Impact and Cost/Benefit Considerations: As discussed in the confidential term sheet and Executive Session.

As part of the 2024 Capital Improvement Plan, approved by the Board in November 2023 (2023-333), Pedernales Electric Cooperative, Inc. (Cooperative) included a project for upgrading T328 Buda-Manchaca transmission line to increase system capacity to accommodate area load growth.

The Cooperative has obtained bids from vendors for the structures needed for the upgrade of T328 Buda-Manchaca transmission line and is requesting to execute a contract with Structural Steel Products Corporation.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the Cooperative is authorized to execute an agreement to procure the structures for the T328 transmission line as described in the confidential term sheet in Executive Session; and

BE IT FURTHER RESOLVED that the Chief Operations Officer - Transmission, or designee, is authorized to take all such actions as needed to implement this resolution.

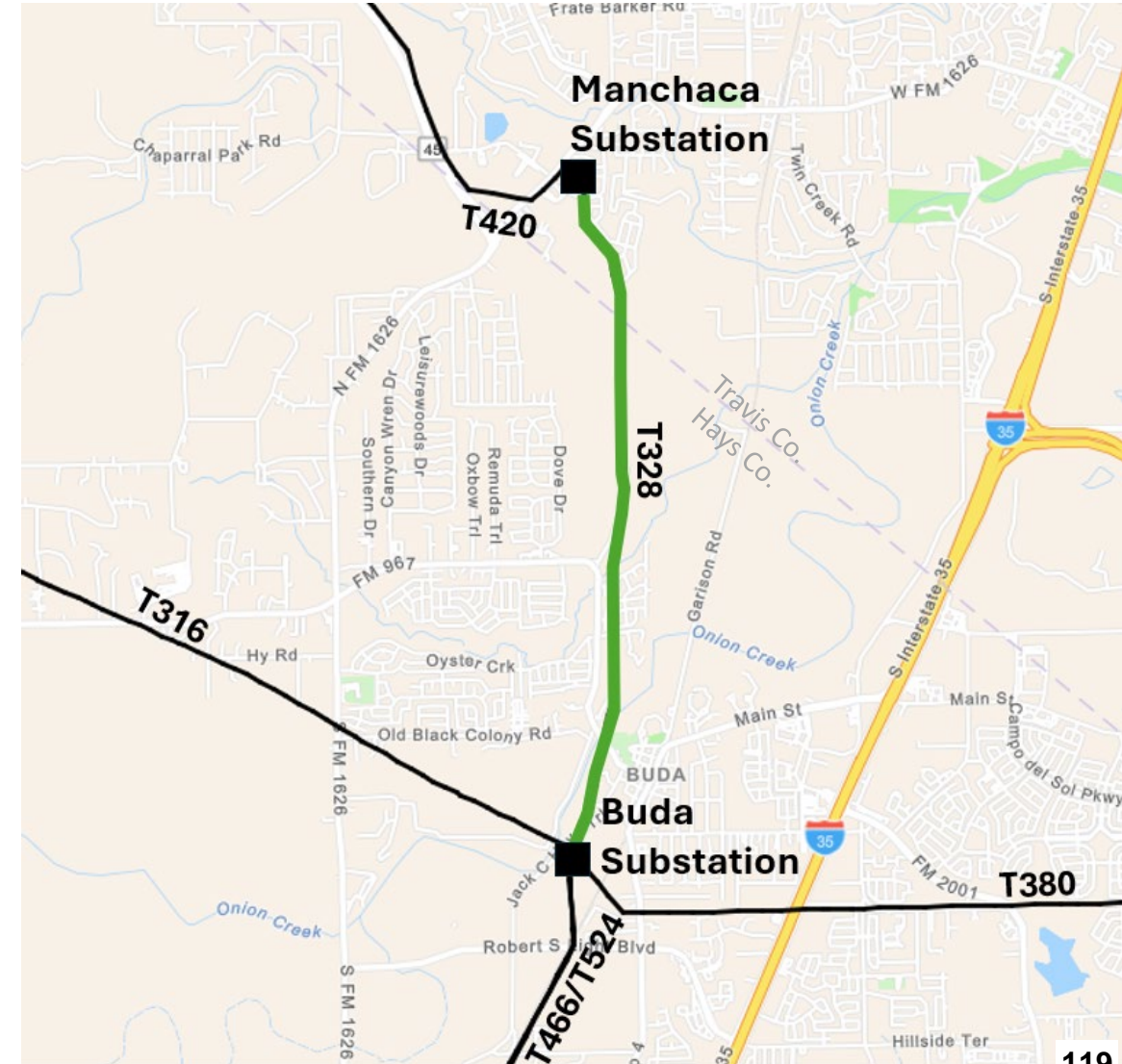


Resolution – Approval of Structure Contract for T328 Buda-Manchaca Transmission Line Upgrade

Jonathan Greene | Chief Operations Officer - Transmission

T328 Buda-Manchaca Upgrade

- Project approved in 2024 Capital Improvement Plan
- The existing transmission line will be rebuilt with steel monopole structures and single Suwannee conductor and OPGW.
- The project is needed to increase system capacity to accommodate area load growth.
- Project is in the design phase which is expected to be complete in January 2026
- The structure bids were evaluated in November. Request to award a contract to **Structural Steel Products Corporation** for the amount stated in the confidential term sheet.
- Delivery lead-time for these structures is 40-weeks
- Construction is scheduled to begin January 2027 and complete in May 2027





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File #: 2025-379, **Version:** 1

Resolution - Approval of Budget Amendment - Burnet Conversion - N Fulmer

Submitted By: Nathan Fulmer

Department: Chief Operations Officer - Distribution

Financial Impact and Cost/Benefit Considerations: \$4.2M in additional capital expenditures for Burnet Conversion Project as explained in Executive Session and the confidential term sheet.

Pursuant to Pedernales Electric Cooperative, Inc. (Cooperative) Budget Policy, the Cooperative's Finance Department, in consultation with the Cooperative's Executive Management, is required to prepare a budget amendment for the Board's review and consideration when capital expenditures exceed 5% of the Board approved individual project budget.

The authority to approve the Cooperative's operational budget and capital improvement plan is reserved to the Board under the Cooperative's Board Authority and Responsibilities Policy.

The Board, having been presented with the proposed budget amendment of \$4.2M in additional capital expenditures for the Burnet Conversion Project for 2025, may consider approving the budget amendment for the individually approved project as presented.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the amendment to the Cooperative's Capital Improvement Plan Individual Project Budget for Burnet Conversion Project as described in Executive Session and in the confidential term sheet is approved; and

BE IT FURTHER RESOLVED that all actions taken prior to the date herein by the officers and duly authorized agents of the Cooperative in connection with the subject of the foregoing, be ratified, confirmed, and approved; and

BE IT FURTHER RESOLVED that the Chief Operations Officer - Distribution, or designee, is authorized to take such actions as needed to implement this resolution.

