

MID-CAROLINA ELECTRIC COOPERATIVE, INC.

LEXINGTON, SOUTH CAROLINA

MINUTES OF REGULAR MEETING OF BOARD OF TRUSTEES

February 23, 2026

AGENDA ITEM # 1

CALL TO ORDER: Marvin W. Sox, President/Chairman
(9:30 a.m.) Alan R. Lunsford, Vice-President/Vice-Chairman
Donette B. Kirkland, Secretary
J. Allan Risinger, Treasurer
J. Carey Bedenbaugh, Jr.
Eddie C. Best, Jr.
Kenneth E. Lindler
Mark A. Svrcek
Justin B. Watts

STAFF PRESENT: B. Robert "Bob" Paulling, President and CEO
Theresa D. Crepes. VP, Finance and Accounting
Robert A. Wilbur, VP, Operations
Lee H. Ayers, VP, Engineering
Troy A. Simpson, VP, Member Services
Steven G. Davidson, VP, Information Technology
Vicki E. Ross-Bell, Administrative Services Manager

ATTORNEY PRESENT: None

INVOCATION: Allan Risinger

PLEDGE OF ALLEGIANCE

AGENDA ITEM # 2

APPROVAL OF MINUTES: Chairman Sox called the meeting to order. Mr. Paulling stated that Mr. Black was unable to attend today. Chairman Sox then asked if there were any corrections, additions, or deletions to the minutes of the last monthly meeting held on January 26, 2026. Mr. Lunsford made a motion to approve these minutes, as presented. The motion was seconded by Mr. Svrcek and unanimously passed.

See Resolution # 1

AGENDA ITEM # 3

UNFINISHED BUSINESS: There was no unfinished business to come before the Board.

AGENDA ITEM # 4

2025 AUDIT REPORT: Chairman Sox called on Mr. Terry McMichael for his presentation of the 2025 Audit Report. Mr. McMichael stated that the Cooperative's financial statements fairly presented its financial position, as of December 31, 2025, in accordance with Generally Accepted Accounting Principles (GAAP). He then reviewed and explained the Balance Sheet, the Statement of Revenue (margin statement), and the Statement of Cash Flows.

Mr. McMichael next called attention to the various notes on the financial statements which gave more information and explanation about those statements. He advised that all notes had been carefully reviewed with the Audit Committee. Mr. McMichael concluded his presentation by reviewing a separate management letter. The management letter stated that the Cooperative's Form 7 financial report dated December 31, 2025, agreed with the Cooperative's audited records.

Mr. Risinger stated that the 2025 Audit was presented as information for the Board. Chairman Sox thanked Mrs. Crepes and her staff for the work that went into providing the documentation needed for the Audit Report. There were no further questions or comments, and Chairman Sox thanked Mr. McMichael for his report.

AGENDA ITEM # 5

DEPARTMENTAL REPORTING:

FINANCE AND ACCOUNTING: Chairman Sox called on Mrs. Crepes for the Finance and Accounting report. Mrs. Crepes reported the year-to-date revenue was \$17,960,484, which is \$685,266 over budget at the end of January. The year-to-date cost of wholesale power was \$11,261,856, which is over budget by \$427,061. The year-to-date margins were \$903,150, which is (\$4,978) below budget. Mrs. Crepes reported that equity was 23.60% at the end of January for a decrease of -0.27%. The deferred credits account balance changed by (\$1,234,354), and the ending balance was \$5,450,440.

Mrs. Crepes then presented a rate comparison chart showing an average residential usage of 1,373 kWh in January. Mid-Carolina's average bill was \$200.10 (account charge \$40.30) compared to Dominion's \$207.77 (account charge \$9.50), Duke – Carolina's \$194.48 (account charge \$11.96), and Duke – Progress \$187.01 (account charge \$11.78). She then presented a comparison chart showing an average annual usage of 15,635 kWh. Mid-Carolina's average annualized bill was \$2,321.59 (account charge \$474.50) compared to Dominion's \$2,400.85 (account charge \$114.00), Duke – Carolina's \$2,130.04 (account charge \$143.52), and Duke – Progress \$2,200.86 (account charge \$141.36).

