

MINUTES OF REGULAR BOARD OF DIRECTORS MEETING OF
COBB ELECTRIC MEMBERSHIP CORPORATION
COBB EMC
1000 EMC PARKWAY
MARIETTA, GEORGIA 30060
AND BY WAY OF MICROSOFT TEAMS TELCONFERENCE

January 27, 2026

CALL TO ORDER

Chair Kelly Bodner called the meeting of the Cobb Electric Membership Corporation (hereinafter “Cobb EMC”) Board of Directors to order at approximately 4:00 p.m. The meeting was held in the Boardroom of the Administrative Building and via teleconference by way of Microsoft Teams Teleconference.

INVOCATION AND PLEDGE

Dr. Ike Reighard, President and CEO of MUST Ministries, gave the invocation and led the pledge.

IN ATTENDANCE

The following members of the Board of Directors were present:

Bryan Boyd
Kelly Bodner
Eric B. Broadwell
Ed Crowell
David McClellan
Tripper Sharp
Malcolm Swanson
David Tennant
Rudy Underwood

Others in attendance were:

Kevan W. Espy, President, and CEO
Michelle Fortner, CFO
Tim Jarrell
Tim Sosebee
Jody Newton
Kelsie Daniels (Telephonically)
Tim Harshbarger
Krista Williams

Nataly Hart
Carley Stephens
Thomas Beusse
Kain Glover
Chad Wachter, Point Broadband
David Tyler, Member Guest
Michael Paris, Member Guest
Jay Cunningham, Member Guest
Kevin Moore, Legal Counsel (Telephonically)
Jenny Carroll

APPROVAL OF AGENDA

Chair Bodner requested an item added to Executive Session, Legal Matter. Director Broadwell made a motion to approve the agenda, with the noted change, seconded by Director Boyd. The motion carried unanimously.

SAFETY MESSAGE

Kain Glover, DER Project Analyst, presented the safety message on tree related hazards and awareness and offered the following tips to stay safe.

1. Recognizing tree hazards
 - a. Tree decay
 - Look for signs of decay such as fungal fruiting bodies, mushrooms at the base, or exposed internal rot.
 - Decay weakens structural integrity, making limbs or entire trees more likely to fail.
 - b. Leaning trees or uplifted/exposed root systems
 - c. Widow makers
 - Dead limbs hanging or lodged in branches overhead can fall without warning.
 - Common after storms or in aging trees.
2. Weather-based risks
 - a. Unpredictability after storms
 - Branches that look secure may be cracked or weakened by wind, lightning, or heavy snow/ice.
 - Trees are most unstable immediately after a storm.
 - b. Exercise caution during post-storm assessment
 - Many injuries occur after the event when individuals walk under damaged trees or attempt cleanup.
 - Keep a safe distance until hazards are evaluated.
3. Tree incidents at home
 - a. Conduct regular tree checks
 - Before mowing, doing yard work, or even leaving for work, take 10–15 seconds to scan your yard for hazards: dead limbs, leaning trees, or cracked branches.

- b. Consider professional help for high-risk tasks
 - Using chainsaws or ladders around trees is one of the leading causes of home-related injuries.
 - When in doubt, let professionals handle pruning or removal.

RECOGNIZE MEMBERS

Chair Bodner welcomed member guests David Tyler, Michael Paris, and Jay Cunningham to the meeting.

CONSENT AGENDA

- A. APPROVAL OF PREVIOUS MINUTES**
- B. APPLICATIONS AND CANCELLATIONS OF MEMBERSHIPS**

Chair Bodner called for a vote to approve the consent agenda, consisting of the following items:

- a. Minutes from December 16, 2025, Board of Directors Meeting
- b. Applications and Cancellation of Membership for December 2025
(December 2025 = +159, YTD=+2,890, Member Count 01/01/2026 = 200,535)

Director Boyd made a motion to approve the consent agenda for the December Board Meeting, seconded by Director Swanson. The motion carried unanimously.

REPORTS FROM COMMITTEES

Audit Committee

Director McClellan, Chair of the Audit Committee, stated the Committee has a meeting scheduled after today's Board Meeting, Tuesday, January 27, 2026.

