



Pedernales Electric Cooperative

PO Box 1
Johnson City, TX 78636

Meeting Minutes - Draft

Board of Directors

Friday, January 23, 2026

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 9:05 a.m., on January 23, 2026, at the PEC Headquarters Auditorium, 201 South Avenue F, Johnson City, Texas.

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.

Consent Items

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

1. [2026-001](#) **Friday, December 19, 2025 - Regular Meeting Minutes**

Attachments: [2025-12-19 OS Meeting Minutes.pdf](#)

Cooperative Monthly Report

2. [2026-002](#) **Cooperative Update - J Parsley/A Stover/N Fulmer/R Kruger/ J Urban**

Attachments: [January Cooperative Update 2026-002.pdf](#)

Ms. Julie Parsley, Chief Executive Officer (CEO), Ms. Andrea Stover, General Counsel, 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)**3. [2026-003](#) Member Comments**

Attachments: [Decorum Policy.pdf](#)

There were no members present.

Action Items / Other Items**4. [2026-004](#) Resolution - Consideration of TEC 2026 Annual Membership Dues - J Parsley**

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE** that Texas Electric Cooperatives (TEC) membership dues in the amount of \$218,708.12 and associated dues, including ERCOT and Legal, for 2026 are approved, and the Chief Executive Officer of the Cooperative, or designee, is authorized to pay those dues pursuant to the invoices duly presented to the Cooperative.

Attachments: [TEC 2026 Annual Membership Dues Invoice.pdf](#)

Ms. Julie Parsley, Chief Executive Officer, presented the resolution and asked the Board for approval.

A motion was made by Vice President Cox, 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

5. [2026-007](#) Resolution - Approval to Amend 2025 Capital Improvement Plan (CIP) for Category Level Expenditure - J Smith, N Fulmer, J Greene, and JP Urban

Body: **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE**, that the amendment to the 2025 Capital Improvement Plan (CIP) Budget as presented this day is approved; and

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

Attachments: [Approval to Amend 2025 CIP for Category Level Expenditure 2026-007 Final](#)

Ms. Janelle Smith, Director of Finance, presented the resolution and asked the Board for approval.

A motion was made by Director Graf, 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

6. [2026-010](#) **Draft Resolution - Approval of Appointments to 2026 Qualifications and Elections Committee - A Stover**

Body: **WHEREAS** the Bylaws of the Cooperative require the Board to appoint a Qualifications and Elections Committee (the "Committee") to review and determine the qualifications of applicants who wish to be candidates for election to the Board ("Candidates"), and in accordance with the Cooperative's Election Policy and Procedures.

NOW, THEREFORE, BE IT RESOLVED that the following individuals are appointed to serve on the Qualifications and Elections Committee for the 2026 Election:

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____

BE IT FURTHER RESOLVED that the following individuals are appointed as alternates to serve on the Qualifications and Elections Committee for the 2026 Election should an appointed member be unable to serve:

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____

BE IT FURTHER RESOLVED that the Committee will elect its own officers (Chair and Secretary), and will have access to information gathered from various sources, including the Candidates themselves, public records, and the Cooperative; and

BE IT FURTHER RESOLVED that the Cooperative will provide legal counsel and staff support; and

BE IT FURTHER RESOLVED that the Committee should conduct meetings as often as the Committee determines that they are needed to perform the review of Candidates applications, and these meetings may be conducted by phone or at a place of the Committee's choosing; and

BE IT FURTHER RESOLVED that Committee members are paid \$150 for each telephonic or live meeting lasting more than one hour; the Cooperative will reimburse mileage and reasonable meal expenses incurred by Committee members in the course of their service; and provide indemnification and protection from liability for Committee members serving in that capacity as

provided for in the PEC Bylaws; and

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

Attachments: [Approval of Appointments to 2026 QEC 2026-010](#)

Mr. Michael Butler, Senior Counsel, discussed the draft resolution stating each director may submit one appointee and one alternate to serve on the Qualifications and Election Committee, at least one week before the February 2026 Board Meeting.

7. [2026-011](#) **2026 Election Timeline Monthly Update - A Stover (Written Report in Materials)**

Attachments: [Election Timeline 2026-011.pdf](#)
[January-December 2026](#)

Proposed Future Items / Meetings (subject to final posting)

8. [2026-012](#) **List of Board Approved Future Meetings**

Attachments: [2026 Board Meeting Calendar.pdf](#)

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

9. [2026-013](#) **Board Planning Calendar (Written Report in Materials)**

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

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 10:02 a.m., stated the Board would go into Executive Session.

