

COBB ELECTRIC MEMBERSHIP CORPORATION

POLICY NO. 701

I. SUBJECT: INFORMATION AND RECORDS MANAGEMENT

II. POLICY

A. Information Management

It is the policy of the Board of Directors to use industry best practices to safeguard cooperative information regardless of the medium used to create or store such information. Cooperative information, including member and employee data, shall be handled using protocols to enable data security and privacy in compliance with all applicable laws and regulations and Policy 901 Employee Code of Conduct.

This policy applies to all cooperative information, whether managed internally, off-site, or via a cloud-based platform. This includes all business applications, servers and storage devices, website and social media applications, artificial intelligence, and business systems and tools such as databases and email.

The Information Technology division must be promptly notified following established cooperative processes of all systems to be deployed including, but not limited to, all cloud-based software and any system using artificial intelligence, so that alignment to strategic priorities and appropriate data security and privacy protocols can be confirmed.

Under no circumstance are Board of Directors or employees authorized to create accounts in non-approved systems using Cobb EMC domain email addresses, nor to submit any type of Cobb EMC data into unauthorized systems, platforms, test environment, or any other software, search engine, or phone app.

Administrative and procedural guidelines for maintaining security, privacy, compliance, and disaster recovery of cooperative information shall be issued by the Vice President of Information Technology, in coordination with the Chief Financial Officer and with the approval of the President and Chief Executive Officer. All employees shall acknowledge receipt of such guidelines upon employment and annually thereafter.

B. Records Retention

It is the policy of the Board of Directors to ensure that all records of the Cooperative are retained in a retrievable format according to applicable state and federal laws and sound business principles.

All records will be retained for the defined period according to the Cooperative's records retention schedule. The Chief Financial Officer shall be responsible for

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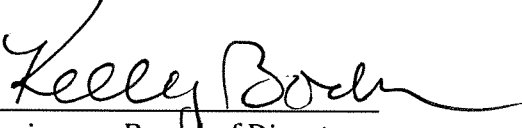
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enforcing adherence to this policy and for maintaining the records retention schedule, and is authorized to make changes to the schedule as may be necessary from time to time to adhere to applicable laws or Best Practices.

All records, including physical or digital backups regardless of location, shall be deleted or destroyed after their defined retention period has expired. All physical or digital data that is created, transmitted, or stored utilizing company computing, copier, or facsimile assets will be managed by this policy without exception.

In the event the Cooperative is required to retain records in compliance with a court order or a directive from any legal authority, it shall be the responsibility of the Chief Financial Officer to immediately communicate such order or directive to all affected personnel. All affected personnel shall immediately comply with such an order and take all necessary steps to ensure records are retained according to such order or directive.

APPROVED: 6/24/2025


Chairman, Board of Directors

REVISION HISTORY:

ADOPTED: August 27, 2013

REVISED: February 15, 2022 – add Section A. Information Management. Section B changed responsibility to CFO and removed Appendix A.

REVISED: June 24, 2025 – added language to Section II.A.

COBB ELECTRIC MEMBERSHIP CORPORATION

POLICY NO. 702

- I. SUBJECT: TREASURY POLICY
- II. POLICY

To establish guidelines for maintaining proper controls over the treasury of the cooperative, including establishing bank accounts, check signing procedures, and petty cash, etc.

A. Lines of Credit, Working Capital, and Reserves

It shall be the policy of Cobb EMC to maintain sufficient line(s) of credit, working capital and reserve cash positions to meet promptly its operating costs, taxes, quarterly debt service payments, routine construction and replacement costs, and for contingencies. General funds shall be used for the retirement of patronage capital credits, such retirements shall be consistent with bylaw provisions, contractual requirements of regulatory bodies, prudent financial management, and made only when general funds are available over and above the amount required for the cooperative to be in compliance with all financial covenants and the policies and procedures established for retiring patronage capital credits.