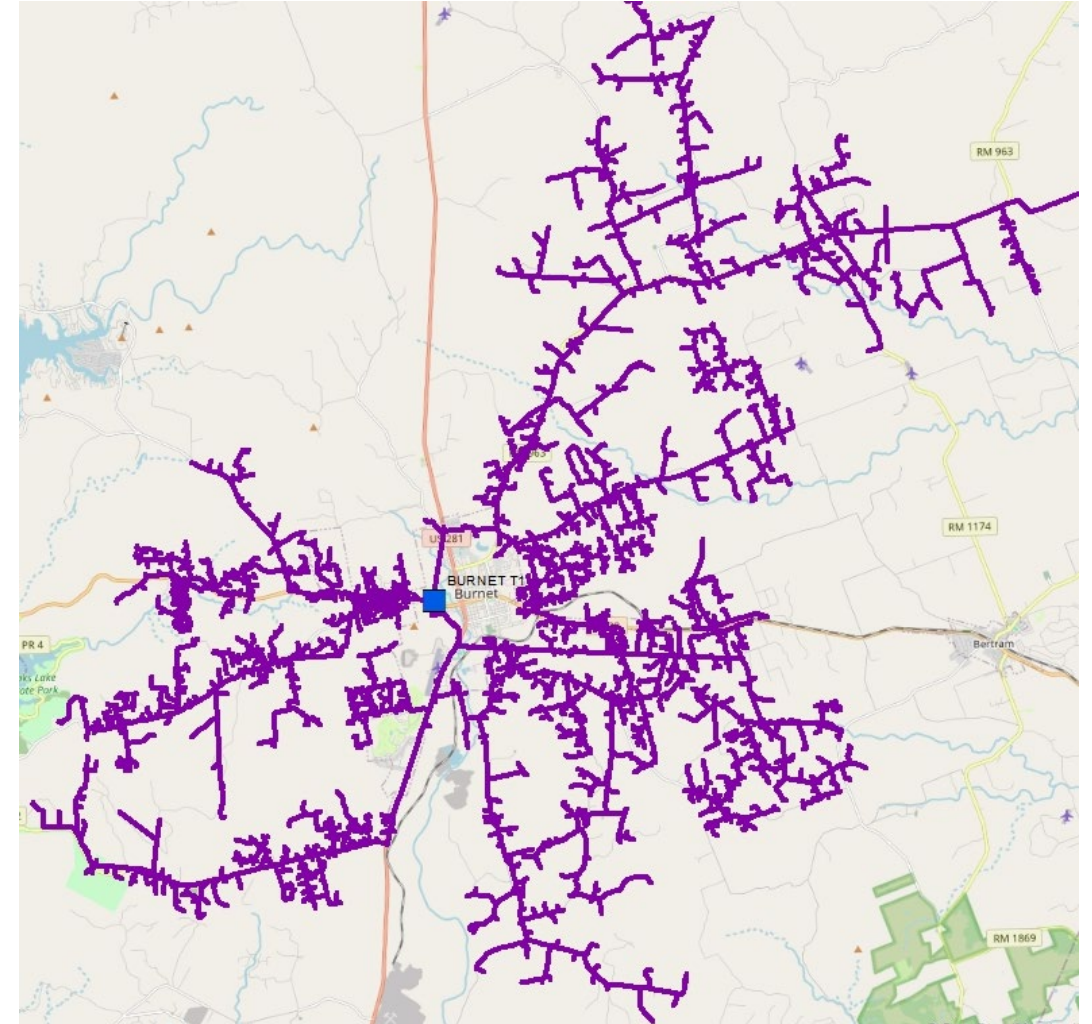


Resolution – Approval of Budget Amendment – Burnet Conversion

Nathan Fulmer | Chief Operations Officer – Distribution

Budget Amendment - Project Budget 213000018

- Convert 516 miles of feeders out of Burnet Substation from 12.47 KV to 24.9 KV
- Multi-year project 2021 - 2025:
 - Reduce line amperage loading and avoid future line upgrade projects
 - Improve feeder voltage support
 - Improve reliability
- Costs increased \$4.2 million over budget, but will be managed within overall 2025 budget
- Primary drivers for cost increases (since budgeted in 2020)
 - Pole replacements required
 - Increased materials costs
 - Increased labor costs





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File #: 2025-380, **Version:** 1

Resolution - Approval of Budget Amendment - Fairland Conversion - N Fulmer

Submitted By: Nathan Fulmer

Department: Chief Operations Officer - Distribution

Financial Impact and Cost/Benefit Considerations: 0.9M in additional capital expenditures for Fairland Make Ready Project as discussed in Executive Session and the confidential term sheet.

Pursuant to Pedernales Electric Cooperative, Inc. (Cooperative) Budget Policy, the Cooperative's Finance Department, in consultation with the Cooperative's Executive Management, is required to prepare a budget amendment for the Board's review and consideration when capital expenditures exceed 5% of the Board approved individual project budget.

The authority to approve the Cooperative's operational budget and capital improvement plan is reserved to the Board under the Cooperative's Board Authority and Responsibilities Policy.

The Board, having been presented with the proposed budget amendment of \$0.9M in additional capital expenditures for the Fairland Make Ready Project for 2025, may consider approving the budget amendment for the individually approved project as presented.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the amendment to the Cooperative's Capital Improvement Plan Individual Project Budget for Fairland Make Ready Project as described in Executive Session and in the confidential term sheet is approved; and

BE IT FURTHER RESOLVED that all actions taken prior to the date herein by the officers and duly authorized agents of the Cooperative in connection with the subject of the foregoing, be ratified, confirmed, and approved; and

BE IT FURTHER RESOLVED that the Chief Operations Officer - Distribution, or designee, is authorized to take such actions as needed to implement this resolution.

