

**OWEN ELECTRIC COOPERATIVE
REGULAR BOARD MEETING
February 26, 2026**

PRESENT The regular meeting of the Board of Directors of Owen Electric Cooperative, Inc., was held at the Headquarters Building in Owenton, Kentucky, on February 26, 2026. All directors were present except Eddie McCord. Also present were: Mike Cobb, Erin Rehkamp, Mike Stafford, Brian Jones, Jim Petreshock, Andrew Long, Christel Buffin, Attorney Jake A. Thompson and Attorney Ruth H. Baxter.

**CALL TO ORDER,
PLEDGE OF ALLEGIANCE
AND INVOCATION**

The meeting was called to order, and the Pledge of Allegiance and invocation were given by Bob True and Mike Cobb, respectively.

ADOPTION OF

AGENDA Upon a motion by Charlie Richardson, second by Hope Kinman, the Board voted unanimously to adopt the February 26, 2026, Board Meeting Agenda.

MINUTES

APPROVED Upon a motion by Rick Messingschlager, second by Jim Henning, the January 16, 2026, Regular Board Meeting Minutes were approved.

SAFETY

MOMENT Erin Rehkamp gave the safety moment on not relying on automotive backup cameras and safety sensors, which can become blocked by snow/road grime/dirt, especially in the winter.

**EMPLOYEE/DIRECTOR
RECOGNITION**

Retiring employee Brad Forsee was recognized.

Alan Ahrman was recognized for renewing his Gold Director certification from NRECA.

MEMBER

CONCERNS The Board reviewed and discussed member compliments and concerns.

NEW MEMBERS

**ACCEPTED/
TERMINATED**

ACCOUNTS The Directors then reviewed and accepted the listing of 371 New Members and 186 Terminated Accounts.

**REVIEW OF LISTING OF
TERMINATED ACCOUNTS**

The Directors then reviewed and accepted as information a listing of the terminated accounts for the month.

REVIEW OF PRESIDENT'S, CONSULTANT'S AND DIRECTORS' EXPENSES

The Directors then reviewed and accepted as information a listing of January expenses incurred by the President, Consultant and Directors.

UNCOLLECTIBLE WRITE-OFFS AND CAPITAL CREDIT PAYMENT

The Board reviewed 82 member write-offs of \$16,608.57.

The Board reviewed payment of \$51,409.20 in Capital Credits.

Upon a motion by Hope Kinman, second by Rick Messingschlager, the Board voted unanimously to approve the Uncollectible Write-Offs, Capital Credit Payments and Consent Agenda Items.

EXECUTIVE SESSION

On Motion by Charlie Richardson, second by Jim Henning, the Board voted unanimously to go into Executive Session at 9:08 a.m., for discussions with Attorney Ruth H. Baxter.

On Motion by Jim Henning, second by Rick Messingschlager, the Board voted unanimously to exit Executive Session at 10:12 a.m., separate executive session minutes were taken.

PRESIDENT/ CEO REPORT

Mike Cobb presented the CEO Report for the month of February, 2026, in accordance with the summary attached hereto and made a part of these minutes.

Mike reviewed with the Board the following:

Distribution Equity Benchmarks showed Owen's distribution equity status in relation to other EKPC, State, Federal and consumer size median, leading to discussion of Policy 319A and potential changes to same.

Motion by Rick Messingschlager, second by Jim Henning, to adjust Policy 319A to 20-40% from 20-35% distribution equity.

The Board discussed NERC's Long-Term Reliability Assessment for 2025, including risks and causes, including the importance of owning generation.

The Board reviewed Owen's equity position in EKPC, including how it has changed over the years, including 2025 patronage capital of \$102,833,012.32.

Mike reviewed Owen's 2025 performance indicators including Safety and Reliability metrics, and threshold, target and stretch targets and the average payments to individual employees. The Board reviewed the 2026 performance scorecard with target, stretch and threshold targets.

Mike explained Owen's BeNKY Investment (Silver Level Sponsorship) for \$10,000 and that 2026 is the last year of Owen's 5-year pledge. Mike further explained the benefits of the membership.

Mike reviewed recent legislation receptions and meetings at which Owen was represented.

Mike shared the staff's draft 2026 Strategic Plan, including its 7 strategic goals. The Board will review it the following month and discuss in March.

Mike provided the Board with an update on the status of the Butler Project and status of obtaining an appraisal.

CORPORATE SERVICES AND ACCOUNTING

Erin Rehkamp presented the preliminary Corporate Services and Accounting report in accordance with the summary attached hereto and made part of these minutes. Erin reported \$871,144.80 net margins through January 2026. Erin reported the Coop had gone 647 days as of February 26th without a lost time injury. Erin reported the cost of power in January 2026 was \$.84 cents of every dollar of revenue. She also reported TIER levels of 3.92 and 4.3 and OTIER of 3.71 and 2.3 for 2025-2026. Erin reported the Coop currently has 120 full-time employees. Erin reported a \$48,000.00 IRS penalty re: a 2021 reporting issue. An abatement along with more information has been requested by management. Erin also presented the final, unaudited statement of operations balance sheet for 2025.

MEMBER SERVICES

Mike Stafford presented the Member Services report for the month in accordance with the summary attached hereto and made part of these minutes. Mike reported accounts billed for the month of January 2026 of 68,393 compared to 67,222 for the same period last year. Mike provided the Board with updates regarding Winter Storm Fern in January of 2026.

OPERATIONS

Brian Jones presented the Operations report for the month in accordance with the summary attached hereto and made part of these minutes, including an update on the PSC line inspection.

TECHNOLOGY

Jim Petreshock presented the Technology report for the month in accordance with the summary attached hereto and made part of these minutes.

ENGINEERING

Andrew Long presented the Engineering report for the month in accordance with the summary attached hereto and made part of these minutes.

ACTION ITEMS

Motion by Bob True, second by Rick Messingschlager, to approve optional In-Plan Roth Conversion with Merrill Lynch and Bank of America as presented by Management.

EKPC REPORT

Alan Ahrman, gave the January 2026 EKPC Board meeting report in accordance with the summary and minutes of said meeting prepared by EKPC staff. The actual summary and minutes cannot be attached to these minutes because of the terms of a Confidentiality

and Non-Disclosure Agreement EKPC has required the coop's director representative and CEO to sign before being allowed to attend said meetings.

KEC REPORT

Rick Messingschlager presented the January 2026, Kentucky Electric Cooperative's Board Meeting report in accordance with the minutes and summary of said meeting prepared by KEC staff. The actual minutes and summary of the meeting cannot be attached to these minutes at the request of KEC.

ATTY. REP. Jake A. Thompson reported there was no new litigation for the month.

TRAINING/MEETINGS

Power Xchange – March 6-11, 2026

OEC Regular Board Meeting –March 26, 2026

NRECA Legislative Conference – April 26-29, 2026

Audit Committee Meeting – April 20, 2026

OEC Regular Board Meeting – April 30, 2026

OEC Regular Board Meeting – May 26, 2026

OEC Annual Business Meeting- June 12, 2026

OEC Regular Board Meeting – June 25, 2026

Summer School for Directors – June 26-30, 2026

OEC Regular Board Meeting – July 30, 2026

OEC Regular Board Meeting – August 27, 2026

OEC Regular Board Meeting – September 24, 2026

NRECA Regional Meeting - October 14-16, 2026

OEC Regular Board Meeting – October 29, 2026

OEC Regular Board Meeting – November 19, 2026

Winter School for Directors – December 11-15, 2026

OEC Regular Board Meeting – December 17, 2026

**CONFERENCE
REPORTS** None.

OLD BUSINESS

None.

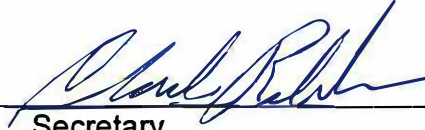
NEW BUSINESS

The amount of Nucor's wholesale power invoice was discussed by the Board.

ADJOURN Upon a motion by Hope Kinman, second by Rick Messingschlager, the Board voted unanimously to adjourn the meeting.




Chairman



Secretary



A Touchstone Energy Cooperative 

REGULAR BOARD MEETING

February 26, 2026

Agenda

- Directors Present/Absent
- Call to Order/Pledge of Allegiance/Invocation

Agenda & Minutes

- Adoption of Agenda (Tab 3)
- Approval of Minutes of Previous Meeting (Tab 4)



Safety Moment

Erin Rehkamp



Retirement Recognition

Brad Forsee-Warehouseman, 31 Years of Service



Review/Discuss Member Compliments and/or Concerns

Review Agenda

- Review New Members: 371
(Listing on Board Table & in Board Paq)

- Review Listing of Terminated Accounts:
186 Members at \$61,612.47
(Listing on Board Table & in Board Paq)

Review Agenda

**Review of President's,
Directors' and
Consultant Expenses**



Consent Agenda Items

- Approve Uncollectible Member Write-offs:

82 Members at \$16,608.57

(Listing on Board Table and in Board Paq)

- Approve Payment of Capital Credits: \$51,409.20

(Tab 11)

- Approval of Consent Agenda Items

– Motion _____

– Second _____



President/CEO Report February 26, 2026 Board Meeting

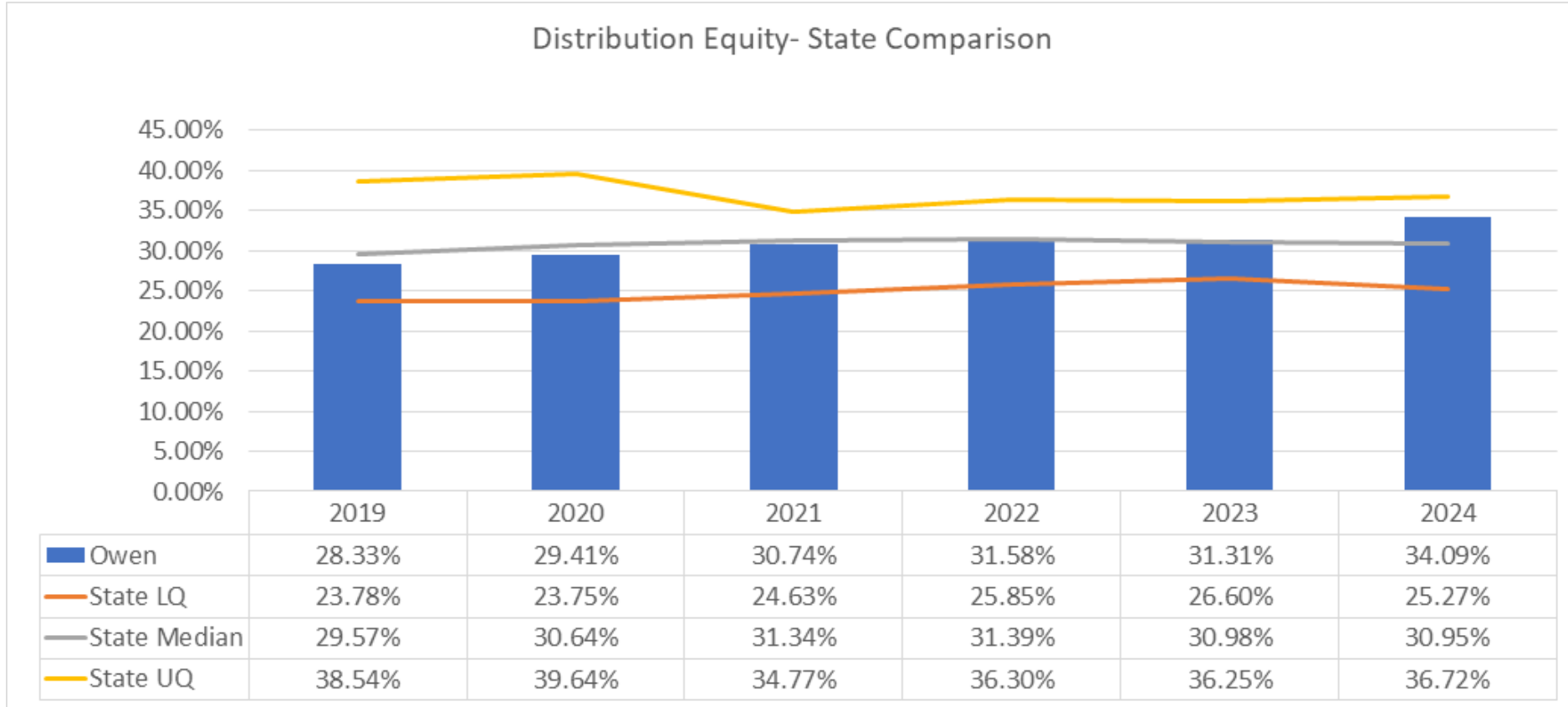
President's Report Topics

- Distribution Equity Benchmarks
 - Discuss Equity Management Policy
- NERC's Long-Term Reliability Assessment
- Assignment of EKPC's 2025 Margins
- Balance Scorecard
 - 2025 Results
 - 2026 Goals
- BeNKY Investment (Silver Level Sponsorship)
- Legislative Events
- Strategic Plan Presentation