B. Bank Accounts and Authorizations to Sign and Countersign Checks

The cooperative shall maintain bank accounts, with authorizations for signing and countersigning checks as shown and further subject to dollar limits in the Delegation of Authority Manual:

1) General Funds – Settlement Account

The Settlement Account shall be used for ACH and Fed Wire transactions, and various deposits. The President and Chief Executive Officer (CEO), Chief Financial Officer (CFO), VP Financial Services, Controller, Director of Financial Planning and Analysis are authorized to initiate and execute Settlement Account transactions. Treasury is authorized to initiate account transactions only.

2) General Funds – Accounts Payable Account

The Accounts Payable Account shall be used for general expenditures involving checks. The CEO and CFO are authorized to sign, and countersign checks up to the limits in the Delegation of Authority Manual.

3) Payroll Account

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The payroll account shall be used for payment of the cooperative payroll. The CFO is authorized to sign and countersign checks issued under this account. The CEO, CFO, VP of Financial Services, Director of Financial Planning and Analysis, and Controller are authorized to initiate ACH transactions.

4) Special Accounts

A Credit Refund Account is set up to handle customer refunds and a special account may be established when needed for use in refunding capital credits to members. The Capital Credits Account may be closed 180 days after all checks have been issued. The CEO and CFO are authorized to sign, and countersign checks issued under these accounts.

C. Transfer of Funds

The CEO, CFO, VP of Financial Services, Director of Financial Planning and Analysis and Controller are authorized to approve wire/ACH transactions to lenders as necessary in the orderly transaction of cooperative business, subject to limits in the Delegation of Authority Manual.

D. Petty Cash, Change and Change Control Funds

The Cooperative shall have a petty cash, change and change control fund in the amount of not to exceed \$20,000.00, which shall be used for the purpose of making change related to specific transactions, storm related expenses, taking customer payments, replenishing change funds in currency and bills to better meet revolving cash needs for serving customers, paying small bills including freight, C.O.D., postage due, travel advances, and for reimbursing employees for authorized purchases such as gas, oil, small dollar business expenses and for travel expenses and meals when approved by the proper official of the Cooperative and for refunding of membership fees and deposits when postponing the refunding by issuing a check would create a hardship.

The Controller will be responsible for the maintenance and accounting for this account.

E. Checks, Types of

All checks used by the Cooperative, drawn on the General Funds, and other funds now created or which may hereafter be created, shall include supporting documentation which shall name the account(s) affected by the transaction and have the signature of a person who can authorize the transaction.

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Except that payroll checks shall be of a special form applicable to and conform to the payroll system of the Cooperative.

F. Corporate Credit Cards

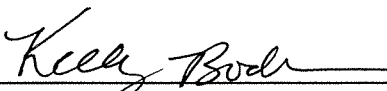
The Cooperative shall have the ability to issue employees corporate credit cards and allow them to be used for expenses arising from corporate business. The CEO or the CFO shall determine which individuals are authorized to use the cards and all individual card limits. The Cooperative will assume primary liability for all charges placed on the cards. Specific guidelines governing the actual use of the corporate credit cards and the records required for maintaining accountability and safeguarding their use shall be posted for employees on the Cooperative's intranet.

G. Corporate Investments

It shall be the policy of Cobb EMC that investments be considered only if they are in accordance with prudent business practices and in conformity with the laws of the jurisdictions in which the cooperative serves. The investment portfolio shall be limited to quality investments determined to represent minimal credit risks, and stability of principle while achieving an acceptable standard of performance. All investments in associated organizations, or any organization that requires loan proceeds or the sale of an existing investment(s) to acquire and/or manage, must be authorized by the Board of Directors before the investment transaction can be consummated (does not include changes in patronage capital from associated organizations due to normal loan borrowings). All active broker/dealers, outside of those financial institutions holding a lien on or security interest in the cooperative's assets in connection with a loan or loan guarantee, must be authorized by the Board of Directors.

The cooperative's guidelines for the management of Cobb EMC's investment portfolio shall be provided in the Investment Policy. The CFO is responsible for enforcing adherence to this Policy.