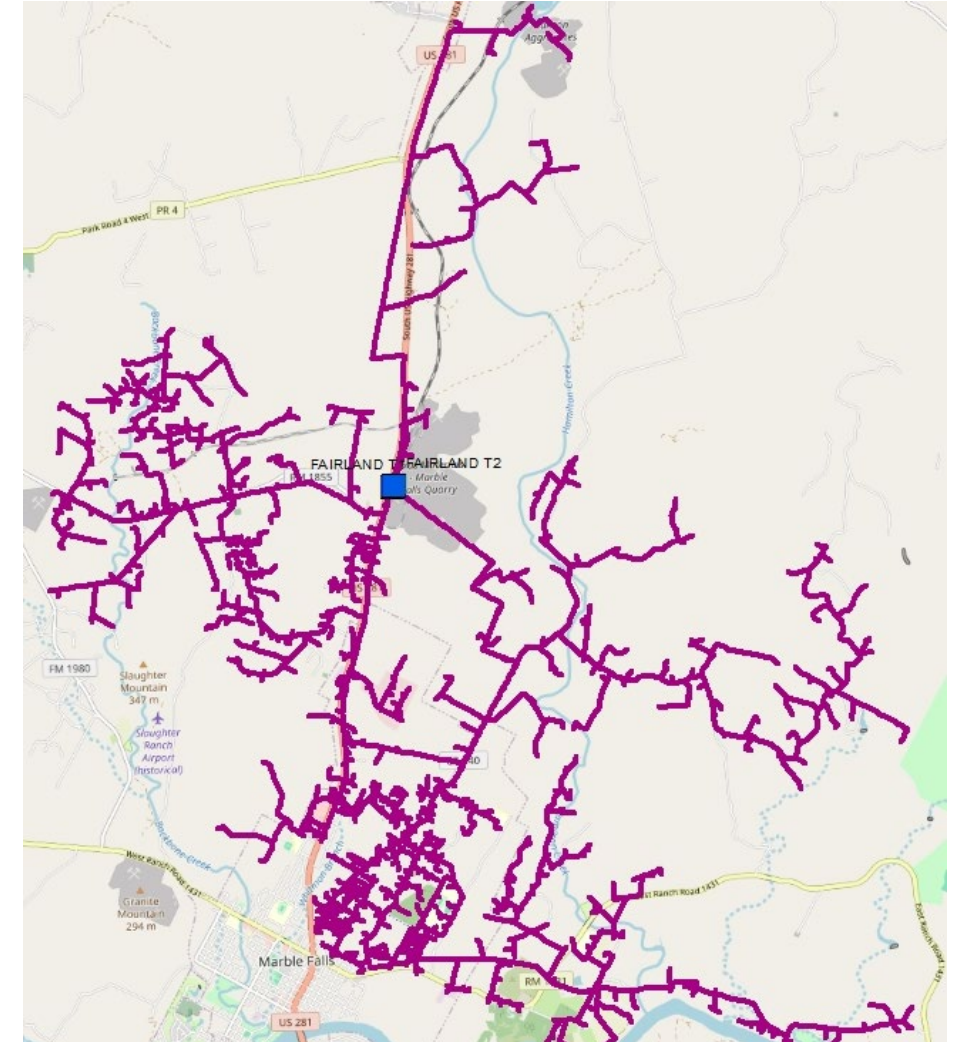


Resolution – Approval of Budget Amendment – Fairland Conversion

Nathan Fulmer | Chief Operations Officer – Distribution

Budget Amendment - Project Budget 2103000017

- Convert 183 miles of distribution feeders out of Fairland Substation from 12.47 KV to 24.9 KV
- Multi-year project 2021 – 2025:
 - Reduce line amperage loading and avoid future line upgrade projects
 - Improve feeder voltage support
 - Improve reliability
- Costs increased \$.9M over budget, but will be managed in overall 2025 budget
- Primary drivers for cost increases (since budgeted in 2020)
 - Increased materials costs
 - Increased labor costs





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File #: 2025-381, **Version:** 1

Resolution - Approval of GIS Contract - N Fulmer/M White

Submitted By: Mike White

Department: Engineering

Financial Impact and Cost/Benefit Considerations: As discussed in Executive Session and the confidential term sheet.

Pedernales Electric Cooperative, Inc. (Cooperative) maintains a geographic information system (GIS) for operation of its electric system. PEC management determined an upgrade to this system is needed and conducted a request for proposal to select a vendor to provide GIS productivity tools. Schneider Electric Smart Grid Solutions LLC was selected as the vendor through the RFP process. They were selected as providing the best overall value based on price and non-price factors.

The Cooperative requests approval of a three (3) year contract for software and enterprise support services with Schneider Electric Smart Grid Solutions LLC necessary to enable the setup and implementation of new GIS design tools

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the Cooperative is authorized to execute a three (3) year agreement for software and support services as discussed in Executive Session and in the confidential term sheet; and

BE IT FURTHER RESOLVED that the Chief Operations Officer - Distribution, or designee, is authorized to take all such actions as needed to implement this resolution.



Resolution – Approval of GIS Contract

Nathan Fulmer | Chief Operations Officer – Distribution

Mike White | VP of Engineering

GIS Contract

- PEC has initiated a project to upgrade its Geographic Information System (GIS) to modernized mapping, line design, and map viewing productivity tools
- An RFP was conducted to select a vendor to provide such GIS productivity tools which offers the overall best value to PEC, considering both price and non-price factors
- Distribution Operations is requesting approval of a contract with Schneider Electric Smart Grid Solutions LLC to provide these GIS productivity tools
- The proposed agreement has a three-year term from January 2026 through December 2028
- The proposed contract amount is as discussed in Executive Session and stated in the confidential term sheet.



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File #: 2025-382, **Version:** 1

Resolution - Approval of Wood Pole Contract - N Fulmer/N Swartz

Submitted By: Nathan Fulmer

Department: Operations

Financial Impact and Cost/Benefit Considerations: As discussed in Executive Session and in the confidential term sheet.

Pedernales Electric Cooperative, Inc. (Cooperative) requires wood poles to support maintenance and growth of its electrical distribution system. As a part of a request for proposal warehouse materials solicitation, Texas Electric Cooperatives (TEC) was selected for a three-year contract with two optional one-year extensions for its wood pole supply. TEC's proposal was selected because it provided the best overall value based on price and non-price factors.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the Cooperative is authorized to execute an agreement with TEC for the supply of wood poles for a three-year term with two optional one-year renewal terms as discussed in Executive Session; and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the Chief Operations Officer - Distribution, or designee take all such actions as needed to implement this resolution.



Resolution – Approval of Wood Poles Contract

Nathan Fulmer | Chief Operations Officer – Distribution

Nathan Swartz | Director, Procurement

Wood Pole Supply Contract



- As a part of an overall warehouse materials request for proposal (RFP) which included poles, transformers, conductor, switches, underground accessories, and pole-line hardware, Texas Electric Cooperatives (TEC) submitted the winning proposal for wood pole supply from among all RFP respondents
 - The TEC proposal was selected because it provided the best overall value based on price and non-price factors.
- Distribution Operations is requesting approval of a three-year agreement (December 2025 through December 2028) with two one-year optional extensions
- The proposed contract amount is as discussed in Executive Session and stated in the confidential term sheet.



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File #: 2025-404, **Version:** 1

Retirement Plan Committee Update - A Alcazar/Drew McCorkle, CapTrust

Submitted By: Adrienne Alcazar
Department: Human Resources



File #: 2025-383, **Version:** 1

List of Board Approved Future Meetings

Submitted By: Andrea Stover

Department: General Counsel

Financial Impact and Cost/Benefit Considerations: N/A

From time to time, the Board may set the annual Board meetings schedule as attached to this agenda item. Further, the Cooperative's Bylaws describe the types of meetings, notice requirements, and Board quorum as outlined below.

BYLAWS

ARTICLE IV - Meetings of Directors

Section 1. Regular Board Meetings. A regular meeting of the Board of Directors shall be held on the third Monday of each month at the E. Babe Smith Headquarters Building of the Cooperative in Blanco County, Texas, unless another meeting location, time and/or date is set by the Board of Directors ("Regular Board Meeting").

Section 2. Special Board Meetings. Special meetings of the Board of Directors ("Special Board Meetings") may be called by the President or any four (4) Directors. The person or persons authorized to call a Special Board Meeting may fix the time and place for the holding of any Special Board Meeting called by them.