Budget and Finance Committee

Director Swanson, Chairman of the Budget and Finance Committee, presented the report from the Budget and Finance Committee Meeting held on January 27, 2026.

Jamie Tiernan, CFO of Gas South, gave an update on Gas South's operations and reviewed Gas South's financial results as of December 2025. Gas South's consolidated net income for the month of December was reported as \$18.9 million, which is \$2.3 million favorable to budget. For the calendar year to date, Gas South's net income is \$137.0 million, which is \$36.5 million favorable to budget.

The Committee received the Financial and Statistical Report of Cobb EMC for the month of December from Michelle Fortner, CFO. The net margin for December was reported as \$4.5 million, which is \$9.7 million unfavorable to budget. The calendar year to date net margin is \$150.1 million which is \$38.0 million favorable to budget.

Tim Sosebee, Senior Vice President of Business Operations offered the Committee a report on "write-offs" for the month of December 2025 in the amount of \$29,573.

In New Business, Ms. Fortner presented to the Committee the Deferred Revenue resolution, which defers \$11.3 million of revenue from 2025 into 2026-\$5.65 million & 2027-\$5.65 million.

Chair Bodner called for a vote to approve the Deferred Revenue resolution, as presented.

There being no second necessary, the motion to approve the resolution carried.

Mr. Jarrell, reported on the Power Cost Update for the month of December. The report included a recommendation for a Power Cost Adjustment (PCA) of positive 3.9 mils for bills rendered in February 2026.

The Committee recommended a Power Cost Adjustment of positive 3.9 mils for bills rendered in the month of January 2026. The PCA will be reviewed monthly and adjusted if necessary.

Chair Bodner called for a vote on the motion from the Committee to approve the recommendation of a Power Cost Adjustment of positive 3.9 mils starting February 1, 2026, with consideration thereof monthly.

There being no second necessary, the motion to approve the Committee's recommendation, with consideration thereof monthly, carried. Director Broadwell opposed.

Energy Portfolio Committee

David Tennant, Chair of the Energy Portfolio Committee, stated the Committee met on January 20, 2026, and discussed the following.

- Discussed and recommended Avoided Cost for 2026: The Committee recommended avoided cost rate of \$.05121 for all installs after July 1, 2015, and grandfathering in the existing avoided cost rate of \$.0683 for all installs prior to July 1, 2015. Chair Bodner called for a vote on the motion from the Committee to approve the recommendation of avoided cost rate as presented. There being no second necessary, the motion to approve the Committee's recommendation carried unanimously.
- Discussed Project Seminole and respective projects over the next few years:
 - Project Seminole is a strategy moving us toward less reliance on others for capacity needs through additional assets and demand response programs
 - Peak Shaving/Capacity Additions: Total of 54MW by 2034
 - Battery Storage, Campus Generators, Substation Generators, Additional Battery Storage
- Demand Response Programs: 47MW by 2034
 - Managed EV Charging, Residential Thermostat, Residential Battery, Smart Choice Rate, Volt/Var Optimization
- Other Explorations: CT Discovery in 2026, Rice Units (20MW), Generator Program, and Battery Storage: ITC Direct Payments, ARC Grants
- Discussed the DER Pilot Programs: Smart Thermostat and Residential Battery
 - 2-year pilot program in coordination with GSOC-OATI DERMS Platform
 - Cobb to manage up to 250 thermostats during pilot
 - Cobb to manage up to 50 residential batteries during pilot

- Purpose of pilot is to learn from our members on response behavior, adequate incentives and validate amount of kWh reduction and confirm that the GSOC-OATI DERMS Platform can perform all expected and necessary functions
- Staying Informed:
 - Discussed how we are in a transformative industry and Power Supply and DER team stay engaged at different levels among local universities, G&T, industry organizations and energy research firms.

Governance Committee

Tripper Sharp, Chair of the Governance Committee, stated the Committee met on January 22, 2026, and discussed the following.