APPROVED: 03/24/2026


Chair, Board of Directors

REVISION HISTORY:

REVISED: November 17, 1987 - Title Changes

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POLICY NO. 702

REVISED: April 21, 1992 – Petty Cash

REVISED: May 29, 1991 – “C”

REVISED: June 27, 1994 – Title changes, II.B.1 reworded, II.B.4 reworded, added II.B “F” & “G”

REVISED: March 20, 1996 – REA and CFC deleted, replaced w/trustees and/or lenders, or lenders

REVISED: September 27, 2011 – General Revision

REVISED: March 28, 2012 – Removal of Cobb Energy Management Corporation, II, B-3

REVISED: August 27, 2013 – Rewording of III-B, III-B4, and III-G, policy number change

REVISED: January 28, 2014 – Corrected titles

REVISED: January 24, 2017 – Updated title changes, added CFO to Section II., F, and removed “high liquidity” in Section II. G.

REVISED: October 22, 2019 – Updated titles and responsibilities. Added reference to Delegation of Authority Manual

REVISED: February 15, 2022 – Updated titles and grammatical edits.

REVISED: March 24, 2026 – Replaced titles “Manager of finance and budget” to “Directors of Financial Planning and Analysis”; Added the VP Financial Services

COBB ELECTRIC MEMBERSHIP CORPORATION

POLICY NO. 703

I. SUBJECT: FINANCIAL REPORTING

II. POLICY

A. Annual Budget

At the regular or a special board meeting held each year, the Budget and Finance Committee shall submit to the Board of Directors for approval an operating budget for the next year.

The budget shall be full and complete showing a statement of the anticipated revenues, expenditures, and cash flow for the coming year.

B. Operating Reports

The Chief Financial Officer shall have a condensed operating and financial report provided in the materials for each regular monthly board meeting.

C. Financial Statements

The Cooperative shall not allow its financial statements to be given to any natural person, company, or corporation for the purpose of evaluating the credit worthiness of the cooperative without prior approval of the President and CEO.

An Independent Accountant's annual Audit Report of the Financial Statements for the fiscal year-end shall be posted to the member's portal on the company website and made available to members upon request.

An abbreviated version of the Financial & Statistical Report shall be posted monthly to the member's portal of the company website.

Annual Reports for each of the last five fiscal years shall be posted on the company website. A condensed financial statement shall be mailed and made available to the members at the annual membership meeting, per the requirements of Policy 605 Disclosure of Cooperative Information.

APPROVED: 2/15/2022



Chairman, Board of Directors

COBB ELECTRIC MEMBERSHIP CORPORATION

POLICY NO. 703

REVISION HISTORY:

REVISED: November 17, 1987 – Title changes

REVISED: June 28, 2005 – IIC- approval of President/CEO

REVISED: March 28, 2012 – IIC, reports to be posted on company web site

REVISED: August 27, 2013 – Name of policy changed, removed month as to when operating budget is submitted, changed name of committee in II-A to Budget and Finance, II-C added “and made available to members upon request” and “An independent Accountant’s annual Audit Report of the Financial Statements for the fiscal year end shall be posted to the company web site and made available to members upon request.”
Policy number change.

REVISED: April 22, 2014 – Revised “shall be mailed and given” to “made available.”

REVISED: November 25, 2014 – Title Changes; President/Chief Executive Officer to President and Chief Executive Officer

REVISED: April 24, 2018 – Removed quarterly posting requirement

REVISED: February 15, 2022 – Section B changed responsibility to CFO. Section C updated posting to member’s portal, five years of Annual Reports, and reference to Policy 605 Disclosure of Cooperative Information.

COBB ELECTRIC MEMBERSHIP CORPORATION

POLICY NO. 704

- I. SUBJECT: ACCOUNTING RECORDS - AUDIT OF SAME
- II. POLICY:

The accounting system of the cooperative shall be established and maintained in accordance with generally accepted accounting principles and practices, consistent with industry standards and regulatory bodies to which the cooperative may be subject.

The accounting records of the cooperative shall be audited at least once each year by a Certified Public Accountant, who shall be approved by the Board of Directors prior to commencement of the annual audit.

REVISED: March 20, 1996 - Reworded in entirety

REVIEWED: August 27, 2013 - Policy number change.