Section 3. Telephonic or Electronic Participation in Board Meetings. For good cause and with approval of the Board of Directors, a Regular Board Meeting or Special Board Meeting (each a "Board Meeting") may be conducted with Directors participating but not physically present but deemed present in person through a means of communication by which all Directors participating in the Board Meeting may simultaneously hear, reasonably and verifiably identify themselves, and generally simultaneously and instantaneously communicate with each other during the Board Meeting. Directors that are not physically present may deliberate and vote on the question of approving telephonic or electronic participation. A vote to approve telephonic or electronic participation in any Board Meeting is exempt from the notice requirements herein specified. Such Board Meeting shall be compliant with the Cooperative's Open Meetings Policy, and Members shall have the opportunity to monitor the Board Meeting electronically or in person. A Director may be compensated for a Board Meeting at which that Director participated but was not physically present only with Board approval.

Section 4. Notice. Notice of the time, place and purpose of any Regular Board Meeting shall be given at least seventy-two (72) hours previous thereto, by written notice, delivered personally, electronically, or by mail, to each Director at the Director's last known address. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed with postage thereon prepaid. Meeting notices and agendas will be posted on the Cooperative's website at least seventy-two (72) hours before each Regular Board Meeting. In an emergency or when there is an urgent necessity, the notice of a Board Meeting or the supplemental notice of a subject added as an item to the agenda for a Board Meeting for which notice has been posted in accordance with this Section is sufficient if it is posted for at least two (2) hours before the Board Meeting is convened. An emergency or an urgent necessity exists only if immediate action is required because of a reasonably unforeseeable situation. The Board of Directors shall clearly identify the emergency or urgent necessity in the notice or supplemental notice under this Section.

Section 5. Board Quorum. Four (4) or more Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, except in the case when four (4) or more vacancies exist on the Board, in which case a majority of the Board shall constitute a quorum ("Board Quorum").

2026 Board Meeting Calendar

- Friday, January 16, 2026, Regular Meeting at 9:00 a.m., at PEC Headquarters
- Friday, February 20, 2026, Regular Meeting at 9:00 a.m., at PEC Headquarters
- Friday, March 27, 2026, Regular Meeting at 9:00 a.m., at PEC Headquarters
- Friday, April 17, 2026, Regular Meeting at 9:00 a.m., at PEC Headquarters
- Friday, May 15, 2026, Regular Meeting at 9:00 a.m., at PEC Headquarters
- Friday, June 19, 2026, Regular Meeting immediately after the conclusion of the Annual Membership Meeting at 9:00 a.m., at PEC Headquarters
- Friday, July 17, 2026, Regular Meeting at 9:00 a.m., at PEC Headquarters
- Friday, August 21, 2026, Regular Meeting at 9:00 a.m., at PEC Headquarters
- Friday, September 18, 2026, Regular Meeting at 9:00 a.m., at PEC Headquarters
- Friday, October 23, 2026, Regular Meeting at 9:00 a.m., at PEC Headquarters
- Friday, November 20, 2026, Regular Meeting at 9:00 a.m., at PEC Headquarters
- Friday, December 18, 2026, Regular Meeting at 9:00 a.m., at PEC Headquarters



File #: 2025-384, **Version:** 1

Board Planning Calendar (Written Report in Materials)

Submitted By: Andrea Stover

Department: General Counsel

Financial Impact and Cost/Benefit Considerations: N/A

In connection with agenda planning and strategy, the Cooperative provides an annual calendar of all agenda items to assist with compliance and address governance matters. The annual calendar also includes ad hoc items. As well, a three-month outlook of upcoming Board agenda items is included.