- The Committee reviewed the results of the legal counsel annual review survey and discussed next steps. The Committee agreed to share the survey results with the full Board. Following, the Board Chair and Governance Committee Chair will share the survey with Kevin Moore.
- The Committee reviewed and approved edits to Policy 608, *Corporate Committee Structure*, including edits previously made to eliminate the Technology Committee and additional redlines to the PAE Committee. Chair Bodner called for a vote on the motion from the Committee to approve the recommended updates to Policy 608, as presented. There being no second necessary, the motion to approve the Committee's recommendation carried unanimously. Because of the removal of the Technology Committee, the Board stressed the importance of continuing to receive information technology updates throughout the year. Chair Sharp noted this action would be codified within the appropriate policy and brought to the full Board for approval soon.
- As part of the Policy 608 review, the Committee discussed the individual Board Member Evaluation Survey. No action was taken. The Committee was asked to review the survey templates that will be provided by Chair Bodner and to provide feedback by the next Governance Committee meeting scheduled for March 2. The goal is to complete the evaluation by the end of March 2026 and present results by April 2026.
- Director Eric Broadwell walked through draft redlines to the bylaws. The Committee agreed that Director Broadwell will discuss Sections 4.02 and 4.07 with Kevin Moore.
- Director Broadwell led a discussion of Bylaw 6.05, *Other Patronage Capital – Allocation*, regarding the potential addition of the word “electric.” The Committee approved directing staff to review Bylaw 6.05 to ensure it aligns with business practices and to determine whether further clarification of “electric” operations is needed.
- Chair Kelly Bodner lead a discussion around the Board Responsibility document published on the Cobb EMC corporate website. The Committee agreed that Chair Bodner will review the document and return to the Committee with an updated version for approval.
- The Committee plans to review the results of the Director's Survey in the month of February and will have the questions finalized and ready for review by the full Board at the March Board Meeting.

Human Resource Committee

Bryan Boyd, Chair of the Human Resources Committee, stated the Committee met on January 20, 2026, and discussed the following.

- The Committee reviewed the HR Committee charter contained in Board Policy 608. The Committee determined that no changes are needed to the charter. This review fulfilled the requirement that all Board Committee charters be reviewed on an annual basis.
- The Committee reviewed the results of the 2025 P3 Plan as well as the 2026 P3 Plan performance areas and associated metrics. The Committee passed motions moving both items to the full Board for final approval.
- The Committee's last order of business was a review and discussion of the CEO's goals for 2026. These goals along with the 2025 P3 results and 2026 P3 metrics will be reviewed in detail in executive session.

Public Affairs and Education Committee

Ed Crowell, Chair of the Public Affairs and Education Committee, stated the Committee postponed the January meeting and is in the process of rescheduling it to a new date.

Technology Committee

Eric Brodwell, Chair of the Technology Committee, stated the Committee did not meet and there was no report at this time.

REPORTS FROM STAFF

Report from President and CEO

Kevan Espy, President and CEO, offered the CEO report for the month of January.

CEO Activity

Employee

- Leadership Meeting held January 22
- Town Hall Meetings held January 29

Activities/Information

- Attended a lunch meeting with SouthState Bank
- Attended Georgia EMC Community and Economic Development Board Committee Meeting
- Attended the Cobb Chamber Board of Directors Meeting

Operational Update

Electric Operations Report

Jody Newton, Vice President of Electric Operations, presented the Electric Operations Report for December 2025 as follows:

- Preventable Vehicle Accidents (PVAs) - displayed annual totals from 2021 through 2025 with zero preventable vehicle accidents and zero non-preventable vehicle accidents occurring in December with a total of five PVAs and six non-PVAs for 2025
- Safety Violation Incidents - displayed annual totals from 2021 through 2025 with 1 violation occurring in December 2025 and a total of 21 violations for 2025
- Recordable Injury Incidents - displayed annual totals from 2021 through 2025 with zero non-violation and zero violations injuries occurring in December 2025 with a total of 9 recordable injury incidents for 2025
- Incident / Days Away, Restricted, or Transferred (DART) Rate (includes preventable and non-preventable injuries) - displayed annual totals from 2021 through 2025. Cobb EMC's incident rate is 2.09 and DART rate is 1.86 for 2025
- Safety Success Rate for 2025 = Zero violation injuries occurred in 2025; 666 consecutive days passed since the last violation injury; 190 consecutive days have passed since the last preventable vehicle accident (PVA) and 28 days since the last violation
- Safety Participation – 100% for the 1st, 2nd, 3rd, and 4th quarters

Supply Chain Market Update – 2025 Q4

Mr. Newton discussed Current Lead Times for the following categories: capacitors, line hardware, PVC/conduit, transformers, wire/cable and wooden poles and presented the results of the 2025 November Inventory.