Chairman, Board of Directors

COBB ELECTRIC MEMBERSHIP CORPORATION

POLICY NO. 705

I. SUBJECT: FINANCIAL MANAGEMENT

II. POLICY

- A. Financial management shall consider the following factors affecting financial and operational requirements:
 - 1) Providing quality service at reasonable rates;
 - 2) Meet or exceed loan and mortgage requirements of lenders;
 - 3) Meet or exceed financial strength ratios required under power supply agreements;
 - 4) Minimizing the cost of capital, both debt and equity;
 - 5) Meeting capital requirements for construction of utility plant; and,
 - 6) Maintaining adequate credit for procurement of power and other cooperative purchases.
- B. The goals of financial management are to:
 - 1) Provide quality service at reasonable rates;
 - 2) Comply with all mortgage covenants and lender agreements;
 - 3) Maintain a distribution equity level as determined by the board;
 - 4) Maintain an annual Modified Debt Service Coverage that exceeds the level required by lenders;
 - 5) Retire capital credits in a manner that does not adversely impact the cooperative's financial position; and,
 - 6) Maintain an investment grade credit rating.
- C. The Board will annually establish a budget and set electric rates to provide reliable electric service to the members at a reasonable cost. The budget will allow for the cooperative to meet target equity levels, to exceed all financial covenants, provide sufficient liquidity, and retire capital credits on a rotation basis.
- D. The Budget & Finance committee will review monthly the cooperative's compliance with mortgage covenants and lender agreements.
- E. The Board may consider the petitions of estates of deceased members for retirement of capital credits if, in their opinion, the financial position of the cooperative will not be impaired and if such action is in compliance with state law.
- F. The Board shall follow the requirements of Policy 618 Capital Credits to determine the availability of capital credits to allocate and return to members after the end of each fiscal year. The capital credits will be retired on a cycle no more than 15 years on a basis approved by the Board of Directors. The Chief Financial Officer shall follow the requirements of Policy 618 Capital Credits to provide the Board with an annual written recommendation for the allocation and retirement of capital credits.

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POLICY NO. 705

III. RESPONSIBILITY

It shall be the responsibility of the Board of Directors, the President and CEO, and the Chief Financial Officer to administer this policy.

APPROVED: 2/15/2022



Chairman, Board of Directors

REVISION HISTORY:

ADOPTED: September 27, 2011

REVISED: January 29, 2013 – Re-wording of Section II, F.

REVIEWED: August 27, 2013 – Policy number change.

REVISED: November 25, 2014 – Title Changes; President/CEO to President and CEO

REVISED: June 30, 2015 – Re-wording of Section II, F.-Retirement cycle of capital credits revised from “not more than 40 years” to “a cycle of no more than 25 years”

REVISED: January 24, 2017 – Removed the word “plan” throughout the policy and deleted the word “annually” and added “by the end of the first quarter of every year” to Section II. F.

REVISED: April 27, 2021 – Added cross-reference to Policy 618 Capital Credits. Changed retirement cycle to “no more than 15 years”

REVISED: February 15, 2022 – Add II.B.6 to maintain an investment grade credit rating, II.D change from Board to Budget & Finance Committee, III. add CFO to those responsible for administration.

COBB ELECTRIC MEMBERSHIP CORPORATION

POLICY NO. 707

I. SUBJECT: CIVIC AND COMMUNITY CONTRIBUTIONS

II. POLICY

- A. Requests for civic and community contributions and sponsorships should be made in person or in writing by letter or Email by an official representative of the organization requesting the contribution. Each request will be considered on its own merits. While Cobb EMC recognizes there are numerous organizations involved in many worthwhile community service projects, the cooperative's decision to make financial or in-kind contributions will be determined by the nature of the project and by our ability to make the contribution at the time of the request. Except for contributions to support national (NRECA) or statewide (GEMC) programs, contributions must benefit our members and the communities we serve. The annual cooperative budget will contain a specified amount for sponsorships and contributions, and no contributions will be made beyond this amount without specific board approval.
- B. As detailed in the Delegation of Authority Manual, only the President and CEO, Chief Financial Officer, Chief Corporate Services Officer and Vice President of Member Relations are authorized to approve sponsorships or civic and community contributions.
- C. The President and CEO is authorized to make contributions from cooperative funds up to \$10,000 per request. Any request in excess of \$10,000 shall be presented to the Public Affairs and Education Committee and ultimately approved by the board of directors.