Mrs. Crepes reported that Mid-Carolina has received \$594,287 from CarolinaConnect year-to-date. There were no further questions or comments, and Chairman Sox thanked Mrs. Crepes for her report.

OPERATIONS: Chairman Sox called on Mr. Wilbur for the Operations report. Mr. Wilbur reported on the locations where the Mid-Carolina and contractor crews worked in January. The right-of-way crews are still working in the Hollywood area, and they have completed the Pelion and Irmo areas. Mr. Wilbur stated the System Inspectors are still working in the Lake Murray area. He reported that Tomberlin Pole Inspection and Treatment is working in the Lexington area, and they have completed the Hollingshed area. The total number of poles that have been inspected and treated year-to-date is 364. Mr. Wilbur reported that work is ongoing with the Carolina Crossroads project. There were no further questions or comments, and Chairman Sox thanked Mr. Wilbur for the report.

ENGINEERING: Chairman Sox called on Mr. Ayers for the Engineering report. Mr. Ayers reported that routine inspection and maintenance were completed. He stated point-to-point checkouts will continue for the new SCADA master station. Mr. Ayers then reported on the fiber optic construction in subdivisions.

Mr. Ayers showed a chart graphing MWh purchased each month year-to-date from 2022-2026 with a five-year running average. The next chart showed the MW Demand purchased each month year-to-date from 2022-2026 with a five-year running average. The monthly outage report and notes for January were discussed. There were no further questions or comments, and Chairman Sox thanked Mr. Ayers for his report.

MEMBER SERVICES: Chairman Sox called on Mr. Simpson for the Member Services report. Mr. Simpson shared a photo of the 16 linemen from Mid-Carolina that are helping with electric and internet restoration services in Mississippi. He reported there were 18 applications received for the Youth Tour and Youth Summit programs. There were 90 applications received for the Mid-Carolina Touchstone Energy Scholarships. Mr. Simpson shared pictures and discussed the different community events that were sponsored by Mid-Carolina since the last meeting. There was a discussion about the SC Coop Day that was held at the Statehouse on February 19, 2026.

Mr. Simpson reviewed the recent social media engagement and discussed the quarterly schedule for the *South Carolina Living* magazine through the April 2026 issue. There were no further questions or comments, and Chairman Sox thanked Mr. Simpson for his report.

INFORMATION TECHNOLOGY: Chairman Sox called on Mr. Davidson for the Information Technology report. Mr. Davidson reported there were 44,425 accounts enrolled in SmartHub as of February 1, 2026, which represents 72.42% of active accounts enrolled. He stated that 88.90% of all January payment transactions were made electronically. There were 273 payments made with the InComm system in January.

Mr. Davidson reported that an additional 648 members enrolled in TextPower in January, bringing the enrollment total to 58,318. He stated there were 3,074 members enrolled in Pay As You Go in January. Mr. Davidson reported there were 41,440 emails received during the month, and 15,763 emails were blocked prior to reaching the Cooperative's email servers, and 810 of those emails contained viruses. He then gave an update on cyber security. There were no further questions or comments, and Chairman Sox thanked Mr. Davidson for his report.

ADMINISTRATION: Chairman Sox called on Mrs. Ross-Bell for the Administration report. Mrs. Ross-Bell referred to the monthly Operation Round-Up report. There were 18 applications approved out of 30 for a total donation of \$28,215. The Trust Fund balance at the end of January was \$12,737.

Mrs. Ross-Bell then discussed important dates to remember through April 2026. She also stated the ECSC Summer Conference is scheduled for May 31-June 3, 2026, and the CFC Forum is scheduled for June 15-17, 2026. There were no further questions or comments, and Chairman Sox thanked Mrs. Ross-Bell for her report.