PEC Annual Planning Calendar

Item	Month	Description	Owner	Date	Strategic/ Compliance	Occurrence
1	1	5-Year Facility Plan	COO-D	JAN BOD Mtg	Strategic	Ad-hoc
2	1	2026 Election Timeline Monthly Update	General Counsel	JAN BOD Mtg	Compliance EPP	Reoccurring
3	1	CFO Quarterly Update	CFO	JAN BOD Mtg	Strategic	Quarterly
4	1	Cooperative Update	CEO	JAN BOD Mtg	Strategic	Reoccurring
5	1	Draft Resolution - Approval of Appointments to 2026 Qualifications and Elections Committee	General Counsel	JAN BOD Mtg	Compliance	Reoccurring
6	1	Long-Term Distribution/Substation Capacity/Transmission Planning/Real Estate Update	Compliance & Regulatory	JAN BOD Mtg	Strategic	Ad-hoc
7	1	Markets Report	Markets	JAN BOD Mtg	Strategic	Reoccurring
8	1	Personnel Matters	Human Resources	JAN BOD Mtg	Strategic	Reoccurring
9	1	Resolution - Approval of 2026 TEC Annual Membership Dues	CEO	JAN BOD Mtg	Strategic	Annual
10	1	Resolution - Approval of Amendments to the Power Supply and Commodity Risk Policy	CFO	JAN BOD Mtg	Strategic	Ad-hoc
11	1	Resolution - Approval of Construction Contract - Cement Plant Substation	COO-T	JAN BOD Mtg	Strategic	Ad-hoc
12	1	Resolution - Approval of Construction Contract for Bee Creek T1 and T2 Upgrade	COO-T	JAN BOD Mtg	Strategic	Ad-hoc
13	1	Resolution - Approval to Amend 2025 Capital Improvement Plan (CIP) for Category Level Expenditure	CFO	JAN BOD Mtg	Strategic	Ad-hoc
14	1	Resolution(s) - Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions	Compliance & Regulatory	JAN BOD Mtg	Strategic	Reoccurring
15	1	Resolution(s) - Approval of Contract Renewals or Extensions	General Counsel	JAN BOD Mtg	Strategic	Reoccurring
16	1	Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions	Compliance & Regulatory	JAN BOD Mtg	Strategic	Reoccurring
17	1	Review of 2026 Corporate Initiatives and CEO Action Items	CEO	DEC BOD Mtg	Strategic	Annual
18	1	Safety/Security	Human Resources	JAN BOD Mtg	Strategic	Reoccurring
19	2	2026 Election Timeline Monthly Update	General Counsel	FEB BOD Mtg	Compliance EPP	Reoccurring
20	2	Cooperative Update	CEO	FEB BOD Mtg	Strategic	Reoccurring
21	2	Cyber Security Semiannual Update	Compliance & Regulatory	FEB BOD Mtg	Strategic	FEB/AUG
22	2	Key Performance Indicator (KPI) of 2025 Period 2 Results	CSO	FEB BOD Mtg	Strategic	Reoccurring
23	2	Markets Report	Markets	FEB BOD Mtg	Strategic	Reoccurring
24	2	Personnel Matters	Human Resources	FEB BOD Mtg	Strategic	Reoccurring
25	2	Resolution - Approval of Appointments to 2026 Qualifications and Elections Committee	General Counsel	FEB BOD Mtg	Compliance	Reoccurring
26	2	Resolution(s) - Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions	Compliance & Regulatory	FEB BOD Mtg	Strategic	Reoccurring
27	2	Resolution(s) - Approval of Contract Renewals or Extensions	General Counsel	FEB BOD Mtg	Strategic	Reoccurring
28	2	Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions	Compliance & Regulatory	FEB BOD Mtg	Strategic	Reoccurring
29	2	Safety/Security	Human Resources	FEB BOD Mtg	Strategic	Reoccurring
30	3	2026 Election Timeline Monthly Update	General Counsel	MAR BOD Mtg	Compliance EPP	Reoccurring
31	3	CEO Corporate Initiatives and Action Items Quarterly Update	CEO	MAR BOD Mtg	Compliance	Quarterly
32	3	Cooperative Update	CEO	MAR BOD Mtg	Strategic	Reoccurring
33	3	Draft Resolution - Approval and Certification of 2026 Election Ballot	General Counsel	MAR BOD Mtg	Compliance	Reoccurring
34	3	Draft Resolution - Approval of 2026 Annual Membership Meeting Agenda	General Counsel	MAR BOD Mtg	Compliance	Annual
35	3	Markets Report	Markets	MAR BOD Mtg	Strategic	Reoccurring
36	3	Member Events	External Relations	MAR BOD Mtg	Strategic	Ad-Hoc
37	3	Personnel Matters	Human Resources	MAR BOD Mtg	Strategic	Reoccurring
38	3	Resolution(s) - Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions	Compliance & Regulatory	MAR BOD Mtg	Strategic	Reoccurring
39	3	Resolution(s) - Approval of Contract Renewals or Extensions	General Counsel	MAR BOD Mtg	Strategic	Reoccurring
40	3	Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions	Compliance & Regulatory	MAR BOD Mtg	Strategic	Reoccurring
41	3	Safety/Security	Human Resources	MAR BOD Mtg	Strategic	Reoccurring
42	4	Review of 2025 Financial Audit and Management Letter by Bolinger, Segars, Gilbert & Moss (BSGM)	Audit Committee	APR Audit Committee	Compliance	Reoccurring
43	4	Update of the Internal Audit Scope	Audit Committee	APR Audit Committee Mtg	Compliance	Reoccurring
44	4	2026 Election Timeline Monthly Update	General Counsel	APR BOD Mtg	Compliance EPP	Reoccurring
45	4	CFO Quarterly Update	CFO	APR BOD Mtg	Strategic	Quarterly
46	4	Cooperative Update	CEO	APR BOD Mtg	Strategic	Reoccurring
47	4	Draft Resolution - Approval of Capital Credits Special Distribution during Calendar Year 2026	CFO	APR BOD Mtg	Strategic	Reoccurring
48	4	Markets Report	Markets	APR BOD Mtg	Strategic	Reoccurring
49	4	Personnel Matters	Human Resources	APR BOD Mtg	Strategic	Reoccurring
50	4	Qualifications and Elections Committee (QEC) Recommendation of Qualified Candidates	General Counsel	APR BOD Mtg	Compliance	Reoccurring
51	4	Report on Property, Liability, and Corporate Insurance Policies	Compliance & Regulatory	APR BOD Mtg	Strategic	Annual
52	4	Resolution - Acceptance of 2025 Financial Audit and Management Letter by Bolinger, Segars, Gilbert & Moss (BSGM) and Financial Statements	Audit Committee Chair	APR BOD Mtg	Compliance	Reoccurring
53	4	Resolution - Approval and Certification of 2026 Election Ballot	Legal Services	APR BOD Mtg	Compliance	Reoccurring
54	4	Resolution - Approval of 2026 Annual Membership Meeting Agenda	General Counsel	APR BOD Mtg	Strategic	Annual
55	4	Resolution - Approval of Director Candidates for 2026 Pedernales Electric Cooperative Board of Director's Election Ballot	Legal Services	APR BOD Mtg	Compliance	Reoccurring
56	4	Resolution(s) - Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions	Compliance & Regulatory	APR BOD Mtg	Strategic	Reoccurring
57	4	Resolution(s) - Approval of Contract Renewals or Extensions	General Counsel	APR BOD Mtg	Strategic	Reoccurring
58	4	Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions	Compliance & Regulatory	APR BOD Mtg	Strategic	Reoccurring
59	4	Safety/Security	Human Resources	APR BOD Mtg	Strategic	Reoccurring
60	5	2026 Election Timeline Monthly Update	General Counsel	MAY BOD Mtg	Compliance EPP	Reoccurring
61	5	Cooperative Update	CEO	MAY BOD Mtg	Strategic	Reoccurring
62	5	Ethics and Compliance Semiannual Update	Ethics/Compliance	MAY BOD Mtg	Compliance	MAY/NOV
63	5	Markets Report	Markets	MAY BOD Mtg	Strategic	Reoccurring
64	5	Moment of Silence in Commemoration of Memorial Day	Board President	MAY BOD Mtg	Strategic	Reoccurring
65	5	Personnel Matters	Human Resources	MAY BOD Mtg	Strategic	Reoccurring
66	5	Resolution - Approval of 2026 CEO Performance Evaluation and Compensation	Board of Directors	MAY BOD Mtg	Compliance	Reoccurring
67	5	Resolution - Approval of Capital Credits Special Distribution during Calendar Year 2026	CFO	MAY BOD Mtg	Strategic	Reoccurring
68	5	Resolution(s) - Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions	Compliance & Regulatory	MAY BOD Mtg	Strategic	Reoccurring
69	5	Resolution(s) - Approval of Contract Renewals or Extensions	General Counsel	MAY BOD Mtg	Strategic	Reoccurring
70	5	Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions	Compliance & Regulatory	MAY BOD Mtg	Strategic	Reoccurring
71	5	Safety/Security	Human Resources	MAY BOD Mtg	Strategic	Reoccurring
72	5	Summer Preparedness	COO-D/COO-T	MAY BOD Mtg	Strategic	Annual
73	6	Acknowledgement and Seating of Directors Elected at Annual Membership Meeting	General Counsel	JUN BOD Mtg	Compliance Bylaws	Annual