APPROVED: 03/24/2026


Chair, Board of Directors

REVISION HISTORY:

ADOPTED: May 30, 1990

REVISED: June 28, 2005 – Policy number changed

REVISED: August 27, 2013 – Changed charitable to community in subject line, replaced “be a good corporate citizen in the communities we serve to “have concern for the communities we serve” in paragraph of section I, rewording of section II-A, deletion of II-B and renumbered II-C to II-B and increased \$300 to \$5000 and corrected committee name. Policy number change.

REVISED: November 25, 2014 – Title Changes-President/CEO to President and CEO

REVISED: January 24, 2017 – Added language to Section II. B.

REVISED: February 15, 2022 – Added new II.B to reference Delegation of Authority Manual.

REVISED: March 24, 2026 – Increase the contribution amount from \$5,000 to \$10,000. Replaced “Vice President of Marketing” to “Vice President of Member Services”.

COBB ELECTRIC MEMBERSHIP CORPORATION

POLICY NO. 708

I. SUBJECT: EXTRAORDINARY LARGE LOAD SERVICE AND MEMBER PROTECTION

II. OBJECTIVE

- A. This policy establishes the principles, approval requirements, and minimum protections Cobb EMC will apply when evaluating whether to serve an Extraordinary Large Load Customer.
- B. The objective is to protect existing members from cost shifting, stranded investment risk, reliability impacts, speculative development risk, and community-related project risk while allowing Cobb EMC to evaluate legitimate economic development opportunities in a disciplined, transparent manner.

III. PURPOSE

- A. Cobb EMC shall protect existing members from bearing costs or risks created by serving Extraordinary Large Load Customers.
- B. Cobb EMC shall preserve system reliability, safety, operational flexibility, and power quality for all members.
- C. Cobb EMC shall require disciplined due diligence and Board oversight before committing capacity, capital, or contractual obligations to any large-load project.
- D. Cobb EMC shall ensure that any service to an Extraordinary Large Load Customer is supported by enforceable contracts, sufficient financial assurances, and alignment with Cobb EMC's wholesale power, transmission, regulatory, and operational obligations.
- E. Cobb EMC shall ensure that speculative projects, incomplete sites, or projects facing material permitting or local opposition risk do not create unrecoverable cost exposure for the Cooperative.
- F. Cobb EMC recognizes that Extraordinary Large Load Customers may provide significant long-term benefits to the Cooperative and its members through improved utilization of the electric system, increased revenues, broader economic development, and enhanced financial strength. The Cooperative supports pursuing such opportunities when they can be structured in a manner that appropriately allocates project risks to the customer rather than existing members.
- G. Decisions regarding Extraordinary Large Load projects shall balance potential benefits against financial, operational, regulatory, strategic, and reputational risks.
- H. The objective of this policy is not to eliminate risk, but to ensure that risk is identified, evaluated, appropriately mitigated, and accepted only after informed management recommendation and Board consideration.

IV. SCOPE

- A. This policy applies to new service requests, expansions, or material changes in load characteristics that, in the judgment of management or the Board, could materially affect Cobb EMC's distribution facilities, substation capacity,

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- transmission needs, power supply obligations, member rates, or operational risk profile.
- B. This policy applies whether the project is described as a data center, colocation facility, cloud computing campus, artificial intelligence computing facility, cryptocurrency mining operation, advanced manufacturing site, or another high-density or operationally sensitive electric load.

