MID-CAROLINA ELECTRIC COOPERATIVE, INC.

LEXINGTON, SOUTH CAROLINA

MINUTES OF REGULAR MEETING OF BOARD OF TRUSTEES

June 29, 2026

AGENDA ITEM # 1

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

PLEDGE OF ALLEGIANCE

AGENDA ITEM # 2

APPROVAL OF MINUTES: Chairman Lunsford called the meeting to order. He then asked if there were any corrections, additions, or deletions to the minutes of the last monthly meeting held on May 18, 2026. Mr. Bedenbaugh made a motion to approve these minutes, as presented. The motion was seconded by Ms. Kirkland and unanimously passed.

See Resolution # 1

AGENDA ITEM # 3

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

AGENDA ITEM # 4

2026 FEDERATED PRESENTATION: Chairman Lunsford welcomed Ms. Sarah Mattern with Federated Rural Electric Insurance Exchange. Mid-Carolina's insurance policy renewal has recently changed from every two years to annually. The policy dates are July 1 – June 30. Ms. Mattern discussed the details of the policy and answered questions throughout her presentation. There were no further questions or comments, and Chairman Lunsford thanked Ms. Mattern for her report.

AGENDA ITEM # 5

DEPARTMENTAL REPORTING:

FINANCE AND ACCOUNTING: Chairman Lunsford called on Mrs. Crepes for the Finance and Accounting report. Mrs. Crepes reported the year-to-date revenue was $77,351,450, which is ($655,489) under budget at the end of May. The year-to-date cost of wholesale power was $44,424,661, which is over budget by $790,311. The year-to-date margins were $4,469,803, which is ($154,910) below budget. Mrs. Crepes reported that equity was 23.96% at the end of May for an increase of 0.23%. The deferred credits account balance changed by ($1,108,310), and the ending balance was $2,291,818.

Mrs. Crepes then presented a rate comparison chart showing an average residential usage of 927 kWh in May. Mid-Carolina's average bill was $160.65 (account charge $39.00) compared to Dominion's $149.87 (account charge $9.50), Duke – Carolina's $139.58 (account charge $11.96), and Duke – Progress $151.81 (account charge $11.78). She then presented a comparison chart showing an average annual usage of 15,589 kWh. Mid-Carolina's average annualized bill was $2,318.88 (account charge $474.50) compared to Dominion's $2,430.83 (account charge $114.00), Duke – Carolina's $2,177.89 (account charge $143.52), and Duke – Progress $2,274.10 (account charge $141.36).

Mrs. Crepes reported that Mid-Carolina has received $3,165,251 from CarolinaConnect year-to-date. There were no further questions or comments, and Chairman Lunsford thanked Mrs. Crepes for her report.

OPERATIONS: Chairman Lunsford called on Mr. Wilbur for the Operations report. Mr. Wilbur reported on the locations where the Mid-Carolina and contractor crews worked in May. He reported that the right-of-way crews are working in Lake Murray, Woodland Hills, Barr, and Circle areas. Mr. Wilbur stated the System Inspectors are still working in the Lake Murray area. He reported that Tomberlin Pole Treatment Company has completed inspecting the Cooperative poles for this year. They inspected 7,534 poles, and 5% of those poles were rejected. Mr. Wilbur reported that work is ongoing with the Carolina Crossroads project. There were no further questions or comments, and Chairman Lunsford thanked Mr. Wilbur for his report.

ENGINEERING: Chairman Lunsford called on Mr. Ayers for the Engineering report. Mr. Ayers reported that routine inspection and maintenance were completed. Mr. Ayers shared that the Lake Murray Substation and Lake Murray transmission line rebuilds are in service. He stated construction on the remainer of the Lake Murray Substation continues. Mr. Ayers reported that the maintenance switch replacements at Edmund Substation have been completed. He then gave a fiber marketing and sales update. Mr. Ayers discussed the ongoing 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 May were discussed. There were no further questions or comments, and Chairman Lunsford thanked Mr. Ayers for his report.