Distribution Equity

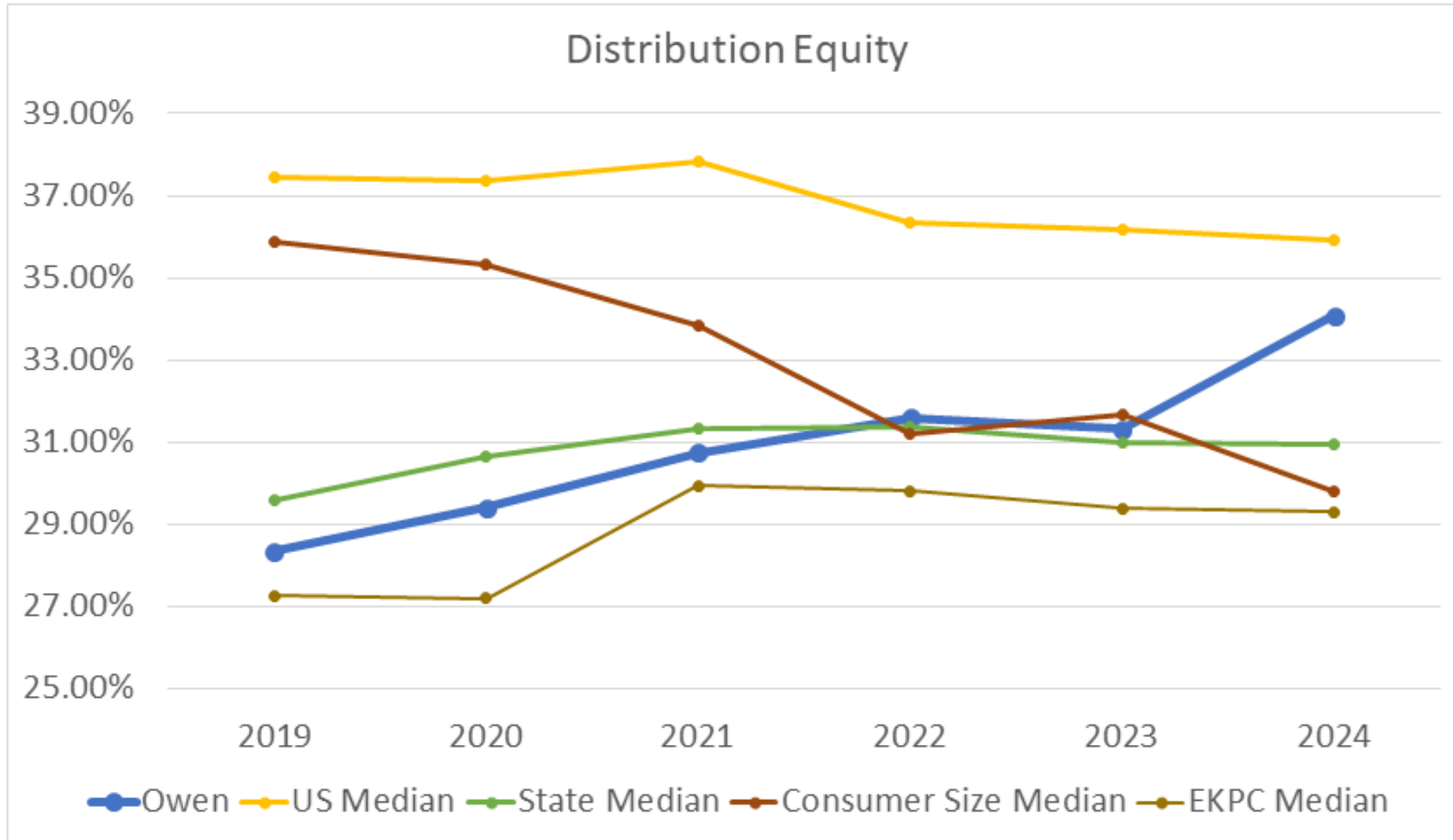
Owen Electric vs. Quartiles of Kentucky Coops





Distribution Equity Trend Review

While Owen's position is above the EKPC, Statewide and Consumer Size medians, we are below the US median



Another Red Alert: NERC’s Long-Term Reliability Assessment

‘The overall resource adequacy outlook for the North American BPS is worsening ...’
NERC December 2025

The new assessment is another warning about the increasing risk of electricity shortages. NERC’s 2022 LTRA projected that one-fourth of the U.S. – mostly several states in the middle of the country – was at “high risk” of electricity shortages. However, the new LTRA shows the “high risk” of shortages has spread to more than half the U.S., spanning from the Mid-Atlantic to the Pacific Northwest (NERC map below).

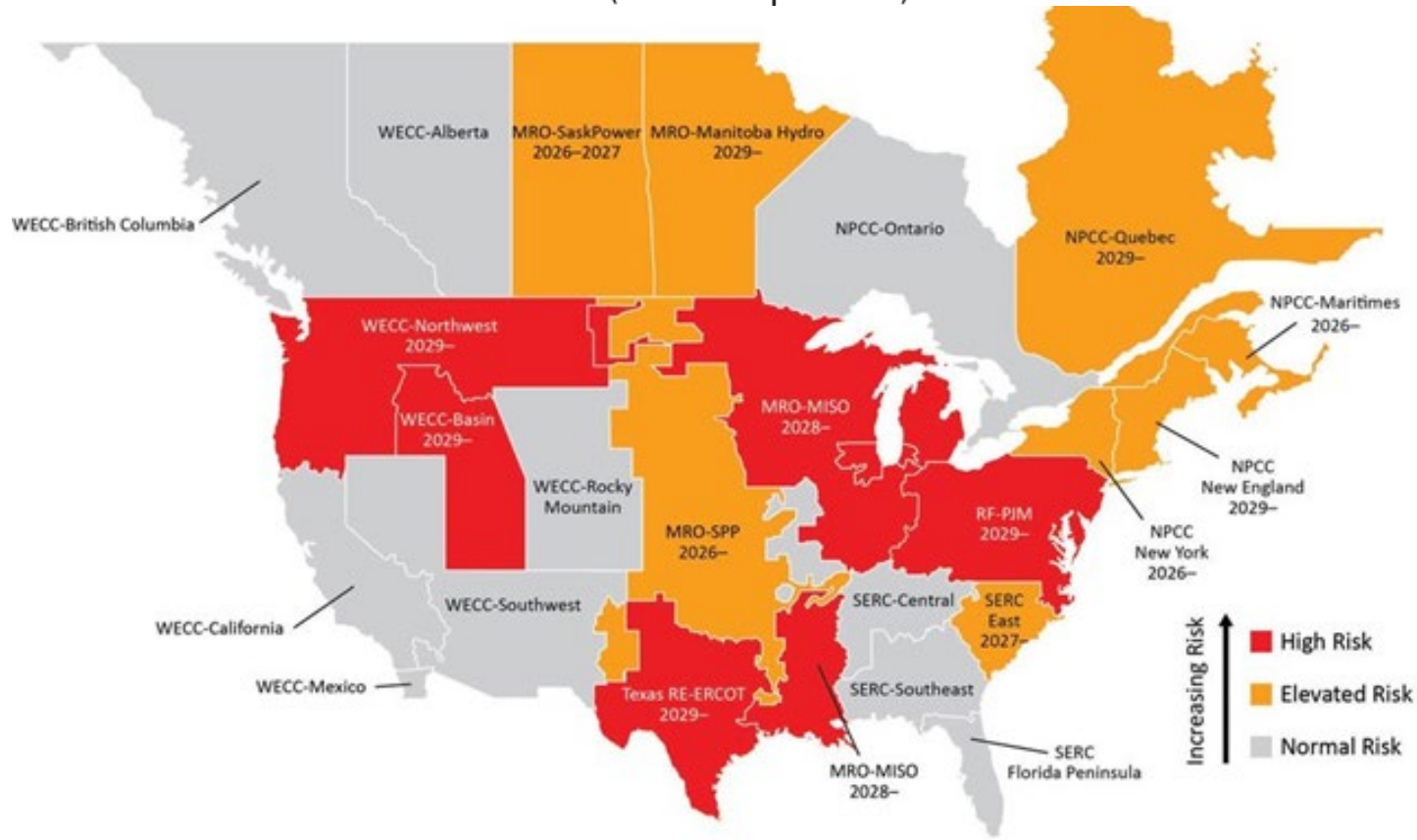


Figure 1: Risk Area Summary 2026–2030

Shows highest risk classification that occurs in the first 5 years and states initial year of occurrence



EKPC's 2025 Capital Credit Allocation (unaudited)
Totals \$39,228,648.13



TO: Member System Chief Executive Officers
FROM: Cliff Scott *CS*
DATE: January 30, 2026
SUBJECT: 2025 Assignment of Capital Credits

Attached, please find the 2025 schedule of capital credit allocations for each of the distribution cooperatives. The allocation was based on the contribution-to-gross-margin method, as approved by the Board at its November 2001 meeting. Total margin for 2025, based on unaudited results, was \$39,228,648.13.

Please note that this allocation is subject to change if there are adjusting entries recommended by EKPC's external auditors.