V. DEFINITIONS

- A. Extraordinary Large Load Customer - any customer or project that meets one or more of the following criteria:
- 1) Requests a new or expanded load of 10 MW or greater at a single premise or related campus, including multiple related loads that management determines should be aggregated based on common ownership, development, location, electrical facilities, feeder impacts, or other relevant circumstances.
 - 2) Requires dedicated or materially upgraded substation, feeder, transmission, communications, protection, or reliability-related facilities.
 - 3) Causes Cobb EMC to incur capital expenditures above thresholds established by management and reviewed periodically by the Board.
 - 4) Requires special contractual terms, new power supply arrangements, transmission reservations, or operational protocols.
 - 5) Is determined by management to present material financial, reliability, reputational, legal, regulatory, operational, or community risk warranting review under this policy.
- B. Material Commitment. Any reservation of capacity, issuance of a binding service commitment, purchase of long-lead equipment, execution of a special contract, assumption of material expense, or any action exposing Cobb EMC or its members to non-routine cost or risk.
- C. Incremental Costs. All costs incurred to evaluate, plan, construct, reserve, maintain, finance, replace, retire, or otherwise support facilities, power supply, transmission, distribution, communications, protection, metering, control systems, legal work, permitting, or operational measures required solely or primarily because of the Extraordinary Large Load Customer.
- D. Stranded Costs. Any unrecovered or under-recovered costs incurred by Cobb EMC to serve an Extraordinary Large Load Customer that remain after cancellation, delay, downsizing, non-performance, curtailment, abandonment, bankruptcy, or early termination.
- E. Extraordinary Large Load Task Force (ELL Task Force). The internal cross-functional team designated by management to evaluate Extraordinary Large Load requests, including representatives from engineering, operations, power supply, finance, legal, rates, external affairs, member experience, and other disciplines as needed. The ELL Task Force shall maintain a documented evaluation of material project risks, recommended mitigation measures,

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required customer commitments, outstanding issues, and management recommendations prior to any Material Commitment.

VI. POLICY STATEMENT

- A. Cobb EMC will not serve an Extraordinary Large Load Customer unless management and, where Board approval is required under Section 8, the Board is satisfied that existing members will not be harmed from unreasonable cost, risk, and reliability impacts.
- B. Extraordinary Large Load Customers shall be responsible for all Incremental Costs and shall bear the financial consequences of project delay, redesigning, downsizing, suspension, or termination to the extent permitted by applicable law and contract.
- C. No Material Commitment shall be made until the required studies, due diligence, contractual protection, financial assurances, and approvals described in this policy have been completed or obtained at the appropriate stage.
- D. Cobb EMC may decline to serve, defer service to, phase service to, or condition service for any Extraordinary Large Load Customer if the project does not satisfy the requirements of this policy or if management determines, or where Board approval is required under Section 8 the Board determines, that the project is not in the best interests of Cobb EMC and its membership if such action is allowed by law.
- E. Cobb EMC will serve Extraordinary Large Load Customers only within its service area or within reasonable proximity to its service area to minimize distribution infrastructure upgrades.
- F. Extraordinary Large Load projects should provide a reasonable expectation of long-term member benefit through enhanced financial strength, improved utilization of Cooperative assets, economic development, reduced member cost pressures, or other strategic benefits consistent with Cobb EMC's mission.
- G. Except for preliminary screening, information gathering, and non-binding feasibility discussions, Cobb EMC shall not conduct a formal evaluation of an Extraordinary Large Load project until all required approvals from the appropriate local government body have been obtained. Such preliminary activities shall not constitute a commitment or guarantee of service.

VII. CORE MEMBER PROTECTION PRINCIPLES

- A. Reliability First. Cobb EMC shall preserve reliable service to existing members and may require phased energization, operational limitations, telemetry, power quality standards, backup generation coordination, or curtailment rights as conditions of service.
- B. No Cost Shifting. Existing members should not subsidize facilities, generation capacity, transmission service, distribution upgrades, reliability enhancements, or stranded costs caused by an Extraordinary Large Load Customer.
- C. No Speculative Capacity Reservation. Capacity will not be reserved indefinitely for speculative projects. Room in substations, feeders, power supply

