MID-CAROLINA ELECTRIC COOPERATIVE, INC.

LEXINGTON, SOUTH CAROLINA

MINUTES OF REGULAR MEETING OF BOARD OF TRUSTEES

October 26, 2026

AGENDA ITEM # 1

CALL TO ORDER: (2:30 p.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 Mark A. Svrcek
STAFF PRESENT:	B. Robert "Bob" Paulling, President and CEO Theresa D. Crepes. VP, Finance and Accounting 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:	Bob Paulling

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 September 28, 2026. Mr. Bedenbaugh made a motion to approve these minutes, as presented. The motion was seconded by Mr. Watts and unanimously passed.

See Resolution # 1

AGENDA ITEM # 3

UNFINISHED BUSINESS: Chairman Lunsford called on Mr. Paulling for a recap of the proposed 2027 Budget presentation. Mr. Paulling reviewed the major drivers of the budget that was presented on October 21, 2026, with an overall increase of 6.95%. Chairman Lunsford asked for any comments or questions about the proposed budget. After a discussion, Mr. Risinger made a motion to approve the 2027 Budget, as presented. The motion was seconded by Mr. Lindler and unanimously passed.

See Resolution #2

AGENDA ITEM # 4

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 $147,535,572, which is $1,163,840 over budget at the end of September. The year-to-date cost of wholesale power was $88,246,554, which is over budget by $3,960,880. The year-to-date margins were $8,084,667, which is ($252,923) below budget. Mrs. Crepes reported that equity was 23.95% at the end of September for a decrease of -0.02%. The deferred credits account balance changed by ($335,997), and the ending balance was $772,076.

Mrs. Crepes then presented a rate comparison chart showing an average residential usage of 1,774 kWh in September. Mid-Carolina's average bill was $238.25 (account charge $39.00) compared to Dominion's $287.34 (account charge $9.50), Duke – Carolina's $275.44 (account charge $11.96), and Duke – Progress $279.77 (account charge $11.78). She then presented a comparison chart showing an average annual usage of 15,928 kWh. Mid-Carolina's average annualized bill was $2,367.12 (account charge $474.50) compared to Dominion's $2,506.65 (account charge $114.00), Duke – Carolina's $2,344.01 (account charge $143.52), and Duke – Progress $2,435.41 (account charge $141.36). Mrs. Crepes reported that Mid-Carolina has received $5,753,732 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. Paulling for the Operations report. Mr. Paulling reported on the locations where the Mid-Carolina and contractor crews worked in September. He reported that the right-of-way crews are working in the New Chapin, Barr, Irmo, and Circle areas. Mr. Paulling stated the System Inspectors are still working in the Lake Murray area. Mr. Paulling reported that work is ongoing with the Carolina Crossroads and Broad River Road projects. There were no further questions or comments, and Chairman Lunsford thanked Mr. Paulling for the report.

ENGINEERING: Chairman Lunsford called on Mr. Ayers for the Engineering report. Mr. Ayers reported that routine inspection and maintenance were completed. He stated that construction on the remainder of the Lake Murray Substation continues. Mr. Ayers gave an update on the fiber marketing and sales, and he discussed the ongoing fiber optic construction in subdivisions.

Mr. Ayers then 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 September were discussed. There were no further questions or comments, and Chairman Lunsford thanked Mr. Ayers his report.

MEMBER SERVICES: Chairman Lunsford called on Mr. Simpson for the Member Services report. Mr. Simpson reported on the winners of the Bright Ideas grants, and the Celebration Luncheon will be held on October 30, 2026. He then shared ways the Cooperative has recently connected with the community. Mr. Simpson reviewed the recent social media engagement, and the quarterly schedule for the *South Carolina Living* magazine through the January 2027 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 45,566 accounts enrolled in SmartHub as of October 1, 2026, which represents 73.87% of active accounts enrolled. He stated that 89.30% of all September payment transactions were made electronically. Mr. Davidson reported that an additional 254 members enrolled in TextPower in September, bringing the enrollment total to 66,207. He stated there were 3,100 members enrolled in Pay As You Go in September. There were 225 payments made with the InComm system during the month.