PEC Annual Planning Calendar

Item	Month	Description	Owner	Date	Strategic/ Compliance	Occurrence
74	6	Cooperative Update	CEO	JUN BOD Mtg	Strategic	Reoccurring
75	6	CEO Corporate Initiatives and Action Items Quarterly Update	CEO	JUN BOD Mtg	Compliance	Quarterly
76	6	Directors' Conflict of Interest Training and Directors' Code of Conduct Training	Board Counsel	JUN BOD Mtg	Compliance	Reoccurring
77	6	Election - Office of President	General Counsel	JUN BOD Mtg	Compliance	Reoccurring
78	6	Election - Office of Secretary and Treasurer	General Counsel	JUN BOD Mtg	Compliance	Reoccurring
79	6	Election - Office of Vice President	General Counsel	JUN BOD Mtg	Compliance	Reoccurring
80	6	Markets Report	Markets	JUN BOD Mtg	Strategic	Reoccurring
81	6	Personnel Matters	Human Resources	JUN BOD Mtg	Strategic	Reoccurring
82	6	Receipt of Conflict of Interest Disclosure Form, Director Affirmation, and Directors' Code of Conduct Acknowledgement	General Counsel	JUN BOD Mtg	Compliance	Annual
83	6	Resolution - Approval of Texas Electric Cooperative (TEC) Delegates for TEC Annual Meeting	Board President	JUN BOD Mtg	Compliance TEC	Annual
84	6	Resolution - Approval of the Appointment of Audit Committee and Audit Committee Chairperson	General Counsel	JUN BOD Mtg	Compliance Bylaws	Annual
85	6	Resolution(s) - Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions	Compliance & Regulatory	JUN BOD Mtg	Strategic	Reoccurring
86	6	Resolution(s) - Approval of Contract Renewals or Extensions	General Counsel	JUN BOD Mtg	Strategic	Reoccurring
87	6	Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions	Compliance & Regulatory	JUN BOD Mtg	Strategic	Reoccurring
88	6	Safety/Security	Human Resources	JUN BOD Mtg	Strategic	Reoccurring
89	7	Annual Review of Conflicts of Interest Certification and Disclosure Forms from Directors	General Counsel	JUL BOD Mtg	Compliance Bylaws	Annual
90	7	CFO Quarterly Update	CFO	JUL BOD Mtg	Strategic	Quarterly
91	7	Cooperative Update	CEO	JUL BOD Mtg	Strategic	Reoccurring
92	7	Election Update - Annual Voter Turnout	Legal Services	JUL BOD Mtg	Compliance EPP	Annual
93	7	Key Performance Indicator (KPI) Update of 2026 Period 1 Results	CSO	JUL BOD Mtg	Strategic	Reoccurring
94	7	Markets Report	Markets	JUL BOD Mtg	Strategic	Reoccurring
95	7	Personnel Matters	Human Resources	JUL BOD Mtg	Strategic	Reoccurring
96	7	Resolution - Approval of Written Certification of the Election Results	Legal Services	JUL BOD Mtg	Compliance	Reoccurring
97	7	Resolution(s) - Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions	Compliance & Regulatory	JUL BOD Mtg	Strategic	Reoccurring
98	7	Resolution(s) - Approval of Contract Renewals or Extensions	General Counsel	JUL BOD Mtg	Strategic	Reoccurring
99	7	Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions	Compliance & Regulatory	JUL BOD Mtg	Strategic	Reoccurring
100	7	Safety/Security	Human Resources	JUL BOD Mtg	Strategic	Reoccurring
101	8	Cooperative Update	CEO	AUG BOD Mtg	Strategic	Reoccurring
102	8	Cyber Security Semiannual Update	Compliance & Regulatory	AUG BOD Mtg	Strategic	FEB/AUG
103	8	Insurance Benefits Update	Human Resources	AUG BOD Mtg	Compliance	Reoccurring
104	8	Markets Report	Markets	AUG BOD Mtg	Strategic	Reoccurring
105	8	Personnel Matters	Human Resources	AUG BOD Mtg	Strategic	Reoccurring
106	8	Post-Election Analysis and Annual Review	General Counsel	AUG BOD Mtg	Compliance EPP	Annual
107	8	Resolution(s) - Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions	Compliance & Regulatory	AUG BOD Mtg	Strategic	Reoccurring
108	8	Resolution(s) - Approval of Contract Renewals or Extensions	General Counsel	AUG BOD Mtg	Strategic	Reoccurring
109	8	Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions	Compliance & Regulatory	AUG BOD Mtg	Strategic	Reoccurring
110	8	Safety/Security	Human Resources	AUG BOD Mtg	Strategic	Reoccurring
111	9	CEO Corporate Initiatives and Action Items Quarterly Update	CEO	SEP BOD Mtg	Compliance	Quarterly
112	9	Cooperative Update	CEO	SEP BOD Mtg	Strategic	Reoccurring
113	9	Draft Resolution - Approval of 2026 Interim TCOS Filing	COO-T/CCO/GG	SEP BOD Mtg	Compliance	Reoccurring
114	9	Draft Resolution - Approval of Award to Negotiate Contract for Election Service Provider	General Counsel	SEP BOD Mtg	Strategic	Reoccurring
115	9	Draft Resolution - Approval to Establish 2026 Annual Membership Meeting Date and Location	General Counsel	SEP BOD Mtg	Compliance	Annual
116	9	Markets Report	Markets	SEP BOD Mtg	Strategic	Reoccurring
117	9	Personnel Matters	Human Resources	SEP BOD Mtg	Strategic	Reoccurring
118	9	Draft Resolution - Approval of Rebalance and Equitable Consideration of Director District Boundaries	General Counsel	OCT BOD Mtg	Compliance	Reoccurring
119	9	Resolution(s) - Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions	Compliance & Regulatory	SEP BOD Mtg	Strategic	Reoccurring
120	9	Resolution(s) - Approval of Contract Renewals or Extensions	General Counsel	SEP BOD Mtg	Strategic	Reoccurring
121	9	Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions	Compliance & Regulatory	SEP BOD Mtg	Strategic	Reoccurring
122	9	Safety/Security	Human Resources	SEP BOD Mtg	Strategic	Reoccurring
123	10	Annual Enterprise Risk Management (ERM) Update	Compliance & Regulatory	OCT BOD Mtg	Strategic	Annual
124	10	2026 Community Transformer Award	External Relations	OCT BOD Mtg	Strategic	Annual
125	10	CFO Quarterly Update	CFO	OCT BOD Mtg	Strategic	Quarterly
126	10	Cooperative Update	CEO	OCT BOD Mtg	Strategic	Reoccurring
127	10	Draft Resolution - Approval of 2026 Operating Budget and 2026 Capital Improvement Plan (CIP), Including Items Concerning Competitive Matters, Personnel, Contracts, and Real Estate	CFO	OCT BOD Mtg	Compliance	Reoccurring
128	10	Draft Resolution - Approval of Rate Changes	Markets	OCT BOD Mtg	Compliance	Reoccurring
129	10	Draft Resolution - Approval of Rebalance and Equitable Consideration of Director District Boundaries	General Counsel	OCT BOD Mtg	Compliance	Reoccurring
130	10	Draft Resolution - Approval to Amend Tariff and Business Rules	Compliance & Regulatory	OCT BOD Mtg	Compliance	Reoccurring
131	10	Markets Report	Markets	OCT BOD Mtg	Strategic	Reoccurring
132	10	Personnel Matters	Human Resources	OCT BOD Mtg	Strategic	Reoccurring
133	10	Resolution - Approval of 2024 IRS Form 990 – Bollinger, Sears, Gilbert & Moss, LLP	Tax & Regulatory	OCT BOD Mtg	Compliance	Reoccurring
134	10	Resolution - Approval of 2026 Interim TCOS Filing	COO-T/CCO/GG	OCT BOD Mtg	Compliance	Reoccurring
135	10	Resolution - Approval of Award to Negotiate Contract for Election Service Provider	General Counsel	OCT BOD Mtg	Strategic	Reoccurring
136	10	Resolution - Approval to Establish 2026 Annual Membership Meeting Date and Location	General Counsel	OCT BOD Mtg	Compliance	Annual
137	10	Resolution(s) - Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions	Compliance & Regulatory	OCT BOD Mtg	Strategic	Reoccurring
138	10	Resolution(s) - Approval of Contract Renewals or Extensions	General Counsel	OCT BOD Mtg	Strategic	Reoccurring
139	10	Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions	Compliance & Regulatory	OCT BOD Mtg	Strategic	Reoccurring
140	10	Review of 2024 IRS Form 990 - Bollinger, Sears, Gilbert & Moss, LLP	Audit Committee	OCT Audit Committee Mtg	Compliance	Reoccurring
141	10	Safety/Security	Human Resources	OCT BOD Mtg	Strategic	Reoccurring
142	11	Cooperative Update	CEO	NOV BOD Mtg	Strategic	Reoccurring
143	11	Draft Resolution - Approval for Directing the General Counsel to Prepare 2026 Proposed Non-Director Election Ballot Item(s)	General Counsel	NOV BOD Mtg	Strategic	Reoccurring
144	11	Draft Resolution - Approval of 2026 Election Timeline and Communications Plan	General Counsel	NOV BOD Mtg	Compliance	Reoccurring
145	11	Draft Resolution - Approval of 2026 Key Performance Indicators Plan	CSO	NOV BOD Mtg	Strategic	Reoccurring