Balance Scorecard Results 2025

OWEN ELECTRIC COOPERATIVE 2025 PERFORMANCE INDICATORS BALANCED SCORECARD - BENCHMARKS VS ACTUALS																						
AREA	#	INDICATOR	1st Quarter				2nd Quarter				3rd Quarter				4th Quarter				Annual	Annual Targets		
			Threshold	Target	Stretch	Actual	Threshold	Target	Stretch	Actual	Threshold	Target	Stretch	Actual	Threshold	Target	Stretch	Actual	Threshold	Target	Stretch	
Safety	(1)	Recordable Incident Rate																	0.00	1.54	0.76	0.00
	(2)	Days Away + Restricted Duty	5.98	2.99	0.00	0.00	14.95	7.48	0.00	0.00	5.98	2.99	0.00	0.00	2.99	1.50	0.00	0.00	0.00	29.90	14.95	0.00
Reliability (Filtered)	(3)	SAIDI	17.080	15.554	14.030	11.360	26.003	23.679	21.359	31.410	25.342	23.078	20.816	28.550	14.181	12.914	11.648	19.050	90.370	82.590	75.210	67.840
	(4)	SAIFI	0.166	0.159	0.151	0.140	0.288	0.276	0.263	0.260	0.291	0.278	0.265	0.250	0.165	0.158	0.150	0.160	0.830	0.910	0.870	0.830
Cost	(5)	Controllable Exp. Per Member																	\$ 293.28	\$ 295.65	\$ 293.51	\$ 292.09
Member Service	(6)	Member Satisfaction Scores																	92	88	88	90
Safety	(7)	Documented Observation or Near	100%				100%				100%				100%					100%	100%	100%
Safety Training	(8)	Individual Award (Training + Documented Safety Observation)																		100%	100%	100%

- (1) (Deaths + Cases of Days Away + Cases of Job Transfers + Cases of Other) * 200,000 / Total Quarter Hours Worked
- (2) (Number of Days Away + Number of Days Job Transfers) * 200,000 / Total Quarter Hours Worked
- (3) Average time in minutes a member is without power
- (4) Average number of interruptions per member
- (5) Controllable expenses per Form 7 divided by average number of billed accounts (excluding Acct #593.20 - Right of Way)
- (6) Member Satisfaction Score
- (7) All cyber security training modules must be 100% completed per quarter to earn \$25/quarter payouts.
- (8) All safety training modules must be 100% completed for the year and an observation must be shared and documented during the year to earn payout

Legend:	Threshold
	Target
	Stretch
	Missed



2026 Performance Targets

OWEN ELECTRIC COOPERATIVE
2026 PERFORMANCE INDICATORS
BALANCED SCORECARD - BENCHMARKS

AREA	INDICATOR	2018	2019	2020	2021	2022	2023	2024	2025	2026 Targets			2026 Earning Potential		
										Threshold	Target	Stretch	Threshold	Target	Stretch
Safety	(1) Recordable Incident Rate	-	3.03	1.55	0.76	0.84	3.84	2.50	-	1.58	0.79	-	\$ 100	\$ 150	\$ 250
	(2) Days Away + Restricted Duty	-	0.76	-	37.99	0.93	71.48	154.95	-	29.90	14.95	-	\$ 100	\$ 150	\$ 250
Reliability (Filtered)	(3) SAIDI	92.13	94.97	78.77	71.32	93.57	84.03	82.59	90.37	90.47	79.15	67.84	\$ 150	\$ 240	\$ 325
	(4) SAIFI	1.02	1.15	1.09	1.08	0.78	0.92	0.87	0.83	0.91	0.89	0.79	\$ 150	\$ 240	\$ 325
Cost	(5) Controllable Exp/Avg Member	\$ 280.56	\$ 279.64	\$ 276.98	\$ 276.92	\$ 276.42	282.93	276.90	293.28	\$ 302.00	\$ 300.00	\$ 297.00	\$ 300	\$ 400	\$ 500
Member Service	(6) Member Satisfaction Scores	83	84	87	88	85	91	90	92	87	89	90	\$ 300	\$ 400	\$ 600
Individual	(7) Safety Observation or Near Miss Reporting									n/a	n/a	100%	n/a	n/a	\$ 50

- (1) (Deaths + Cases of Days Away + Cases of Job Transfers + Cases of Other) * 200,000 / Total Hours Worked
- (2) (Number of Days Away + Number of Days Job Transfers) * 200,000 / Total Quarter Hours Worked
- (3) Average time in minutes a member is without power
- (4) Average number of interruptions per member
- (5) Controllable expenses per Form 7 lines 5-10 divided by the average number of billed accounts (Excluding Acct #593.20 - Right of Way)
- (6) Member Satisfaction Score
- (7) Documented Safety Observation or Near Miss Report during year to earn \$50

Mandatory for 2026 Scorecard Eligibility
Cyber Training - 100%
Safety Training - 100%

BE NTKY **GROWTH PARTNERSHIP** **INVESTORS**

PLATINUM



GOLD



SILVER



BRONZE



INVESTOR



Please join us at the

KENTUCKY RURAL ELECTRIC COOPERATIVE CAUCUS LUNCHEON

Thursday

January 22, 2026

12 - 1 p.m.

Annex Room 125

Catered by 3 Peas in a Pod

Hosted by







Upcoming Legislative Events

A promotional banner for a legislative conference. The background is a photograph of the United States Capitol building. On the left, there is a circular icon with a green outline containing a white silhouette of the Capitol dome. To the right of the icon, the text "Legislative Conference" is written in large, bold, white letters. Below this, the dates and location "April 26 - 29, 2026 | Washington, DC" are displayed in a smaller white font. At the bottom center, there is a teal rectangular button with the word "REGISTER" in white capital letters.

Legislative Conference
April 26 - 29, 2026 | Washington, DC
[REGISTER](#)

2026 STRATEGIC PLAN

These seven strategic goals embody the pillars of Owen Electric's intentional focus for 2026 and beyond.



Sustain & Advance
a Culture of Safety
Across the
Cooperative



Enhance System
Reliability Through
Technical Innovation &
Infrastructure
Hardening



Strengthen
Cybersecurity &
Enterprise Risk
Management



Advance Financial
Planning & Future Rate
Design Through
Forecasting, Analytics
& Education



Strengthen
Business
Continuity &
Disaster Recovery
Preparedness



Strengthen Member
Engagement &
Governance Through
Enhanced
Communication, Annual
Meetings & Board
Election Processes



Enhance Employee
Development Through
Robust Onboarding,
Education &
Succession Planning

MISSION & VISION

As a member-owned cooperative, **Our Pledge** is to be accountable to our membership and embrace that they deserve our best efforts.

Our Mission is to strengthen our communities and improve our members' lives by providing safe, reliable and affordable electric service.

Our Vision is to lead the utility industry by being an innovative and trusted source of energy solutions for our members.





Strategic Goals and Objectives 2026



Mission

Our Mission is to strengthen our communities and improve our members' lives by providing safe, reliable and affordable electric service.

Vision

Our Vision is to lead the utility industry by being an innovative and trusted source of energy solutions for our members.

Strategic Goal 1 - Advance Financial Planning and Future Rate Design through Forecasting, Analytics, and Member Education

- Implement long-term financial forecasting
- Prepare for future rate design
- Leverage AMI and data analytics
- Foster departmental collaboration.

Strategic Goal 2 - Enhance System Reliability Through Technological Innovation and Infrastructure Hardening

- Analyze reliability trends
- Strengthen vegetation management & ROW
- Expand technology for outage management
- Leverage AI for efficiency
- Pursue emerging technologies

Strategic Goal 3 - Strengthen Cybersecurity and Enterprise Risk Management

- Conduct regular risk assessments
- Meet compliance and best practices
- Promote workforce and board cyber awareness
- Advance IT department expertise
- Complete Office 365 transition
- Enhance incident response preparedness

Strategic Goal 4 - Sustain and Advance a Culture of Safety Across the Cooperative

- Formalize and reinforce safety practices
- Expand training and preparedness
- Enhance lone worker safety
- Promote external safety awareness
- Empower employee voices
- Board-level engagement

Strategic Goal 5 - Strengthen Business Continuity and Disaster Recovery Preparedness

- Assess IT infrastructure and DR capabilities
- Develop documentation and procedures
- Align with budget and strategic priorities
- Test and update continuity plans

Strategic Goal 6 - Strengthen Member Engagement and Governance through Enhanced Communication, Annual Meetings and Board Election Processes

- Build on ACSI success
- Mitigate impact of district office closures
- Engage younger generations and enhance post-transaction touchpoints
- Promote board diversity
- Increase member participation and assess district-based voting
- Modernize voting processes and evaluate voting solutions
- Enhance annual meeting experience and educate on the cooperative model

Strategic Goal 7 - Enhance Employee Development through Robust Onboarding, Education, and Succession Planning

- Strengthen onboarding and cooperative education
- Enhance internal communication
- Formalize succession planning
- Enhance performance reviews and leadership development

Action Plan - Strategies

- The CEO and staff have developed tactics and action items to accomplish the Cooperative's strategic goals and objectives.
- The CEO and staff will provide quarterly accountability reports to keep the board apprised of status on all initiatives under the final plan going forward.
- This plan is fluid and is subject to modification as conditions merit.

2026 STRATEGIC PLAN

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Corporate Services

FEBRUARY 2026

Human Resources & Safety

- ❖ Staff Update
- ❖ Accident Reporting
- ❖ 401k Plan Updates
- ❖ IRS Notice

647

Days without Lost Time Injury

120

Total Employees

Accounting

- ❖ 2025 unaudited financials have been reported
- ❖ CFC onsite to train on Compass Forecasting tool on March 2
- ❖ 2025 Audit site work scheduled for March 3-6

December 2025

Statement of Operations



*Unaudited

LINE NO		----- YEAR TO DATE -----				% FROM BUDGET	% CHANGE FROM LAST YEAR
		LAST YEAR A	THIS YEAR B	BUDGET C	THIS MONTH D		
1.0	OPERATING REVENUE & PATRONAGE CAPITAL....	243,610,951.92	253,783,698.92	256,038,752.15	24,422,116.99	.9-	4.2
2.0	POWER PRODUCTION EXPENSE.....	338,023.12-	5,188.09-	424,506.00-	10.00	98.8-	98.5-
3.0	COST OF PURCHASED POWER.....	199,358,563.00-	208,458,784.00-	209,951,777.03-	20,437,076.00-	.7-	4.6
4.0	TRANSMISSION EXPENSE.....	.00	.00	.00	.00	.0	.0
5.0	REGIONAL MARKET OPERATIONS EXPENSE.....	.00	.00	.00	.00	.0	.0
6.0	DISTRIBUTION EXPENSE-OPERATION.....	4,901,947.01-	5,923,326.89-	5,882,599.19-	438,043.30-	.7	20.8
7.0	DISTRIBUTION EXPENSE-MAINTENANCE.....	7,059,085.71-	7,472,747.28-	7,540,839.71-	556,139.84-	.9-	5.9
8.0	CONSUMER ACCOUNTS EXPENSE.....	4,169,073.31-	3,983,727.96-	3,957,833.27-	369,463.02-	.7	4.4-
9.0	CUSTOMER SERVICE & INFORMATIONAL EXPENSE.	785,398.03-	810,123.72-	898,587.14-	20,461.67-	9.8-	3.1
10.0	SALES EXPENSE.....	.00	.00	.00	.00	.0	.0
11.0	ADMINISTRATIVE & GENERAL EXPENSE.....	5,407,127.81-	5,761,050.70-	6,083,709.48-	499,109.42-	5.3-	6.5
12.0	TOTAL OPERATIONS & MAINTENANCE EXPENSE...	222,019,217.99-	232,414,948.64-	234,739,851.82-	22,320,283.25-	1.0-	4.7
13.0	DEPRECIATION & AMORTIZATION EXPENSE.....	12,701,067.16-	12,941,374.67-	12,740,617.14-	1,092,516.65-	1.6	1.9
14.0	TAX EXPENSE - PROPERTY & GROSS RECEIPTS..	.00	.00	.00	.00	.0	.0
15.0	TAX EXPENSE - OTHER.....	6,500.00-	3,000.00-	.00	.00	100.0-	53.8-
16.0	INTEREST ON LONG TERM DEBT.....	3,752,723.43-	3,601,268.07-	3,611,937.48-	294,322.53-	.3-	4.0-
17.0	INTEREST CHARGED TO CONSTRUCTION - CREDIT	.00	.00	.00	.00	.0	.0
18.0	INTEREST EXPENSE - OTHER.....	122,882.38-	86,950.98-	112,135.00-	8,256.95-	22.5-	29.2-
19.0	OTHER DEDUCTIONS.....	57,127.06-	57,865.26-	68,000.00-	9,306.51-	14.9-	1.3
20.0	TOTAL COST OF ELECTRIC SERVICE.....	238,659,518.02-	249,105,407.62-	251,272,541.44-	23,724,685.89-	.9-	4.4
21.0	PATRONAGE CAPITAL & OPERATING MARGINS....	4,951,433.90	4,678,291.30	4,766,210.71	697,431.10	1.8-	5.5-
22.0	NON OPERATING MARGINS - INTEREST.....	1,255,269.01	963,877.68	1,290,000.00	73,848.68	25.3-	23.2-
23.0	ALLOW. FOR FUNDS USED DURING CONSTRUCTION	.00	.00	.00	.00	.0	.0
24.0	INCOME (LOSS) FROM EQUITY INVESTMENTS....	.00	.00	.00	.00	.0	.0
25.0	NON OPERATING MARGINS - OTHER.....	167,104.34	238,874.35-	.00	778.89-	100.0-	242.9-
26.0	GENERATION & TRANSMISSION CAPITAL CREDITS	974,597.39	5,941,068.69	1,000,000.00	5,952,461.70	494.1	509.6
27.0	OTHER CAPITAL CREDITS & PATRONAGE DIVID..	533,315.69	574,196.92	472,000.00	16,143.95	21.7	7.7
28.0	EXTRAORDINARY ITEMS.....	.00	.00	.00	.00	.0	.0
29.0	PATRONAGE CAPITAL OR MARGINS.....	7,881,720.33	11,918,560.24	7,528,210.71	6,739,106.54	58.3	51.2