Mr. Davidson discussed the server uptime on all of the Cooperative's servers. He reported there were 59,902 emails received during the month, and 31,686 emails were blocked prior to reaching the Cooperative's email servers, and 25 of those emails contained viruses. Mr. Davidson 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 51 applications approved out of 62, along with the monthly ministry donations and snack pack donations, for a total donation of $57,910. The Trust Fund balance at the end of September was $34,141. Mrs. Ross-Bell discussed the important dates to remember through December 2026. She then reviewed the proposed monthly meeting schedule for 2027. There were no further questions or comments, and Chairman Lunsford thanked Mrs. Ross-Bell for her report.

AGENDA ITEM # 5

CEO'S REPORT: Chairman Lunsford called on Mr. Paulling for his report. Mr. Paulling stated there was one recordable accident in September. He then reported on the following positions that were filled through internal promotions: Member Service Clerk Team Lead, Communications Specialists and Operations Supervisor. An intern has been hired to work in the Garage. The Line Technician and Apparatus Technician positions were filled with a start date of November 16, 2026. There is active recruitment for the following positions: Engineer, System Inspection Technician, two Member Services Representatives, and a Member Services Clerk.

Mr. Paulling gave updates on Central and Statewide. There were no further questions or comments, and Chairman Lunsford thanked Mr. Paulling for his report.

AGENDA ITEM # 6

LEGAL DISCUSSION: Chairman Lunsford called on Mr. Black for the legal report. Mr. Lindler made a motion to go into executive session. The motion was seconded by Mr. Bedenbaugh and unanimously passed.

Mr. Bedenbaugh made a motion to come out of executive session. The motion was seconded by Mr. Best and unanimously passed.

There was no action taken during executive session, and Chairman Lunsford thanked Mr. Black for his report.

AGENDA ITEM # 7

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

AGENDA ITEM # 8

COMMITTEE REPORTS: Chairman Lunsford called on Mr. Risinger for the Retiree Welfare Benefit Trust Committee report. Mr. Risinger reported that the Committee had a call just prior to the meeting. The Trust account is still overfunded and there are no recommended changes at this time. The Committee will meet again on January 25, 2027.

Chairman Lunsford then called on Mr. Watts for the Policy Committee Report. Mr. Watts stated the Board had received Board Policy 300 – Disposal of Equipment and Materials. and Board Policy 301 – Capital Credits to review. There were no recommended changes to either policy. These policies will be updated as reviewed. There were no other committee reports at this time.

AGENDA ITEM # 9

ASSOCIATED MEETING REPORTS: Chairman Lunsford called on Mr. Paulling for an update on CarolinaConnect. Mr. Paulling stated the CarolinaConnect Board Meeting will be held on October 27, 2026.

Mr. Risinger gave a brief update on Central.

Ms. Kirkland stated that Statewide's 2027 Budget was approved at their Board Meeting on October 1, 2026.

Mr. Lunsford reported that the ECSC Trustee Association Committee will meet on October 30, 2026.

There were no other reports at this time.

AGENDA ITEM # 10

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

AGENDA ITEM # 11

EXECUTIVE SESSION: There was no action during executive session.

AGENDA ITEM # 12

ADJOURNMENT: There was no further business, and the meeting was adjourned at 4:45 p.m.

Justin B. Watts, Secretary

APPROVAL:

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 September 28, 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 September 28, 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 26th day of October 2026, at which meeting a quorum was present.

Justin B. Watts, Secretary

S.C. 37 LEXINGTON

MID-CAROLINA ELECTRIC COOPERATIVE, INC.

RESOLUTION

 # 2

WHEREAS, Mr. Paulling presented and explained the Cooperative's proposed budget for 2027 at the annual Budget Presentation meeting held on October 21, 2026; and

WHEREAS, Mr. Paulling reviewed the highlights of the proposed budget for 2027 at the Board Meeting held on October 26, 2026; and

WHEREAS, after careful consideration, the Board of Trustees approved the proposed budget for 2027;

NOW THEREFORE BE IT RESOLVED, that the Board of Trustees of Mid-Carolina Electric Cooperative, Inc. hereby approves and adopts the Cooperative's budget for the year 2027, as presented.

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 26th day of October 2026, at which meeting a quorum was present.

Justin B. Watts, Secretary