Executive Session - Legal Matters

10. [2026-014](#) **Matters in Which the Board Seeks the Advice of Its Attorney as Privileged Communications in the Rendition of Professional Legal Services**

11. [2026-015](#) **Litigation and Related Legal Matters - A Stover**

12. [2026-016](#) **Resolution - Approval of Authorization for Initiation, Settlement, or Disposition of Litigation Matter(s) - A Stover**

Executive Session - Contract and Competitive Matters

13. [2026-017](#) Resolution(s) - Approval of Contract Renewals or Extensions - A Stover
- [2026-008](#) Resolution - Approval of Amendments to the Power Supply and Commodity Risk Policy - R Kruger
15. [2026-018](#) System Planning Update - J Greene/N Fulmer/C Powell
16. [2026-019](#) Update on Competitive ERCOT Regulatory Matters - C Powell/E Blakey
17. [2026-020](#) Markets Report - R Kruger/R Strobel

Executive Session - Real Estate Matters

- [2026-021](#) Resolution(s) - Approval of Real Property Acquisitions or Real Property Dispositions - C Powell
19. [2026-022](#) Resolution(s) - Approval of Capital Improvement Plan Budget Amendments for Real Property Acquisitions - C Powell
20. [2026-028](#) Draft Resolution - Authorization to use Eminent Domain - T531 Hunter-Purgatory TL Upgrade - J Greene
21. [2026-029](#) Draft Resolution - Authorization to use Eminent Domain - T617 Purgatory-Sattler TL Upgrade - J Greene

Executive Session - Safety and Security Matters

22. [2026-024](#) Safety and Security Matters

Executive Session - Personnel Matters

23. [2026-025](#) Review of 2026 Corporate Initiatives and CEO Action Items - J Parsley
24. [2026-026](#) Personnel Matters

Reconvene to Open Session

At 1:35 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

The following agenda items were discussed in Executive Session and set for approval in Open Session.

14. [2026-008](#) Resolution - Approval of Amendments to the Power Supply and Commodity Risk Policy -R Kruger

Body: now, therefore, **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF PEDERNALES ELECTRIC COOPERATIVE, INC.** that the amendments to the confidential Appendix to the Policy as discussed in Executive Session are approved; and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF PEDERNALES ELECTRIC COOPERATIVE, INC. that the Chief Executive Officer, or designee, is authorized to take all such other actions necessary to implement this resolution.

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: 6 - Rister, Pataki, Ekrut, Price, Graf, and Akers

Absent: 1 - Cox

18. [2026-021](#) Resolution - Authorization of the Cooperative to Initiate Negotiations For Acquisition of Real Property in 2026 in Accordance with Chapter 21 of the Texas Property Code - C Powell

Body: **WHEREAS** the Board of Directors of PEC, pursuant to the Texas Constitution and Texas Utilities Code, Section 161.125 and other applicable law, and Chapter 21 of the Texas Property Code, hereby finds that PEC must initiate required notification and deliver materials to begin acquisition and negotiation processes in order to acquire the interests in real property.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the Cooperative's acquisition of the property interests needed for installation, construction, operation, and maintenance of substations and all necessary appurtenant facilities for public use and in the public interest to ensure system reliability for PEC members and the electric grid for the State of Texas shall follow all applicable laws; and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the Chief Compliance Officer of the Cooperative or a designated person, is authorized as an officer or agent of the Cooperative to negotiate on terms and a purchase price contingent on approval from the Board of Directors of the Cooperative for the necessary property interests in such form and containing such terms and conditions as may be deemed necessary, appropriate, or desirable; and

BE IT FURTHER RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that if an agreement as to the value of and/or compensation for necessary property interests cannot be reached in accordance with this

resolution, then the General Counsel of the Cooperative or other designated attorneys or agents, will seek authorization from the Board of Directors to undertake all necessary actions required to exercise the Cooperative's power of eminent domain to acquire necessary property interests.

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, including, but not limited to, the delivery of any relevant document in the name of and on behalf of the Cooperative relating to any bona fide offer to the owners are hereby confirmed, ratified, and approved.

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

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

Absent: 1 - Cox

Adjournment

There being no further business to come before the Board of the Directors, the meeting adjourned at 1:36 p.m.

Approved:

Mark Ekrut, Secretary

Emily Pataki, President