December 2025

Balance Sheet

*Unaudited



OWEN Electric

LINE NO	ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS		
1.0	TOTAL UTILITY PLANT IN SERVICE	374,328,775.39	30.0	MEMBERSHIPS	1,369,900.00-
2.0	CONSTRUCTION WORK IN PROGRESS	1,151,947.58	31.0	PATRONAGE CAPITAL	161,652,800.25-
3.0	TOTAL UTILITY PLANT	375,480,722.97	32.0	OPERATING MARGINS - PRIOR YEAR	.00
4.0	ACCUM PROV FOR DEP & AMORT	200,934,857.66-	33.0	OPERATING MARGINS-CURRENT YEAR	.00
5.0	NET UTILITY PLANT	174,545,865.31	34.0	NON-OPERATING MARGINS	11,193,556.91-
6.0	NON-UTILITY PROPERTY (NET)	.00	35.0	OTHER MARGINS & EQUITIES	10,753,056.31-
7.0	INVEST IN SUBSIDIARY COMPANIES	.00	36.0	TOTAL MARGINS & EQUITIES	184,969,313.47-
8.0	INV IN ASSOC ORG - PAT CAPITAL	108,466,750.31	37.0	LONG TERM DEBT - RUS (NET)	75,939,229.97-
9.0	INV IN ASSOC ORG OTHR GEN FND	.00		(PAYMENTS-UNAPPLIED	.00)
10.0	INV IN ASSOC ORG - NON GEN FND	1,160,695.98	38.0	LNG-TERM DEBT-FFB-RUS GUAR	.00
11.0	INV IN ECON DEVEL PROJECTS	.00	39.0	LONG-TERM DEBT OTHER-RUS GUAR	.00
12.0	OTHER INVESTMENTS	14,759.07	40.0	LONG TERM DEBT - OTHER (NET)	23,111,501.83-
13.0	SPECIAL FUNDS	21,168.25	41.0	LNG-TERM DEBT-RUS-ECON DEV NET	.00
14.0	TOT OTHER PROP & INVESTMENTS	109,663,373.61	42.0	PAYMENTS - UNAPPLIED	.00
15.0	CASH - GENERAL FUNDS	1,686,833.74	43.0	TOTAL LONG TERM DEBT	99,050,731.80-
16.0	CASH - CONSTRUCTION FUND TRUST	.00	44.0	OBLIGATION UNDER CAPITAL LEASE	.00
17.0	SPECIAL DEPOSITS	1,450.00	45.0	ACCUM OPERATING PROVISIONS	11,917,552.00-
18.0	TEMPORARY INVESTMENTS	12,218,912.56	46.0	TOTAL OTHER NONCURR LIABILITY	11,917,552.00-
19.0	NOTES RECEIVABLE (NET)	.00	47.0	NOTES PAYABLE	.00
20.0	ACCTS RECV - SALES ENERGY (NET)	22,237,421.76	48.0	ACCOUNTS PAYABLE	22,318,980.80-
21.0	ACCTS RECV - OTHER (NET)	340,847.52	49.0	CONSUMER DEPOSITS	2,075,450.08-
22.0	RENEWABLE ENERGY CREDITS	.00	50.0	CURR MATURITIES LONG-TERM DEBT	.00
23.0	MATERIAL & SUPPLIES-ELEC & OTH	2,705,211.08	51.0	CURR MATURIT LT DEBT ECON DEV	.00
24.0	PREPAYMENTS	715,159.81	52.0	CURR MATURITIES CAPITAL LEASES	.00
25.0	OTHER CURRENT & ACCR ASSETS	1,294,397.47	53.0	OTHER CURRENT & ACCRUED LIAB	3,239,501.38-
26.0	TOTAL CURRENT & ACCR ASSETS	41,200,233.94	54.0	TOTAL CURRENT & ACCRUED LIAB	27,633,932.26-
27.0	REGULATORY ASSETS	674,658.71	55.0	REGULATORY LIABILITIES	1,273,210.41-
28.0	OTHER DEFERRED DEBITS	183,343.53	56.0	OTHER DEFERRED CREDITS	1,422,735.16-
29.0	TOTAL ASSETS & OTHER DEBITS	326,267,475.10	57.0	TOTAL LIABILITIES & OTH CREDIT	326,267,475.10-

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January 2026



Statement of Operations

LINE NO		YEAR TO DATE			THIS MONTH D	% FROM BUDGET	% CHANGE FROM LAST YEAR
		LAST YEAR A	THIS YEAR B	BUDGET C			
1.0	OPERATING REVENUE & PATRONAGE CAPITAL....	25,421,583.46	28,827,817.52	24,278,583.81	28,827,817.52	18.7	13.4
2.0	POWER PRODUCTION EXPENSE.....	1,059.44-	.00	.00	.00	.0	100.0
3.0	COST OF PURCHASED POWER.....	20,854,949.00-	24,278,120.00-	19,002,160.20-	24,278,120.00-	27.8	16.4
4.0	TRANSMISSION EXPENSE.....	.00	.00	.00	.00	.0	.0
5.0	REGIONAL MARKET OPERATIONS EXPENSE.....	.00	.00	.00	.00	.0	.0
6.0	DISTRIBUTION EXPENSE-OPERATION.....	575,022.25-	596,129.69-	521,245.13-	596,129.69-	14.4	3.7
7.0	DISTRIBUTION EXPENSE-MAINTENANCE.....	647,155.85-	638,781.81-	722,183.16-	638,781.81-	11.5-	1.3-
8.0	CONSUMER ACCOUNTS EXPENSE.....	419,765.96-	416,716.36-	344,068.89-	416,716.36-	21.1	.7-
9.0	CUSTOMER SERVICE & INFORMATIONAL EXPENSE.....	85,295.85-	90,123.28-	62,780.87-	90,123.28-	43.6	5.7
10.0	SALES EXPENSE.....	.00	.00	.00	.00	.0	.0
11.0	ADMINISTRATIVE & GENERAL EXPENSE.....	562,856.44-	647,041.65-	518,785.39-	647,041.65-	24.7	15.0
12.0	TOTAL OPERATIONS & MAINTENANCE EXPENSE...	23,146,104.79-	26,666,912.79-	21,171,223.64-	26,666,912.79-	26.0	15.2
13.0	DEPRECIATION & AMORTIZATION EXPENSE.....	1,075,287.11-	1,041,367.91-	1,092,992.67-	1,041,367.91-	4.7-	3.2-
14.0	TAX EXPENSE - PROPERTY & GROSS RECEIPTS..	.00	.00	.00	.00	.0	.0
15.0	TAX EXPENSE - OTHER.....	.00	.00	.00	.00	.0	.0
16.0	INTEREST ON LONG TERM DEBT.....	311,606.76-	298,491.52-	294,123.19-	298,491.52-	1.5	4.2-
17.0	INTEREST CHARGED TO CONSTRUCTION - CREDIT	.00	.00	.00	.00	.0	.0
18.0	INTEREST EXPENSE - OTHER.....	7,800.06-	7,099.08-	9,525.77-	7,099.08-	25.5-	9.0-
19.0	OTHER DEDUCTIONS.....	4,252.33-	6,366.33-	4,166.66-	6,366.33-	52.8	49.7
20.0	TOTAL COST OF ELECTRIC SERVICE.....	24,545,051.05-	28,020,237.63-	22,572,031.93-	28,020,237.63-	24.1	14.2
21.0	PATRONAGE CAPITAL & OPERATING MARGINS....	876,532.41	807,579.89	1,706,551.88	807,579.89	52.7-	7.9-
22.0	NON OPERATING MARGINS - INTEREST.....	85,728.28	63,564.91	71,383.33	63,564.91	11.0-	25.9-
23.0	ALLOW. FOR FUNDS USED DURING CONSTRUCTION	.00	.00	.00	.00	.0	.0
24.0	INCOME (LOSS) FROM EQUITY INVESTMENTS....	.00	.00	.00	.00	.0	.0
25.0	NON OPERATING MARGINS - OTHER.....	5.50	.00	.00	.00	.0	100.0-
26.0	GENERATION & TRANSMISSION CAPITAL CREDITS	.00	.00	.00	.00	.0	.0
27.0	OTHER CAPITAL CREDITS & PATRONAGE DIVID..	.00	.00	.00	.00	.0	.0
28.0	EXTRAORDINARY ITEMS.....	.00	.00	.00	.00	.0	.0
29.0	PATRONAGE CAPITAL OR MARGINS.....	962,266.19	871,144.80	1,777,935.21	871,144.80	51.0-	9.5-