MEMBER SERVICES: Chairman Lunsford called on Mr. Simpson for the Member Services report. Mr. Simpson shared pictures of the recent Chamber and Community Leadership Council meetings. These photos demonstrate a couple of ways the Cooperative has recently connected with the community. Mr. Simpson reviewed the recent social media engagement and discussed the quarterly schedule for the *South Carolina Living* magazine through the August 2026 issue. There were no further questions or comments, and Chairman Lunsford thanked Mr. Simpson for his report.

INFORMATION TECHNOLOGY: Chairman Lunsford called on Mr. Davidson for the Information Technology report. Mr. Davidson reported there were 45,008 accounts enrolled in SmartHub as of June 1, 2026, which represents 73.24% of active accounts enrolled. He stated that 89.50% of all May payment transactions were made electronically. Mr. Davidson reported that an additional 404 members enrolled in TextPower in May, bringing the enrollment total to 63,089. He stated there were 3,132 members enrolled in Pay As You Go in May. There were 243 payments made with the InComm system in May.

Mr. Davidson discussed the server uptime on all of the Cooperative's servers along with the results of the recent phishing security test. He reported there were 53,073 emails received during the month, and 27,989 emails were blocked prior to reaching the Cooperative's email servers, and 8 of those emails contained viruses. He then gave an update on cyber security. There were no further questions or comments, and Chairman Lunsford thanked Mr. Davidson for his report.

ADMINISTRATION: Chairman Lunsford called on Mrs. Ross-Bell for the Administration report. Mrs. Ross-Bell referred to the monthly Operation Round-Up report. There were 9 applications approved out of 15 for a total donation of $19,502. The Trust Fund balance at the end of May was $35,554. Mrs. Ross-Bell discussed important dates to remember through August 2026. She presented a date of October 21, 2026, at 2:00 for the 2027 Budget Presentation. After a discussion, the meeting date and time presented was approved.

Mrs. Ross-Bell then reported the Trust Board Members up for reappointment are Mr. John Beerman, Mr. Doug Martin and Mr. Stan Shealy. They have all agreed to serve another three-year term on the Board of Trustees of the Mid-Carolina Electric Trust (June 2026 to May 2029). After a brief discussion, a motion was made by Mr. Bedenbaugh to approve the reappointments, as presented. The motion was seconded by Mr. Watts and unanimously passed.

See Resolution # 2

There were no further questions or comments, and Chairman Lunsford thanked Mrs. Ross-Bell for her report.

AGENDA ITEM # 6

CEO'S REPORT: Chairman Lunsford called on Mr. Paulling for his report. Mr. Paulling stated there were no recordable accidents in May. He reported that three new Line Technicians will start on July 6, 2026. Mr. Paulling further added that there is active recruitment for a Warehouse Attendant, and an Associate Systems & Network Administrator.

Mr. Paulling reported that Mr. Black is no longer with Maynard Nexsen Law Firm. Mr. Black is currently working with Baker, Donelson, Bearman, Caldwell and Berkowitz. Mr. Paulling's recommendation is to keep Mr. Black as Mid-Carolina's attorney and have all of the Cooperative's documents transferred to the new firm. After a discussion, Mr. Bedenbaugh made a motion to approve the retention of Mr. Black as the Cooperative's attorney with Baker Donelson. The motion was seconded by Ms. Kirkland and passed unanimously.

Mr. Paulling presented a recommended change to the Service Rules and Regulations "SRR". He reviewed and discussed a Roadside Market Release, Warranty, and Hold Harmless Agreement to be added under the SRR Section 600 Agreement and Contracts. After a discussion, Mr. Watts made a motion to approve the recommendation, as presented. The motion was seconded by Mr. Sox and unanimously passed.

See Resolution # 3

Mr. Paulling then presented a recommendation for the Advanced Metering Infrastructure "AMI" Project. Mid-Carolina's current metering system was installed over 20 years ago. The new AMI project will take 3.5 years to deploy all new meters across the Cooperative's system with an estimated cost of $12 million with a contingency of $500,000. The plan would be to spend the remainder six months of 2026 to finalize the design. After a discussion, Mr. Sox made a motion to approve the recommendation, as presented. The motion was seconded by Mr. Risinger and unanimously passed.