2025 Construction Workplan (CWP) Accomplishments

Mr. Newton presented CWP highlights for 2025 as follows.

- Total poles replaced 996
- Total switches installed 102
- Total cap banks installed 23
- Reconduct mileage 7
- Oak Lane conversion 70%
- Heck Road conversion 100%

2025 Reliability Results

Mr. Newton presented the Reliability Report as follows (note: the values reflected are excluding T-med (Major Event Days)).

- SAIDI 31.99
- SAIFI 0.78

- CAIDI 41.01
- ASAI 99.99%
- Total outages 2162
- Meter count used for current months calculations 222657
- Total member off 191K**
**191k members off = the total number of members who experienced an outage during 2025. This number includes any members who may have had multiple outages throughout the year, not 191k different members.

Business Operations Activities

Mr. Tim Sosebee, Sr. Vice President of Business Operations, presented the Business Operations Activities report.

- NISC yearend upgrade complete
 - Year-end processing complete
- Tested and implemented updated 2026 rates
- Construction began on West Cobb training center

Marketing Communications and Community

Krista Williams, Director of Consumer Marketing, delivered the Marketing, Communications and Community Report.

Ms. Williams reviewed the Marketing Dashboard as follows.

- Website and app performance for December; fifty-three percent of all site traffic was from mobile, with 1.6 million total views on the Cobb EMC app and 112,000 total views on the Cobb EMC website.
- Specifics on five recent email campaigns
- Recent member engagement highlights
 - Coat collection – 1800+ coats were collected and distributed to local students in need
 - Holiday community support – together, Cobb EMC employees raised more than \$12,000 to support families, children and schools through various holiday initiatives
- 2025 year-end member satisfaction with KPIs, noting that Cobb EMC was ranked number two by J.D. Power
- Monthly top performing social media posts

Ms. Williams reviewed recent press coverage for Cobb EMC and upcoming marketing initiatives, and other events supported by both Cobb EMC and the Cobb EMC Foundation.

Ms. Williams offered a detailed look back on the December and January events and efforts for both Cobb EMC and the Cobb EMC Foundation.

Employee Engagement Report

Tim Harshbarger, Vice President of Human Resources, presented the Employee Engagement Report detailing Cobb EMC's employee engagement landscape, source of new hires (internal and external), demographics, retirement eligibility and retirement plan information, and employee events and happenings.

Mr. Harshbarger discussed HR Events and Happenings for the month.

Employee Events

- Town Hall (P3 Payout Announcement) – January 29
- P3 Payouts – February 6
- Food Truck Day – March 12
- Cultural Expo – June 11

Benefits

- Completed new vendor files and data transfers
- Held kickoff meeting with WTW
 - 2026 benefits calendar and timeline
 - Three-year strategy
- Completed Biometric Screening

Mr. Harshbarger discussed the Learning Management System (LMS) and other Learning and Development measurements for December.

Internal Audit Update

Nataly Hart, Vice President Internal Audit and Compliance, presented the 2025 internal audit plan – year-end status.

- Reviewed the 2026 Internal Audit Board of Directors Dashboard which included an overview of total audit recommendations for the last 5 years and total audit recommendations by priority level
- Offered a COBIT (Control Objectives for Information and Related Technologies) status update
- Presented the status of cooperative's internal and external compliance obligations

REPORT FROM GENERAL COUNSEL

Kevin Moore, General Counsel, stated he had nothing to report, and no report at this time.

REPORTS FROM DIRECTORS

Director Underwood

- Commented that the media coverage of Cobb EMC was extremely positive during the recent extreme weather event, Winter Storm Fern. Mentioned a post he viewed on

Facebook where a member noted that Cobb EMC was quickly replacing electric poles damaged during the storm.