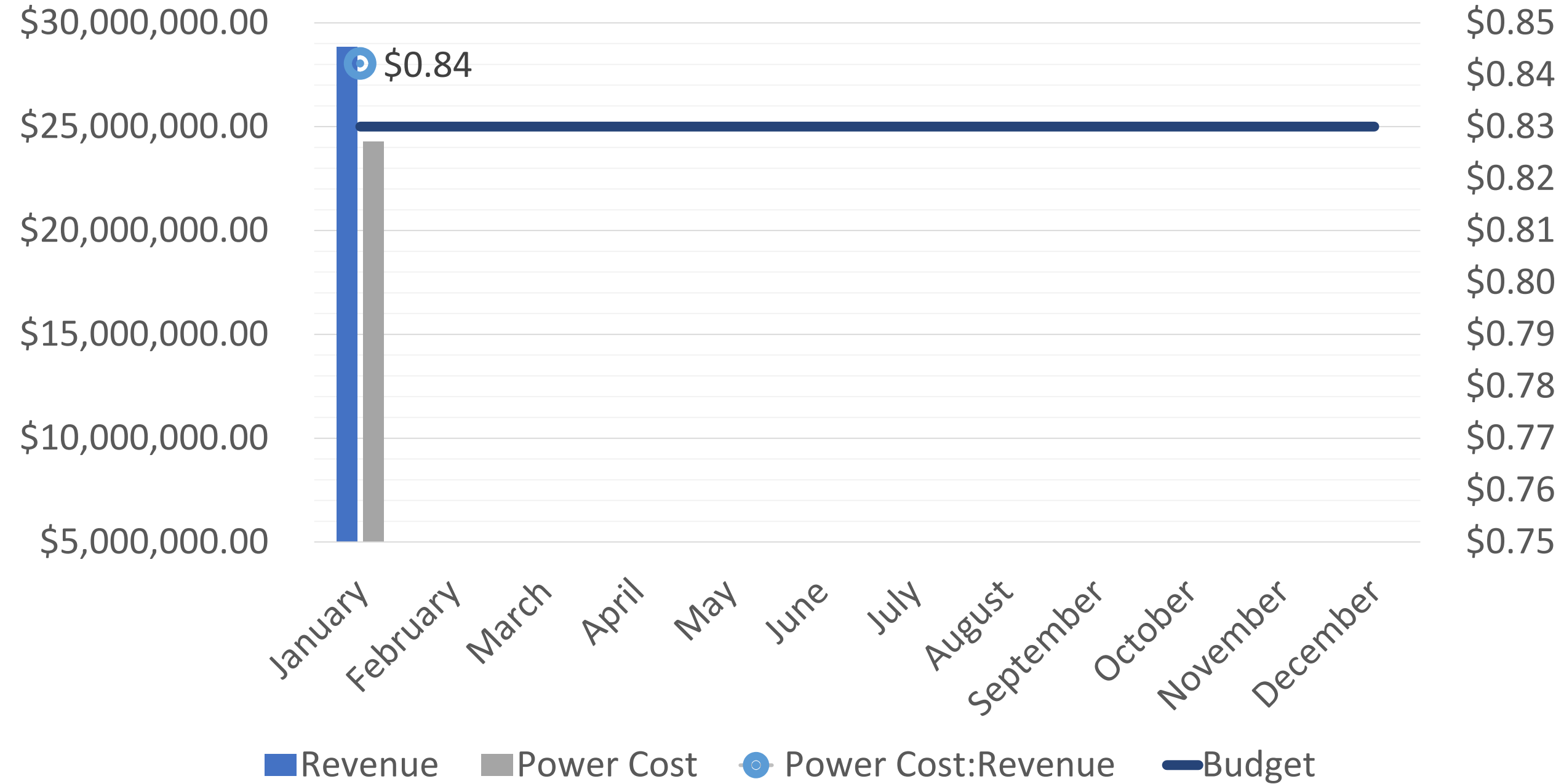
January 2026 Balance Sheet



OWEN Electric

LINE NO	ASSETS AND OTHER DEBITS	LIABILITIES AND OTHER CREDITS
1.0	TOTAL UTILITY PLANT IN SERVICE 375,321,509.78	30.0 MEMBERSHIPS 1,371,495.00-
2.0	CONSTRUCTION WORK IN PROGRESS 1,422,532.09	31.0 PATRONAGE CAPITAL 161,600,655.28-
3.0	TOTAL UTILITY PLANT 376,744,041.87	32.0 OPERATING MARGINS - PRIOR YEAR 11,193,556.91-
4.0	ACCUM PROV FOR DEP & AMORT 201,663,033.94-	33.0 OPERATING MARGINS-CURRENT YEAR .00
5.0	NET UTILITY PLANT 175,081,007.93	34.0 NON-OPERATING MARGINS 1,532,583.22-
6.0	NON-UTILITY PROPERTY (NET) .00	35.0 OTHER MARGINS & EQUITIES 10,089,077.17-
7.0	INVEST IN SUBSIDIARY COMPANIES .00	36.0 TOTAL MARGINS & EQUITIES 185,787,367.58-
8.0	INV IN ASSOC ORG - PAT CAPITAL 108,466,750.31	37.0 LONG TERM DEBT - RUS (NET) 75,939,229.97-
9.0	INV IN ASSOC ORG OTHR GEN FND .00	(PAYMENTS-UNAPPLIED .00)
10.0	INV IN ASSOC ORG - NON GEN FND 1,160,695.98	38.0 LNG-TERM DEBT-FFB-RUS GUAR .00
11.0	INV IN ECON DEVEL PROJECTS .00	39.0 LONG-TERM DEBT OTHER-RUS GUAR .00
12.0	OTHER INVESTMENTS 14,759.07	40.0 LONG TERM DEBT - OTHER (NET) 22,935,419.61-
13.0	SPECIAL FUNDS 21,168.25	41.0 LNG-TERM DEBT-RUS-ECON DEV NET .00
14.0	TOT OTHER PROP & INVESTMENTS 109,663,373.61	42.0 PAYMENTS - UNAPPLIED .00
15.0	CASH - GENERAL FUNDS 1,553,754.69	43.0 TOTAL LONG TERM DEBT 98,874,649.58-
16.0	CASH - CONSTRUCTION FUND TRUST .00	44.0 OBLIGATION UNDER CAPITAL LEASE .00
17.0	SPECIAL DEPOSITS 1,450.00	45.0 ACCUM OPERATING PROVISIONS 11,924,035.18-
18.0	TEMPORARY INVESTMENTS 10,254,738.85	46.0 TOTAL OTHER NONCURR LIABILITY 11,924,035.18-
19.0	NOTES RECEIVABLE (NET) .00	47.0 NOTES PAYABLE .00
20.0	ACCTS RECV - SALES ENERGY (NET) 28,183,917.46	48.0 ACCOUNTS PAYABLE 25,378,669.95-
21.0	ACCTS RECV - OTHER (NET) 430,721.02	49.0 CONSUMER DEPOSITS 2,091,985.02-
22.0	RENEWABLE ENERGY CREDITS .00	50.0 CURR MATURITIES LONG-TERM DEBT .00
23.0	MATERIAL & SUPPLIES-ELEC & OTH 2,670,303.20	51.0 CURR MATURIT LT DEBT ECON DEV .00
24.0	PREPAYMENTS 603,761.48	52.0 CURR MATURITIES CAPITAL LEASES .00
25.0	OTHER CURRENT & ACCR ASSETS 1,405,535.03	53.0 OTHER CURRENT & ACCRUED LIAB 4,638,614.92-
26.0	TOTAL CURRENT & ACCR ASSETS 45,104,181.73	54.0 TOTAL CURRENT & ACCRUED LIAB 32,109,269.89-
27.0	REGULATORY ASSETS 326,096.44	55.0 REGULATORY LIABILITIES 288,809.65-
28.0	OTHER DEFERRED DEBITS 233,919.56	56.0 OTHER DEFERRED CREDITS 1,424,447.39-
29.0	TOTAL ASSETS & OTHER DEBITS 330,408,579.27	57.0 TOTAL LIABILITIES & OTH CREDIT 330,408,579.27-

Power Cost:Revenue




RATIO	2025	2026	BENCHMARK
TIER	4.3	3.92	1.25
OTIER	2.30	3.71	1.10
DISTRIBUTION EQUITY	35.13%	34.84%	20%-35%
EQUITY RATIO	56.69%	56.23%	>27%
CURRENT RATIO	1.49	1.40	>1.0
DAYS OF CASH ON HAND	100	105	100

TEMPORARY INVESTMENTS- BOARD POLICY 318

Note Number	Principal Amount	Interest Rate	Maturity Date	Term in Days	Interest Earnings
Select Note	\$5,000,000.00	4.3%	2/9/2026	270	\$159,041.10
Select Note	\$3,000,000.00	4.27%	3/2/2026	227	\$79,667.67
Select Note	\$2,000,000.00	4.20%	6/9/2026	270	\$62,136.99
TOTAL PRINCIPAL	\$10,000,000.00		TOTAL AT MATURITY		\$300,845.76
CFC COMMERCIAL PAPER		3.12%-3.47%			\$16,122.33



OWEN Electric

A Touchstone Energy Cooperative 

MEMBER SERVICES REPORT
2/26/26

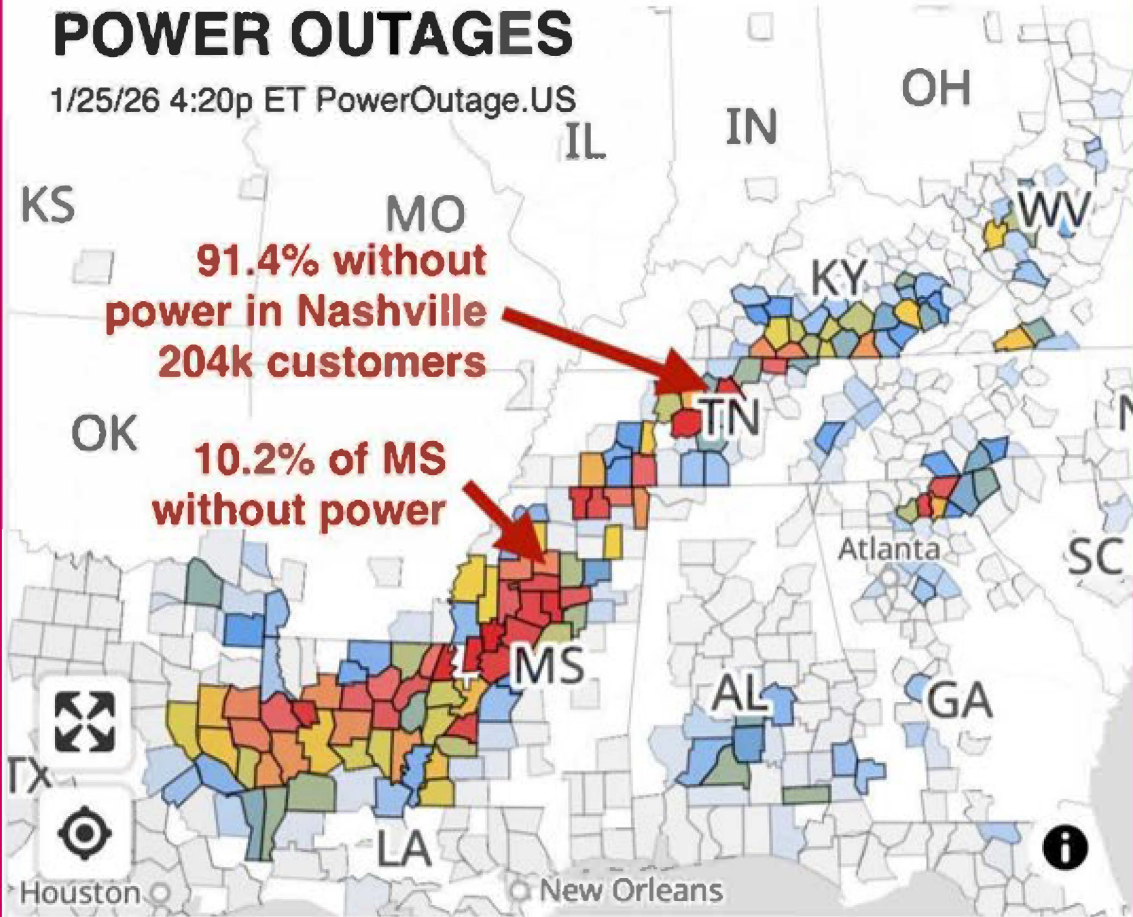
Member Account Activity	Current Month 2026	Last Month 2025	Same Period Last Year 2025
Bank Deposits	\$15,047,438.61	\$13,095,535.90	\$15,184,287.71
Accounts Billed	68,393	68,433	67,222
Total Billing (Excluding Taxes)	\$15,867,055.90	\$13,036,643.13	\$11,631,451.24
Delinquent Notices Mailed	8,961	9,296	10,075
Total Delinquent Amount	\$1,899,354.56	\$1,605,099.25	\$2,042,172.71
Total Penalty Amount	\$94,076.64	\$79,897.21	\$100,470.35
Number of Arrangements	1,233	1,307	1,686
Total Amount of Arrangements	\$273,482.59	\$238,376.88	\$366,810.95
Return Check Amount	\$37,024.50	\$45,515.49	\$22,521.38
Number of Return Checks	146	159	127
Office Pymts (Walk-in & Drive-thru)	1,366	1,952	2,964
Cutoff Tickets	1,679	1,447	1,463
Actual Cutoffs	230	289	434
New Accounts Set Up	541	529	508
Service Orders	2,215	1,885	2,069
Calls Answered by Member Services Reps	10,927	9,571	9,824
Telelink Calls	28,831	30,499	27,536
Member Services Collection Program	\$4,031.96	\$3,539.94	\$3,509.37
Total Collections by Member Services	\$1,137,657.57		

*	JANUARY '26	DECEMBER '25	JANUARY '25
OWEN'S COINCIDENT PEAK (kW)	319,944	319,145	343,826
~ PERCENTAGE OF EKPC'S TOTAL LOAD	9.99%	9.65%	9.60%
ENERGY (kWh MEASURED @ SUBS)	160,037,354	142,223,044	160,282,931
AVERAGE TEMPERATURE (MEASURED @ CVG)	26.9°	34.1°	25.5°
B RATE TOTALS (kW) & PERCENTAGE OF TOTAL LOAD	29,501 9.22%	29,347 9.20%	30,539 8.88%