See Resolution # 4

There were no further questions or comments, and Chairman Lunsford thanked Mr. Paulling for his report.

AGENDA ITEM # 7

LEGAL DISCUSSION: Chairman Lunsford called on Mr. Black for the legal report. Mr. Black gave a brief legal update. There were no further questions or comments, and Chairman Lunsford thanked Mr. Black for his report.

AGENDA ITEM # 8

CHAIRMAN'S REPORT: Chairman Lunsford read a couple of thank you notes. He had nothing further to report at this time.

AGENDA ITEM # 9

COMMITTEE REPORTS: Chairman Lunsford called on Mr. Risinger for the Retiree Welfare Benefit Trust Committee report. Mr. Risinger stated the Committee met just prior to this meeting. There are no recommended changes to the Trust at this time.

Chairman Lunsford called on Ms. Kirkland for the Compensation Committee report. Ms. Kirkland stated they met just prior to this meeting, and that Mr. Paulling will send a survey monkey to the Board by July 8th. Ms. Kirkland asked everyone to complete the survey by July 22nd.

Chairman Lunsford called on Mr. Watts for the Policy Committee Report. Mr. Watts stated that the Board had received Board Policy 200 – Insurance Coverage for Active Trustees with recommendations to review. The recommendations reflect the change effective January 1, 2026, in the portion of the monthly premiums paid by the Board of Trustees and the Cooperative. This change aligns with the employee monthly premiums. After a discussion, Mr. Lindler made a motion to approve the recommendation. The motion was seconded by Mr. Bedenbaugh and unanimously passed.

The Board also received Board Policy 201 – Trustee Resignation to review. There was a discussion on the policy, and it will be updated as reviewed. There were no other committee reports at this time.

AGENDA ITEM # 10

ASSOCIATED MEETING REPORTS: Chairman Lunsford called on Mr. Sox for an update on CarolinaConnect. Mr. Sox stated the CarolinaConnect Board Meeting will be held on June 30, 2026.

Mr. Risinger did not have anything to report on Central today.

Ms. Kirkland reported the Washington Youth Tour recently took place. She also stated that Statewide's Strategic Planning is in process.

Mr. Lunsford reminded everyone that the ECSC Trustee Association will meet August 12-14, 2026, in Mt. Pleasant.

Mr. Sox gave a report on the CFC Forum he attended earlier this month. He also gave an update on the NRECA Resolutions committee meeting he attended last week.

There were no other reports at this time.

AGENDA ITEM # 11

NEW BUSINESS: Chairman Lunsford called for any new business. There was no new business to come before the meeting at this time. Mr. Svrcek 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 12:35 p.m.

Justin B. Watts
Justin B. Watts, Secretary

APPROVAL:

Alan R Lunsford
Alan R. Lunsford, 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 May 18, 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 May 18, 2026.

I, Justin B. Watts, 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 29th day of June 2026, at which meeting a quorum was present.

Justin B. Watts, Secretary

S.C. 37 LEXINGTON

MID-CAROLINA ELECTRIC COOPERATIVE, INC.

RESOLUTION

 # 2

WHEREAS, the Board of Trustees is responsible for making appointments to the Board of Directors of the Mid-Carolina Electric Trust; and

WHEREAS, the Board of Trustees has decided to reappoint three Trust Board members to serve on the aforesaid Board of Directors;

NOW THEREFORE BE IT RESOLVED, that the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. hereby reappoints Mr. John Beerman, Mr. Doug Martin and Mr. Stan Shealy on the Board of Directors of the Mid-Carolina Electric Trust Board for the three-year term of June 2026 to May 2029.

I, Justin B. Watts, 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 29th day of June 2026, at which meeting a quorum was present.