AGENDA ITEM # 6

CEO'S REPORT: Chairman Sox called on Mr. Paulling for his report. Mr. Paulling stated there were two recordable accidents in January. He then reported that there was one termination during the month, and three new Line Technicians started on February 23, 2026. There will be a retirement in April 2026 of a Member Services Supervisor, and the Member Services Team Lead was promoted to fill that Supervisor position. A Member Services Representative was promoted to the Member Services Team Lead position. There is now active recruitment for a Member Services Representative.

Mr. Paulling discussed Statewide. He gave an update on the pending strategic planning action items. There were no further questions or comments, and Chairman Sox thanked Mr. Paulling for his report.

AGENDA ITEM # 7

LEGAL DISCUSSION: There was no legal report at this meeting.

AGENDA ITEM # 8

CHAIRMAN'S REPORT: Chairman Sox presented Board Gold Certificates and congratulations to Mr. Best, Ms. Kirkland and Mr. Lunsford. He had nothing further to report at this time.

AGENDA ITEM # 9

COMMITTEE REPORTS: Chairman Sox stated the Audit Committee's report was given earlier in the meeting. He then called on Ms. Kirkland for the Policy Committee report. Ms. Kirkland stated that the Board had received Board Policy 110 – Employment by the Cooperative of Relatives of Board Members with one recommendation to review. After a discussion, the recommendation was approved as clarification, and the policy will be updated accordingly.

The Board also received Board Policy 111 – Committees of the Board of Trustees to review. There were no recommended changes to this policy, and the policy will be updated as reviewed. Chairman Sox reported there were no other committee reports at this time.

AGENDA ITEM # 10

ASSOCIATED MEETING REPORTS: Chairman Sox stated that CarolinaConnect's Board Meeting will be held February 24, 2026.

Ms. Kirkland reported that CEEUS is doing well.

Mr. Lunsford stated the ECSC Trustee Association Committee will meet on March 2, 2026, to finalize the agenda for the Trustee meeting that will be held in August 2026.

There were no other reports at this time.

AGENDA ITEM # 11

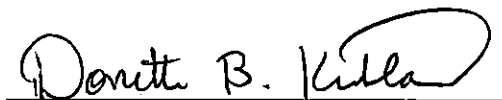
NEW BUSINESS: Chairman Sox called for any new business. There was no new business to come before the meeting at this time. Mr. Lindler made a motion to enter executive session. The motion was seconded by Mr. Bedenbaugh and unanimously passed.

AGENDA ITEM # 12

EXECUTIVE SESSION: There was no action taken during executive session.

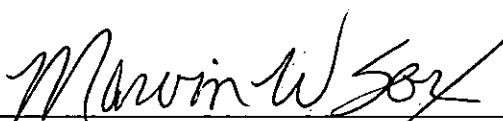
AGENDA ITEM # 13

ADJOURNMENT: There was no further business, and the meeting was adjourned at 12:15 p.m.



Donette B. Kirkland, Secretary

APPROVAL:



Marvin W. Sox, President/Chairman of the Board

S.C. 37 LEXINGTON
MID-CAROLINA ELECTRIC COOPERATIVE, INC.

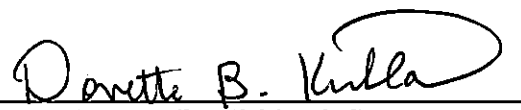
RESOLUTION

1

WHEREAS, the Board of Trustees reviewed and had no changes to the minutes of the regular monthly meeting held on January 26, 2026;

NOW THEREFORE BE IT RESOLVED, that the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. hereby approves the minutes for the last regular monthly meeting held on January 26, 2026.

I, Donette B. Kirkland, Secretary of Mid-Carolina Electric Cooperative, Inc., do hereby certify that the above is a true and correct copy of a resolution adopted by the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. at a regular meeting duly assembled on the 23rd day of February 2026, at which meeting a quorum was present.



Donette B. Kirkland, Secretary