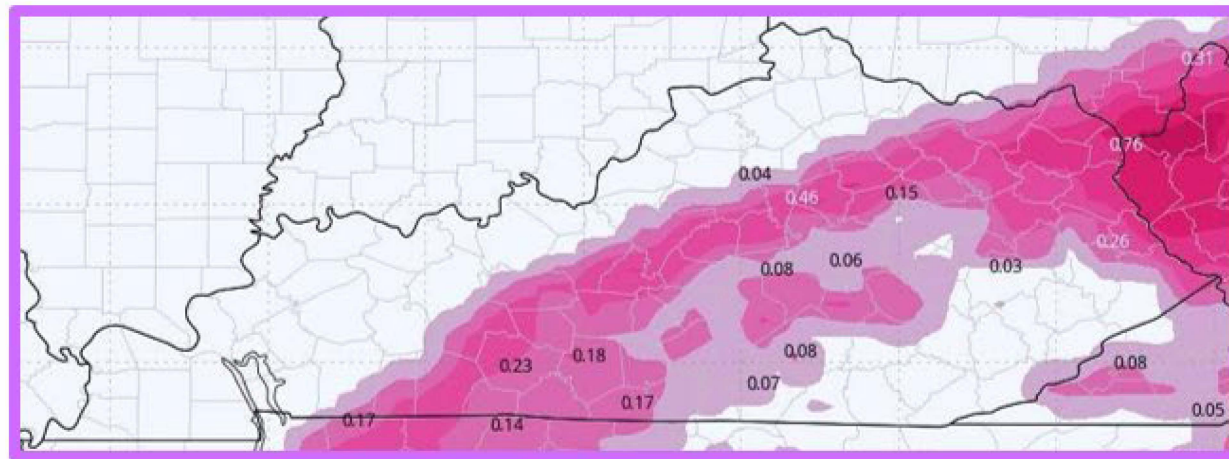
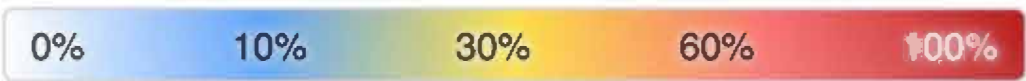
*does not include Nucor

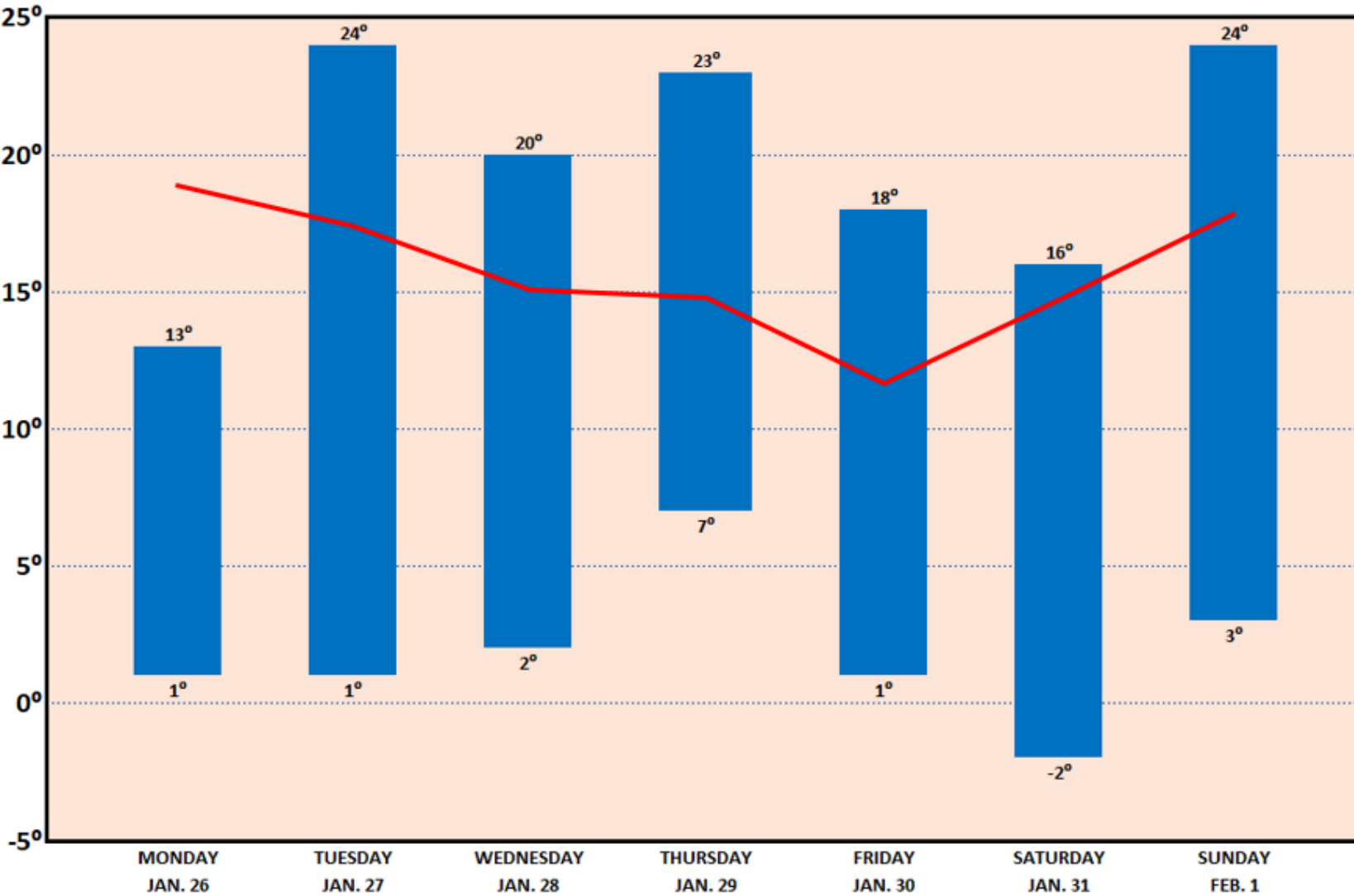
POWER OUTAGES

1/25/26 4:20p ET PowerOutage.US



Outage Percent %





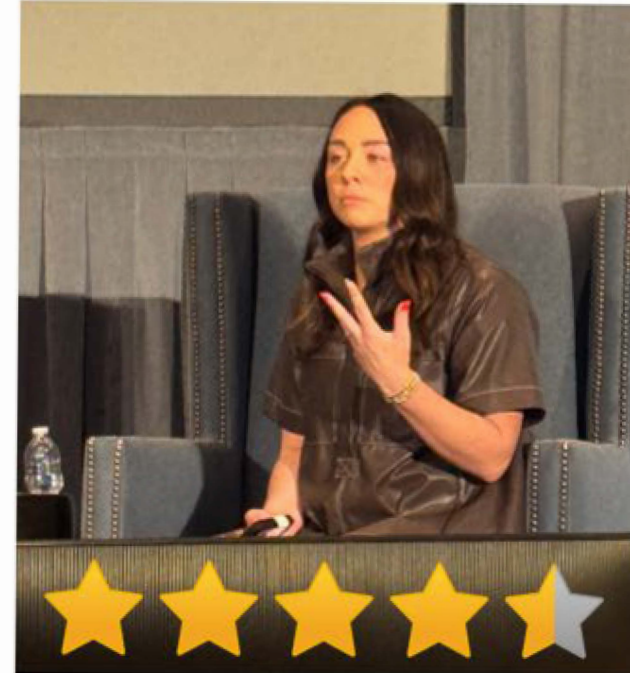
150 kWh
125 kWh
100 kWh
75 kWh
50 kWh
25 kWh

ENERGY CONSUMPTION

12.22.25 - 1.23.26 32 DAYS 1,614 kWh
1.23.26 - 1.26.26 3 DAYS 387 kWh

ENERGY IN 3 DAYS
WAS 24% OF WHAT
WAS CONSUMED IN
THE PREVIOUS 32
DAYS







Operations Board Report 2025 Year End Totals

February 2026



Right-Of-Way

- We're in the final year of our 5 year extension with Asplundh.
 - Open bidding at beginning of 3rd quarter
- 2025 – Worst year yet after arguably our best year in 2024
 - 1st half year extremely wet
 - Never could make up for that in the 2nd half
 - Averaging 404 miles/year in this contract
- 2026 Goal is 407 miles
 - This would complete the 7 year cycle

	2022	2023	2024	2025
Trimming Miles	415	416	493	292

Spraying Miles	458	525	516	423
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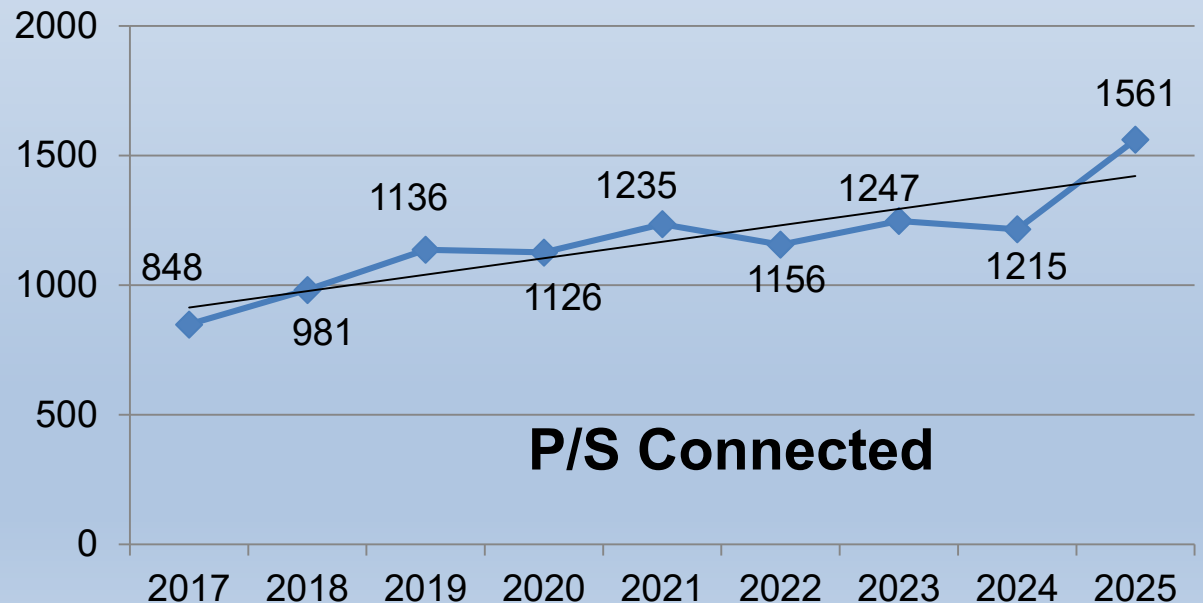


2025 Construction

- “Jobs worked” – 3811 completed
 - Surprising with how wet it was early in the year
 - Drought conditions in the summer/fall helped

- P/S – 1561 our highest since I’ve been reporting on it
 - Apartments are the big reason for increase
- More apartments due this year as well

	2022	2023	2024	2025
Jobs Worked	3466	3796	4033	3811
Permanent Services	1156	1247	1215	1561
Retirements	202	269	660	353
Temporaries	399	406	414	384
Retired Temporaries	347	410	392	410