Justin Watts

Justin B. Watts, Secretary

S.C. 37 LEXINGTON

MID-CAROLINA ELECTRIC COOPERATIVE, INC.

RESOLUTION

 # 3

WHEREAS, Mr. Paulling made a recommended change to the Service Rules and Regulations "SRR"; and

WHEREAS, the Roadside Market Release, Warranty, and Hold Harmless Agreement needs to be added under the SRR Section 600 Agreement and Contracts; and

WHEREAS, after careful consideration, the Board approved the recommendation;

NOW THEREFORE, BE IT RESOLVED, that the Board of Trustees approves adding the Roadside Market Release, Warranty, and Hold Harmless Agreement under the SRR Section 600 Agreement and Contracts. The agreement is attached hereto.

I, Justin B. Watts, 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 29th day of June 2026, at which meeting a quorum was present.

Justin Watts

Justin B. Watts, Secretary

ROADSIDE MARKET RELEASE, WARRANTY, AND HOLD HARMLESS AGREEMENT

____________ ("Member") has requested Mid-Carolina Electric Cooperative, Inc. ("Cooperative") to provide metered electrical service at __________________ ("Member's Location"), which is a roadside market as defined by SC Code § 61-1-145(A). Member has further requested exemption from inspection, permitting, and compliance with local building codes pursuant to SC Code § 61-1-145(C). Cooperative has agreed to provide metered electrical service at Member's Location provided certain assurances and other agreements are provided by Member. To carry out the parties' agreement, and in consideration of Cooperative's agreement to provide metered electrical service at Member's Location, Member agrees as follows:

1. Member, on behalf itself, its affiliates, agents, employees, and contractors, releases Cooperative, its members, trustees, officers, employees, contractors, and agents, from all injury, damages, claims, causes of action, or liability of any kind (collectively "Damages") that arise during or after installation of metered electrical service by Cooperative where such Damages are based on or attributable to, in whole or in part, the use or presence of electricity on Member's side of the meter installed at Member's Location.

2. Member agrees and warrants that all electrical connections and electrical work of any kind at Member's Location will be performed by a licensed electrician.

3. Member further agrees to indemnify and hold Cooperative, its members, trustees, officers, employees, contractors, and agents harmless from any third-party injury, damages, claims, causes of action, or liability of any kind (collectively "Third-Party Damages") that arise during or after installation of metered electrical service by Cooperative where such Damages are based on or attributable to, in whole or in part, the use or presence of electricity on Member's side of the meter installed at Member's Location. Member is not required to indemnify or hold Cooperative harmless if the Third-Party Damages are attributable solely to Cooperative's meter or conditions existing on the Cooperative's side of the meter.

Member agrees to all terms of this Agreement as specified above:	Accepted by Cooperative:
______________________	______________________
Member Signature	Cooperative Personnel Signature
______________________	______________________
Member Name- Printed	Cooperative Personnel Title
______________________	______________________
Date	Date

S.C. 37 LEXINGTON

MID-CAROLINA ELECTRIC COOPERATIVE, INC.

RESOLUTION

 # 4

WHEREAS, the Cooperative owns and maintains an Advanced Metering Infrastructure "AMI"; and

WHEREAS, the Cooperative's AMI system is over 20 years old; and

WHEREAS, in order to plan appropriately for technology, it will be necessary to install a new AMI system; and

WHEREAS, the total project cost of installing a new AMI on the Cooperative's system will be $12 million; and

WHEREAS, there is also a $500,000 contingency; and

WHEREAS, the deployment of a new AMI system will take approximately three and a half years; and

WHEREAS, after careful consideration, the Board approved the recommendation;

NOW THEREFORE, BE IT RESOLVED, that the Board of Trustees approved to move forward with the Advanced Metering Infrastructure project. The estimated cost of the project is $12 million with a contingency of $500,000 with a three and a half year deployment plan.

I, Justin B. Watts, 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 special meeting duly assembled on the 29th day of June 2026, at which meeting a quorum was present.

Justin Watts

Justin B. Watts, Secretary