PEC Annual Planning Calendar

Item	Month	Description	Owner	Date	Strategic/ Compliance	Occurrence
146	11	Draft Resolution - Approval of Capital Credits Distribution during Calendar Year 2026	CFO	NOV BOD Mtg	Compliance	Reoccurring
147	11	Ethics and Compliance Semiannual Update	Ethics/Compliance	NOV BOD Mtg	Compliance	MAY/NOV
148	11	Markets Report	Markets	NOV BOD Mtg	Strategic	Reoccurring
149	11	Personnel Matters	Human Resources	NOV BOD Mtg	Strategic	Reoccurring
150	11	Recognition of PEC Linemen Participation at Annual International Lineman's Rodeo	Operations	NOV BOD Mtg	Strategic	Reoccurring
151	11	Recognition of Veterans Day	Board President	NOV BOD Mtg	Compliance	Reoccurring
152	11	Resolution - Approval of 2026 Board of Directors List of Proposed Future Meetings	Board President	NOV BOD Mtg	Compliance	Reoccurring
153	11	Resolution - Approval of 2026 Operating Budget and 2026 Capital Improvement Plan (CIP), Including Items Concerning Competitive Matters, Personnel, Contracts, and Real Estate	CFO	NOV BOD Mtg	Compliance	Reoccurring
154	11	Resolution - Approval of Rate Changes	Markets	NOV BOD Mtg	Compliance	Reoccurring
155	11	Resolution - Approval of Rebalance and Equitable Consideration of Director District Boundaries	General Counsel	NOV BOD Mtg	Compliance	Reoccurring
156	11	Resolution - Approval to Amend Tariff and Business Rules	Compliance & Regulatory	NOV BOD Mtg	Compliance	Reoccurring
157	11	Resolution(s) - Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions	Compliance & Regulatory	NOV BOD Mtg	Strategic	Reoccurring
158	11	Resolution(s) - Approval of Contract Renewals or Extensions	General Counsel	NOV BOD Mtg	Strategic	Reoccurring
159	11	Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions	Compliance & Regulatory	NOV BOD Mtg	Strategic	Reoccurring
160	11	Safety/Security	Human Resources	NOV BOD Mtg	Strategic	Reoccurring
161	11	Winter Preparedness Report	Operations	NOV BOD Mtg	Strategic	Annual
162	12	Cooperative Update	CEO	DEC BOD Mtg	Strategic	Reoccurring
163	12	Markets Report	Markets	DEC BOD Mtg	Strategic	Reoccurring
164	12	Personnel Matters	Human Resources	DEC BOD Mtg	Strategic	Reoccurring
165	12	Recognition of PEC True Blue Recipients and Member Service Appreciation Week	CAO	DEC BOD Mtg	Strategic	Annual
166	12	Resolution - Approval of 2026 Election Timeline and Communications Plan	CEO	DEC BOD Mtg	Strategic	Reoccurring
167	12	Resolution - Approval of 2026 Key Performance Indicators Plan	CSO	DEC BOD Mtg	Strategic	Reoccurring
168	12	Resolution - Approval of Capital Credits Distribution during Calendar Year 2026	CFO	DEC BOD Mtg	Compliance	Reoccurring
169	12	Resolution - Review of 2026 Corporate Initiatives and CEO Action Items with Consideration of Performance Bonus	Board VP	DEC BOD Mtg	Strategic	Annual
170	12	Resolution(s) - Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions	Compliance & Regulatory	DEC BOD Mtg	Strategic	Reoccurring
171	12	Resolution(s) - Approval of Contract Renewals or Extensions	General Counsel	DEC BOD Mtg	Strategic	Reoccurring
172	12	Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions	Compliance & Regulatory	DEC BOD Mtg	Strategic	Reoccurring
173	12	Retirement Plan Committee Update	Human Resources	DEC BOD Mtg	Strategic	Reoccurring
174	12	Safety/Security	Human Resources	DEC BOD Mtg	Strategic	Reoccurring