Director Crowell

- Attended the Georgia Chamber of Commerce annual Eggs and Issues event.
- Thanked Tim Sosebee and his team in Member Care for assisting a member in his district with an issue.
- Commented that he assisted a host of members in his district with downloading and using the Cobb EMC mobile app during Winter Storm Fern.
- Noted that Dennis Chastain, President and CEO of Georgia EMC announced his retirement in January of 2027.

Director Swanson

- Expressed appreciation to Tim Sosebee and his team for their prompt support in assisting a member in his district by connecting them with a Gas South representative.

Director Tennant

- Attended a business lunch with Laura Taylor with Georgia Tech.
- Thanked Tim Sosebee for assisting a non-member in his district who had questions about obtaining service with Cobb EMC.
- Read great feedback from members on various social media forums regarding Cobb EMC's response to Winter Storm Fern.

Director Sharp

- Noted that he was highly impressed with Cobb EMC and its employees during the news coverage, especially on WSB-TV, surrounding Winter Storm Fern.
- Commented that sharing a social media post highlighting the importance of downloading the Cobb EMC, especially for staying informed during extreme weather events, could be beneficial for members.

Director Broadwell

- Noted that multiple neighbors and members in his district reached out with questions about Cobb EMC's readiness for Winter Storm Fern.
- Commented that he directed multiple members in his district to the Cobb EMC app to stay up to date on the storm.

Chair Bodner

- Thanked Kevan Espy for keeping the Board informed through the weekend on the cooperatives activities and challenges surrounding Winter Storm Fern.
- Attended the Georgia Chamber of Commerce annual Eggs and Issues event.
- Along with Mark Justice, served as a judge for the Cobb EMC-sponsored Science Fair and noted that numerous teachers and administrators expressed their appreciation to Cobb EMC for its involvement and support of their students and school.

- Directed multiple members in her district to the Cobb EMC for storm updates. Agreed it would be beneficial for Cobb EMC to send out a reminder to members to download the Cobb EMC app.

OLD BUSINESS

Foundation Update

Carley Stephens, Executive Director, Cobb EMC Foundation, and Thomas Beusse, Foundation President co-presented on the Foundation as follows.

2025 Recap

- Elected new officers and onboarded new Foundation Board Member
- Documented Standard Operating Procedures for funding decisions & communications
- Strategic disbursements aligned with community needs & member causes
- Measurable outcomes from funded initiatives (5 Impact Investments)
- Stronger nonprofit partnerships – 56 nonprofits rated their experience with the Foundation 4.75 out of 5
- Fewer, higher-quality nonprofit investments (reduced recipients by 35 organizations)
- More efficient funding cycles (monthly to annual)
- Reduced administrative overhead for staff and partners (ACH payments, quarterly reports)
- Reduced time and effort regarding funding decisions (12 meetings to 4 meetings) - Received 199 applications totaling \$3,888,647 in requests.
- Increased external Foundation communications to members

2026 Looking Ahead

- New Foundation logo
- Annual Impact Report
- 2026 Funding Decisions
 - \$1,016,690 to 140 organizations
 - 13 investments over \$20k each
 - 199 applications totaling \$3,888,647 in requests
- Annual Nonprofit Event Calendar – coming soon
- Boards Mixer – April 13, 2026
- Scholarship review

Foundation Financials

- 12 months of estimated Round-Ups = \$1,032,000 (12 x \$86k), less January Round-Ups (\$86k), equals a total amount of \$946,000 of funding needed from the company in 2026.
- Director Boyd made a motion to approve the \$946,000 funding to the Foundation, seconded by Director Sharp. The motion carried unanimously.

NEW BUSINESS

Approval of Credentials and Elections Committee Members

A list of recommended Credentials and Elections (C&E) Committee Members was selected by each Board member.

Director Boyd made a motion to approve the list of Committee members, as presented, seconded by Director McClellan. The motion carried unanimously.

EXECUTIVE SESSION

Director Boyd made a motion to enter the Executive Session for a Contractual Matter, the Gas South MCOMM Report, a Personnel Matter and a Legal Matter seconded by Director Broadwell. The motion carried unanimously.

Motion by Director Crowell to exit Executive Session, seconded by Director Boyd, the motion carried unanimously.

ADJOURNMENT

There being no further business, Chair Bodner adjourned the meeting.

Bryan Boyd
Secretary/Treasurer

Kelly Bodner
Chair