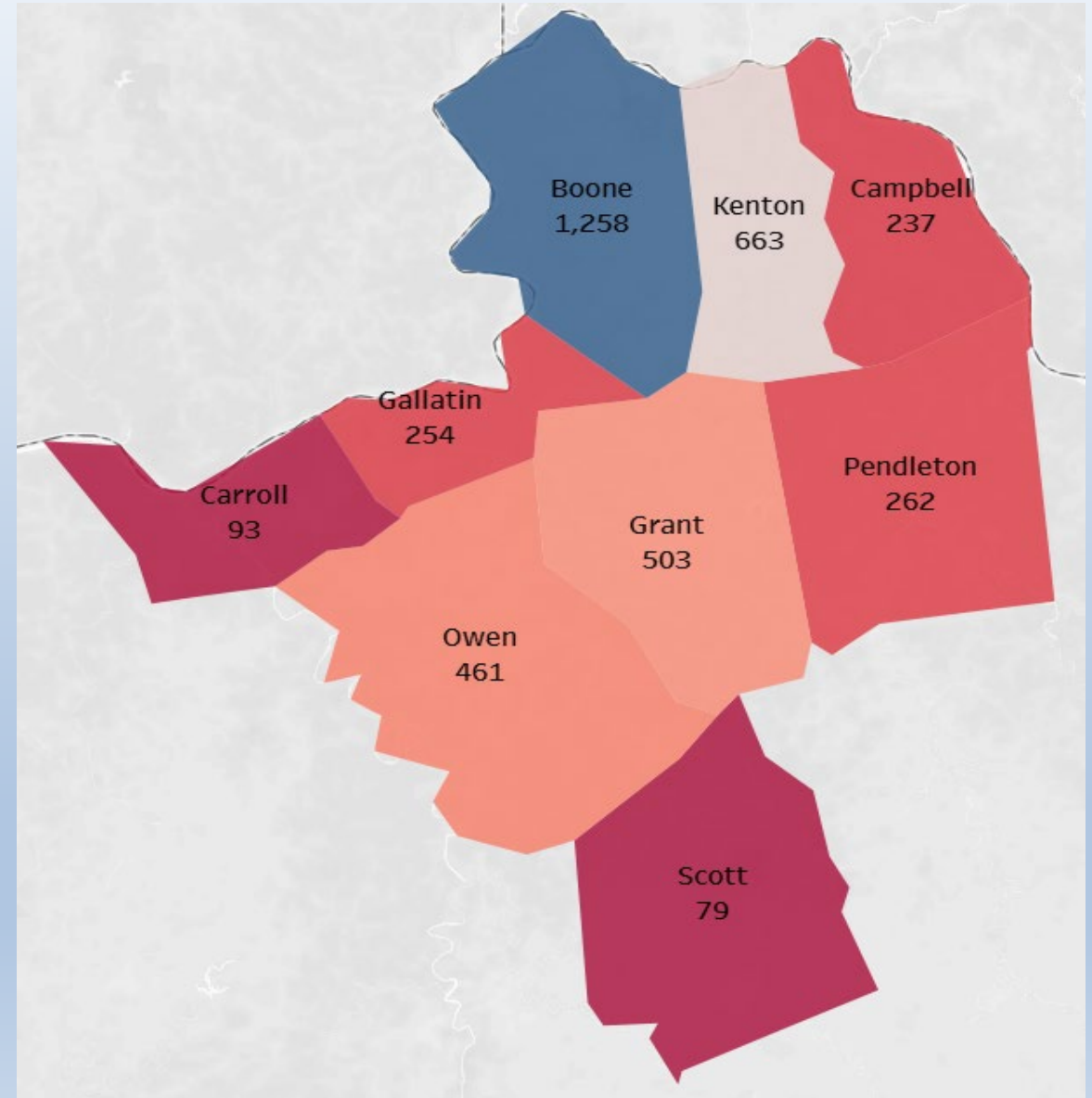




2025 Construction

- \$13,468,151 Total Workplan

Workplan #	Total Jobs	Total Cost
100-OH Const	321	\$1,354,162
101-UG Const	822	\$4,032,901
102-Large Power	29	\$115,763
300 Level Projects	8	\$1,688,043
602-Serv C/O	53	\$174,157
606-Pole C/O	398	\$2,336,685
607-Misc.	1060	\$2,019,242
608-Conductor C/O	36	\$930,220
701-Lighting	121	\$307,381
999-Removals	447	\$370,531



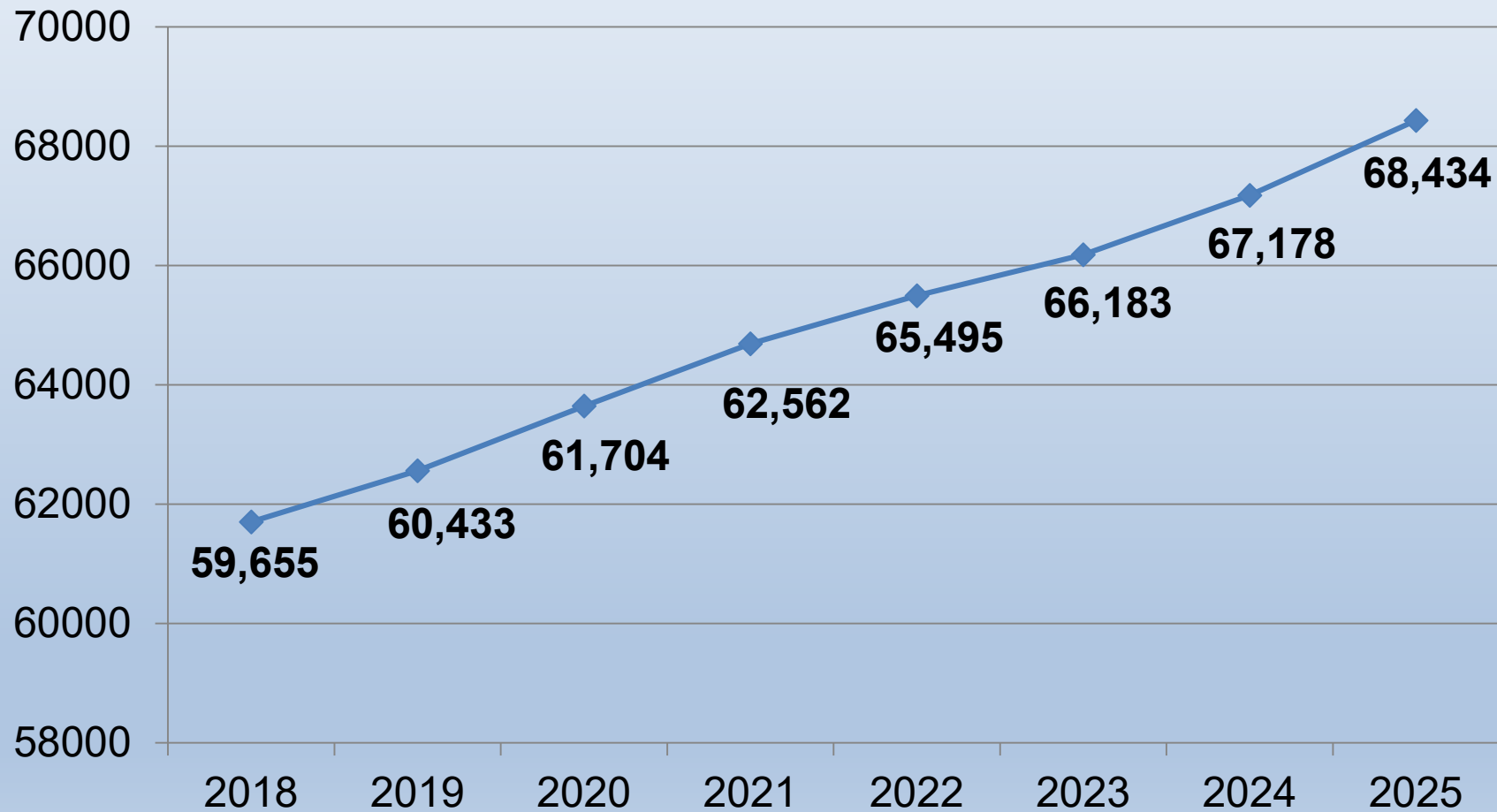


Meters Billed by County

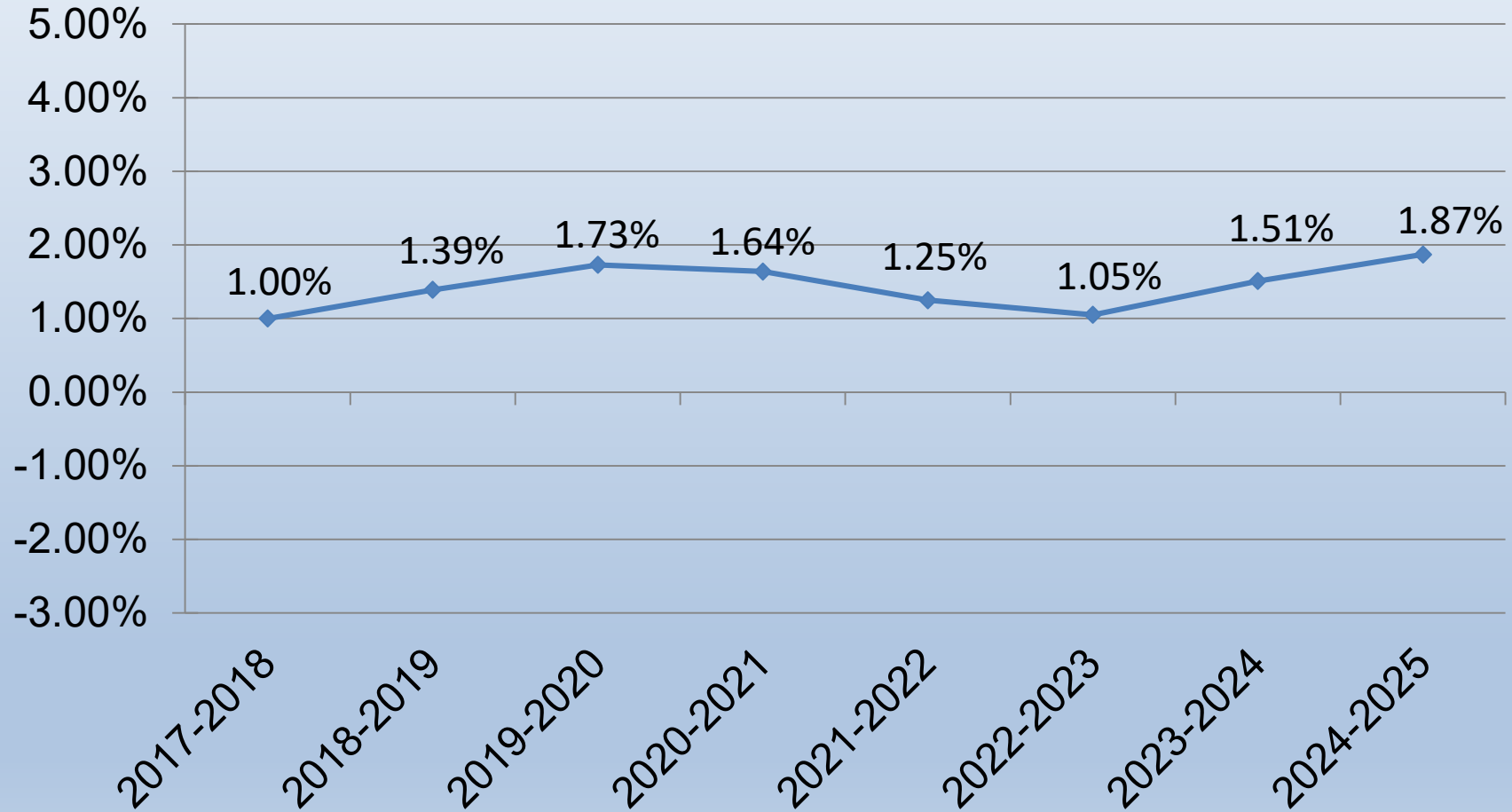
County	2024	2025	Increase	% Increase
Boone	25,374	26,127	753	2.97%
Kenton	14,302	14,417	115	.80%
Grant	7,570	7,702	132	1.74%
Owen	5,371	5,503	132	2.46%
Campbell	4,145	4,183	38	.92%
Pendleton	3,714	3,761	47	1.27%
Gallatin	3,521	3,543	22	.62%
Scott	1,966	1,969	3	.15%
Carroll	1,215	1,229	14	1.15%
Total	67,178	68,434	1256	1.87%