3-Month Outlook

Item	Month	Description	Owner	Date	Strategic/ Compliance	Occurrence
JAN						
1	1	5-Year Facility Plan	COO-D	JAN BOD Mtg	Strategic	Ad-hoc
2	1	2026 Election Timeline Monthly Update	General Counsel	JAN BOD Mtg	Compliance EPP	Reoccurring
3	1	CFO Quarterly Update	CFO	JAN BOD Mtg	Strategic	Quarterly
4	1	Cooperative Update	CEO	JAN BOD Mtg	Strategic	Reoccurring
5	1	Draft Resolution - Approval of Appointments to 2026 Qualifications and Elections Committee	General Counsel	JAN BOD Mtg	Compliance	Reoccurring
6	1	Long-Term Distribution/Substation Capacity/Transmission Planning/Real Estate Update	Compliance & Regulatory	JAN BOD Mtg	Strategic	Ad-hoc
7	1	Markets Report	Markets	JAN BOD Mtg	Strategic	Reoccurring
8	1	Personnel Matters	Human Resources	JAN BOD Mtg	Strategic	Reoccurring
9	1	Resolution - Approval of 2026 TEC Annual Membership Dues	CEO	JAN BOD Mtg	Strategic	Annual
10	1	Resolution - Approval of Amendments to the Power Supply and Commodity Risk Policy	CFO	JAN BOD Mtg	Strategic	Ad-hoc
11	1	Resolution - Approval of Construction Contract - Cement Plant Substation	COO-T	JAN BOD Mtg	Strategic	Ad-hoc
12	1	Resolution - Approval of Construction Contract for Bee Creek T1 and T2 Upgrade	COO-T	JAN BOD Mtg	Strategic	Ad-hoc
13	1	Resolution - Approval to Amend 2025 Capital Improvement Plan (CIP) for Category Level Expenditure	CFO	JAN BOD Mtg	Strategic	Ad-hoc
14	1	Resolution(s) - Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions	Compliance & Regulatory	JAN BOD Mtg	Strategic	Reoccurring
15	1	Resolution(s) - Approval of Contract Renewals or Extensions	General Counsel	JAN BOD Mtg	Strategic	Reoccurring
16	1	Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions	Compliance & Regulatory	JAN BOD Mtg	Strategic	Reoccurring
17	1	Review of 2026 Corporate Initiatives and CEO Action Items	CEO	DEC BOD Mtg	Strategic	Annual
18	1	Safety/Security	Human Resources	JAN BOD Mtg	Strategic	Reoccurring
FEB						
19	2	2026 Election Timeline Monthly Update	General Counsel	FEB BOD Mtg	Compliance EPP	Reoccurring
20	2	Cooperative Update	CEO	FEB BOD Mtg	Strategic	Reoccurring
21	2	Cyber Security Semiannual Update	Compliance & Regulatory	FEB BOD Mtg	Strategic	FEB/AUG
22	2	Key Performance Indicator (KPI) of 2025 Period 2 Results	CSO	FEB BOD Mtg	Strategic	Reoccurring
23	2	Markets Report	Markets	FEB BOD Mtg	Strategic	Reoccurring
24	2	Personnel Matters	Human Resources	FEB BOD Mtg	Strategic	Reoccurring
25	2	Resolution - Approval of Appointments to 2026 Qualifications and Elections Committee	General Counsel	FEB BOD Mtg	Compliance	Reoccurring
26	2	Resolution(s) - Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions	Compliance & Regulatory	FEB BOD Mtg	Strategic	Reoccurring
27	2	Resolution(s) - Approval of Contract Renewals or Extensions	General Counsel	FEB BOD Mtg	Strategic	Reoccurring
28	2	Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions	Compliance & Regulatory	FEB BOD Mtg	Strategic	Reoccurring
29	2	Safety/Security	Human Resources	FEB BOD Mtg	Strategic	Reoccurring
MAR						
30	3	2026 Election Timeline Monthly Update	General Counsel	MAR BOD Mtg	Compliance EPP	Reoccurring
31	3	CEO Corporate Initiatives and Action Items Quarterly Update	CEO	MAR BOD Mtg	Compliance	Quarterly
32	3	Cooperative Update	CEO	MAR BOD Mtg	Strategic	Reoccurring
33	3	Draft Resolution - Approval and Certification of 2026 Election Ballot	General Counsel	MAR BOD Mtg	Compliance	Reoccurring
34	3	Draft Resolution - Approval of 2026 Annual Membership Meeting Agenda	General Counsel	MAR BOD Mtg	Compliance	Annual
35	3	Markets Report	Markets	MAR BOD Mtg	Strategic	Reoccurring
36	3	Member Events	External Relations	MAR BOD Mtg	Strategic	Ad-Hoc
37	3	Personnel Matters	Human Resources	MAR BOD Mtg	Strategic	Reoccurring
38	3	Resolution(s) - Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions	Compliance & Regulatory	MAR BOD Mtg	Strategic	Reoccurring
39	3	Resolution(s) - Approval of Contract Renewals or Extensions	General Counsel	MAR BOD Mtg	Strategic	Reoccurring
40	3	Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions	Compliance & Regulatory	MAR BOD Mtg	Strategic	Reoccurring
41	3	Safety/Security	Human Resources	MAR BOD Mtg	Strategic	Reoccurring



File #: 2025-385, **Version:** 1

Matters in Which the Board Seeks the Advice of Its Attorney as Privileged Communications in the Rendition of Professional Legal Services

Submitted By: Andrea Stover
Department: General Counsel



File #: 2025-386, **Version:** 1

Litigation and Related Legal Matters - A Stover

Submitted By: Andrea Stover
Department: General Counsel



File #: 2025-387, **Version:** 1

**Resolution - Approval of Authorization for Initiation, Settlement, or Disposition of Litigation Matter(s) -
A Stover**

Submitted By: Andrea Stover

Department: General Counsel

Financial Impact and Cost/Benefit Considerations: If any, as discussed in Executive Session.



File #: 2025-403, **Version:** 1

Draft Resolution - Approval for Directing the General Counsel to Prepare 2026 Proposed Non-Director Election Ballot Matter(s) - A Stover

Submitted By: Andrea Stover

Department: General Counsel

Financial Impact and Cost/Benefit Considerations: If any, as discussed in Executive Session.



File #: 2025-402, **Version:** 1

Franchise Agreement Update - A Stover

Submitted By: Andrea Stover
Department: General Counsel



File #: 2025-405, **Version:** 1

Retirement Plans Update - A Stover

Submitted By: Andrea Stover
Department: General Counsel



File #: 2025-388, **Version:** 1

Resolution(s) - Approval of Contract Renewals or Extensions - A Stover

Submitted By: Andrea Stover

Department: General Counsel

Financial Impact and Cost/Benefit Considerations: As discussed in Executive Session.



File #: 2025-390, **Version:** 1

Draft Resolution - Approval of Construction Contract - Cement Plant Substation - J Greene

Submitted By: Jonathan Greene

Department: Chief Operations Officer - Transmission

Financial Impact and Cost/Benefit Considerations: As discussed in Executive Session.



File #: 2025-399, **Version:** 1

Draft Resolution - Approval of Construction Contract for Bee Creek T1 and T2 Upgrade - J Greene

Submitted By: Jonathan Greene

Department: Chief Operations Officer - Transmission

Financial Impact and Cost/Benefit Considerations: As discussed in Executive Session.



File #: 2025-400, **Version:** 1

**Draft Resolution - Approval to Amend 2025 Capital Improvement Plan (CIP) for Category Level
Expenditure - J Smith**

Submitted By: Janelle Smith

Department: Chief Financial Officer

Financial Impact and Cost/Benefit Considerations: As discussed in Executive Session.



File #: 2025-401, **Version:** 1

Draft Resolution - Approval of Amendments to the Power Supply and Commodity Risk Policy - R Kruger

Submitted By: Randy Kruger

Department: Chief Financial Officer

Financial Impact and Cost/Benefit Considerations: If any, as discussed in Executive Session.



File #: 2025-391, **Version:** 1

Update on Competitive ERCOT Regulatory Matters - C Powell/E Blakey

Submitted By: Christian Powell/Eric Blakey
Department: Compliance & Regulatory



File #: 2025-392, **Version:** 1

Markets Report - R Kruger/R Strobel

Submitted By: Randy Kruger/Rob Strobel
Department: Markets



File #: 2025-393, **Version:** 1

Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions - C Powell

Submitted By: Christian Powell

Department: Compliance & Regulatory

Financial Impact and Cost/Benefit Considerations: As discussed in Executive Session.



File #: 2025-394, **Version:** 1

**Resolution(s) - Approval of Capital Improvement Plan Budget Amendments for Real Property
Acquisitions - C Powell**

Submitted By: Christian Powell

Department: Compliance & Regulatory

Financial Impact and Cost/Benefit Considerations: As discussed in Executive Session.



File #: 2025-395, **Version:** 1

Safety and Security Matters

Submitted By: Human Resources
Department: Human Resources



File #: 2025-397, **Version:** 1

Resolution - Review of 2025 Corporate Initiatives and CEO Action Items with Consideration of Performance Bonus - T Cox

Submitted By: Travis Cox

Department: Board of Directors

Financial Impact and Cost/Benefit Considerations: As discussed in Executive Session.



File #: 2025-398, **Version:** 1

Review of 2026 Corporate Initiatives and CEO Action Items - J Parsley

Submitted By: Julie Parsley
Department: Chief Executive Officer



File #: 2025-396, **Version:** 1

Personnel Matters

Submitted By: Human Resources
Department: Human Resources