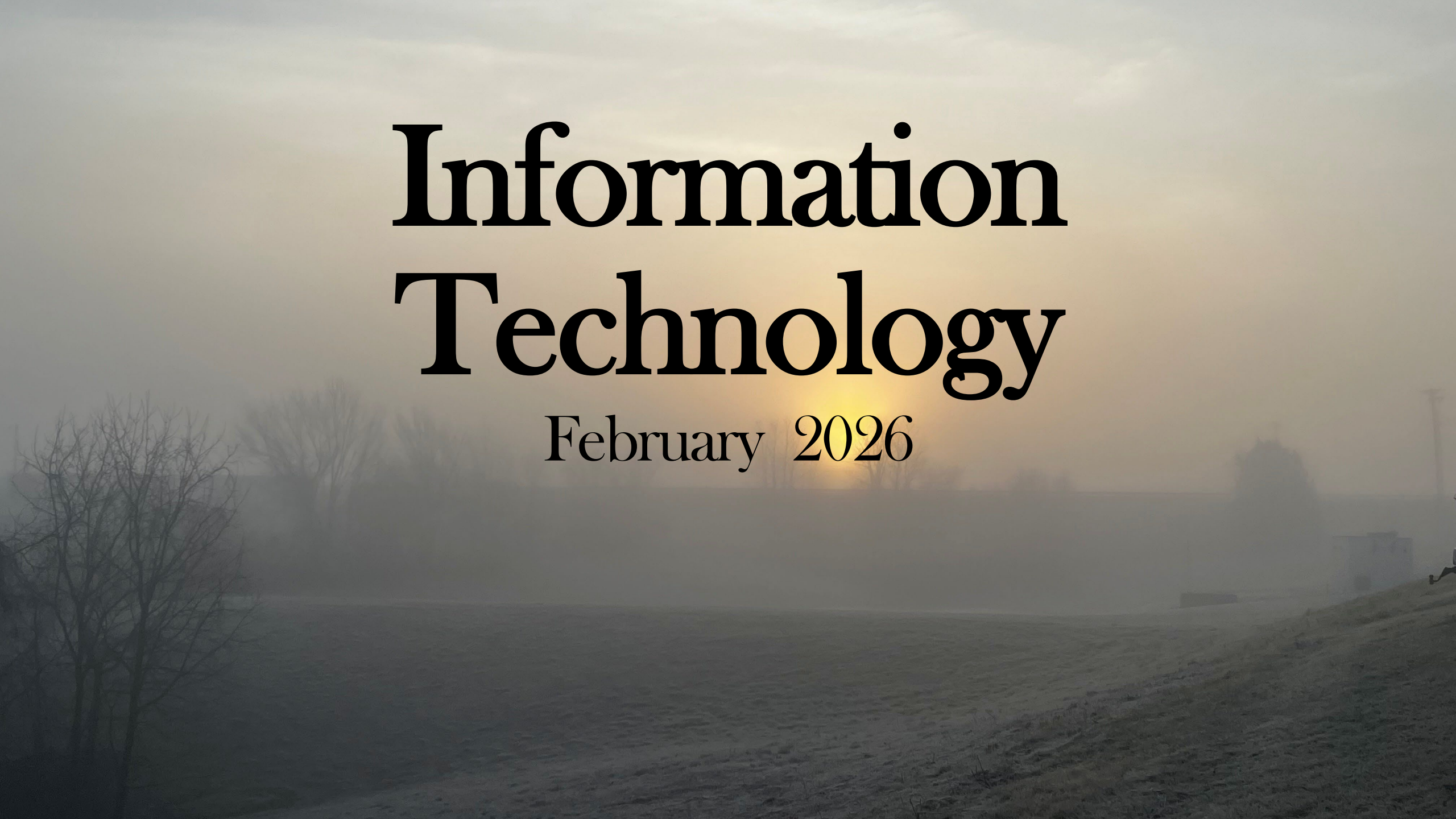


Number of Meters Billed December Totals for 2018-2024



Annual Growth (By Meters Billed)





Information Technology

February 2026

Engineering

Andrew Long



Engineering Update Reliability Indices

2026 Reliability KPIs

	Q1	Q2	Q3	Q4	YTD
SAIDI	0.903				0.903
SAIFI	0.010				0.010
MED	0				0

-Very solid start to the year. Lowest monthly SAIFI in at least the last three years, for any month.

-SAIDI was also one of the lowest we have seen for any month over the last several years.

-This is especially impressive with the cold weather in January.

Yearly KPI's pending approval		
	SAIDI	SAIFI
THRESHOLD	<90.466	<0.910
TARGET	<79.147	<0.890
STRETCH	<67.837	<0.790

Q1 KPI's pending approval		
	SAIDI	SAIFI
THRESHOLD	<14.94	<0.139
TARGET	<13.071	<0.136
STRETCH	<11.203	<0.121



System Impact of Winter Storm Fern

- 24 total outages occurred during the nearly 2 week cold snap.
- 16 of those outages were localized transformer outages.
 - Almost all of those were not cold related, but cars hitting poles, member felling tree, animals, or unverifiable.
- Largest outage was 92 members for less than an hour for a broken pole.
- Largest cold related outages was a fuse feeding 22 members melted out.

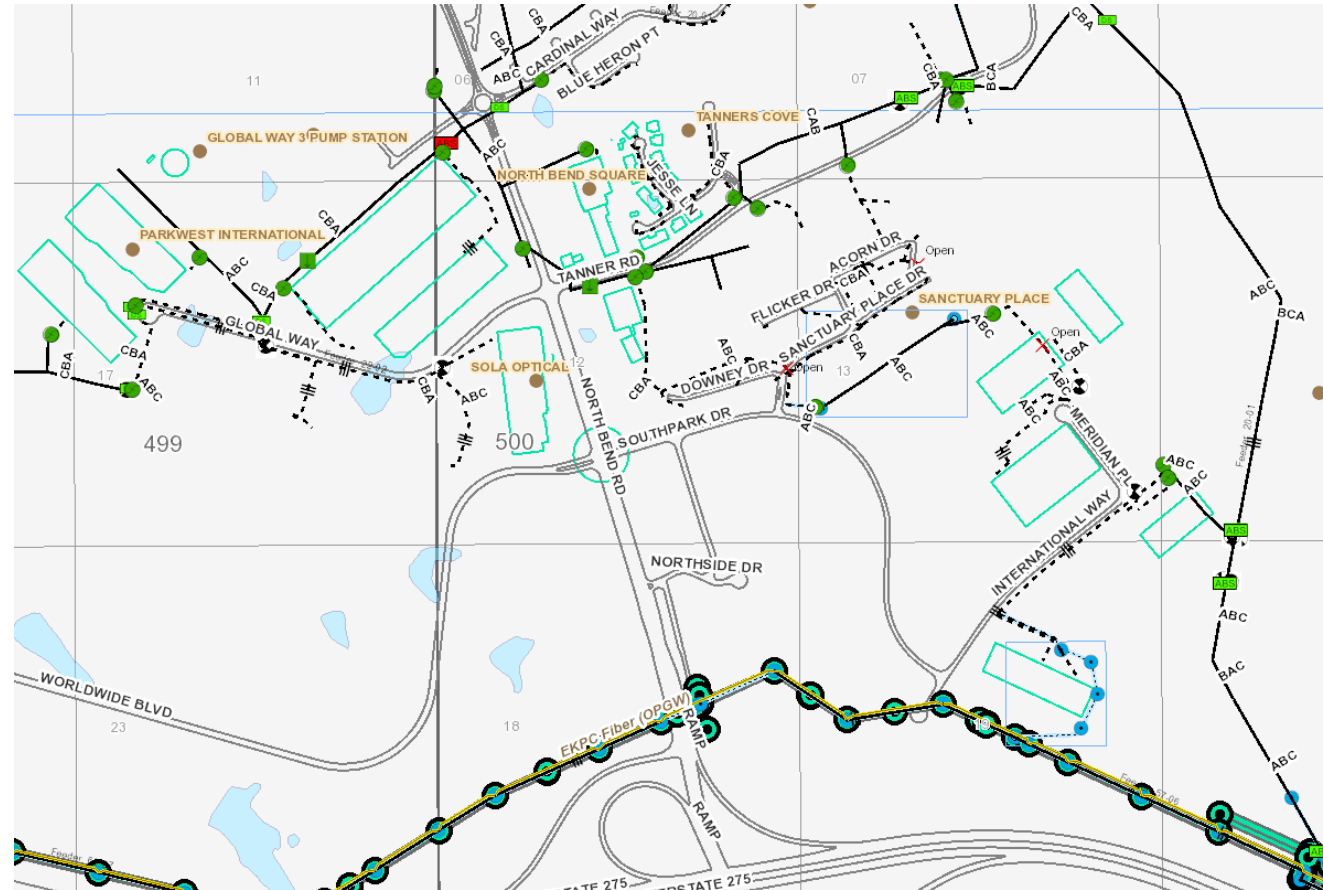
Hourly Non-Coincident Peaks (MW)					
	W/ Nucor		W/O Nucor		
	Winter	Summer	Winter	Summer	
2017	384	388	228	226	
2018	431	399	270	235	
2019	455	406	292	245	
2020	404	395	224	229	
2021	402	434	244	263	
2022	469	445	347	255	
2023	449	509	225	261	
2024	565	525	300	277	
2025	563	565	293	272	
FERN	641		338		

New Graves Road interchange Hebron Pointe

- First Publix is coming to our system
- 420 meters at Flight Apartments is breaking ground.



- Skilcraft boring
 - Helps southpark voltage and backfeeding.
- First utilization of the 795.



Substation Work

- Mineola has been pushed to late March, mainly due to weather delays in January and February.
- Bullitsville has the two low bays complete and we can now fully energize all our feeders.
- Hebron is complete.

NEVI EV Funding

- 2 Existing Installations at Flying J in Walton and Loves in Sparta.
- 1 job drawn for Nobles Truck Stop.
- A Non-Nevi Tesla Charger is also going in across the road from the Loves in Sparta.



EKPC Report



Report Presented By:
Alan Ahrman

Report Presented By: Rick Messingschlager

Attorney's Report Presented By: Jake Thompson

Information Agenda



2026 Board Meetings & Training

March 6-11, 2026-Power Xchange, Nashville, TN

March 26, 2026-Regular Board Meeting, 9:00am, HQ-Owenton, KY

April 20, 2026-Audit Committee Meeting, 9:00am, HQ-Owenton, KY (Bob, Charlie, Eddie & Alan)

April 26-29, 2026-NRECA Legislative Conference, Washington, DC

April 30, 2026-Regular Board Meeting, 9:00am, HQ-Owenton, KY

May 26, 2026-Regular Board Meeting, 9:00am, HQ-Owenton, KY

June 12, 2026-Annual Business Meeting, 6:00pm, Walton Service Center, Walton, KY

June 25, 2026-Regular Board Meeting, 9:00am, HQ-Owenton, KY

June 26-30, 2026-Summer School for Directors, Louisville, KY

July 30, 2026-Regular Board Meeting, 9:00am, HQ-Owenton, KY

August 27, 2026-Regular Board Meeting, 9:00am, HQ-Owenton, KY

September 24, 2026-Regular Board Meeting, 9:00am, HQ-Owenton, KY

October 14-16, 2026-NRECA Regional Meeting, Orlando, FL

October 29, 2026-Regular Board Meeting, 9:00am, HQ-Owenton, KY

November 19, 2026-Regular Board Meeting, 9:00am, HQ-Owenton, KY

December 11-15, 2026-Winter School for Directors, Nashville, TN

December 17, 2026-Regular Board Meeting, 9:00am, HQ-Owenton, KY

- Conference Reports
 - As needed
- Old Business
- New Business
- Executive Session
- Miscellaneous
- Adjourn
 - Motion _____
 - Second _____