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- arrangements, or transmission paths may be reserved only pursuant to approved procedures, deposits, milestones, and contract rights.
- D. Revenue Certainty and Credit Support. The customer must provide contract demand commitments, minimum billing, or minimum revenue protections if appropriate, and sufficient credit support to protect Cobb EMC from project failure or early departure.
 - E. Rate Adequacy. Extraordinary Large Load arrangements shall be structured to recover allocable and incremental costs and provide an appropriate contribution to the financial strength of the Cooperative.
 - F. Whole-of-Project Due Diligence. Cobb EMC will evaluate the project's electrical, financial, legal, permitting, siting, schedule, and community viability before making a Material Commitment.
 - G. Wholesale and Regulatory Alignment. Service must be consistent with Cobb EMC's wholesale power supply arrangements, transmission requirements, regional reliability obligations, applicable tariffs, and legal authority.
 - H. Community and Reputational Awareness. Because local opposition and permitting disputes can delay or stop large-load projects. Prior to any Material Commitment, Cobb EMC shall verify that the project has obtained all required governmental approvals. Prior to that time, Cobb EMC may conduct only preliminary screening, information gathering, or non-binding assessments to determine project viability.

VIII. REQUIRED EVALUATIONS PRIOR TO MATERIAL COMMITMENT

- A. Load characteristics and operational profiles, including maximum demand, expected load factor, ramp rates, redundancy design, backup generation, onsite storage, and sensitivity to outages or curtailment.
- B. Distribution, substation, transmission, protection, communications, metering, and control system impacts, including whether dedicated facilities are required.
- C. Power supply and capacity implications, including wholesale notice requirements, resource adequacy obligations, purchased power exposure, and any need for new capacity or contractual amendments.
- D. Management shall evaluate the potential effects of changing wholesale market conditions, including resource adequacy requirements, transmission availability, market design changes, capacity obligations, congestion, fuel market volatility, and other factors that could materially affect the Cooperative's long-term cost of serving the project.
- E. Financial analysis of projected revenues, costs, required capital, carrying costs, construction contingencies, operating costs, risk-adjusted recovery period, and downside scenarios.
- F. Credit review of the customer and any parent, guarantor, operator, or affiliate responsible for supporting the project.
- G. Management may consider additional indicators of project viability including:
- H. Demonstrated experience developing comparable facilities.
- I. Identity and financial strength of parent companies, affiliates, operators, or anchor tenants.

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- J. Evidence of financing commitments.
- K. Realistic construction schedule.
- L. Ownership structure.
- M. History of completing similar projects.
- N. Other information necessary to assess the likelihood that the project will proceed to successful completion.
- O. Site readiness and project viability, including verification that all required zoning, land-use, and governmental approvals have been obtained prior to final evaluation and any Material commitment.
- P. Legal and regulatory review, including rate treatment, contract structure, rights of curtailment, data-sharing, confidentiality, and compliance with applicable statutes, tariffs, and wholesale agreements.
- Q. Any public affairs, local government, or member communication considerations that could materially affect project timing, member perception, or cooperative risk.

Enterprise Risk Assessment

Prior to requesting Board approval of any material Commitment, management shall prepare a written risk assessment summarizing the principal risks associated with the proposed project along with the proposed mitigation measures for each material risk, including, as applicable:

- Customer creditworthiness
- Construction and schedule risk
- Site readiness
- Financing status
- Transmission availability
- Wholesale power supply impacts
- Capital recovery exposure
- Contractual protections
- Regulatory considerations
- Operational complexity
- Community and permitting risks
- Reputational considerations

IX. MINIMUM CUSTOMER REQUIREMENTS AND CONTRACT PROTECTIONS

A. Study Deposits and Cost Reimbursement

- 1) The customer shall fund all preliminary, engineering, legal, environmental, interconnection, financial, and power supply studies required by Cobb EMC, whether internal or external.
- 2) Cobb EMC may require non-refundable application fees, study deposits, and replenishment of deposits before commencing or continuing work.

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- 3) Cobb EMC may suspend evaluation if deposits are not maintained or if the customer fails to provide requested information in a timely manner.

B. Full Responsibility for Incremental Costs

- 1) The customer shall pay or reimburse all Incremental Costs associated with serving the project, including but not limited to facilities, engineering, permitting, system protection, communications, telemetry, metering, land rights, operational tools, and any upstream power supply or transmission costs assigned to or caused by the project.
- 2) Cobb EMC may require advance contributions in aid of construction, reimbursement agreements, milestone-based construction funding, or direct payment arrangements.
- 3) All estimated costs shall be subject to true-up after completion, and the customer shall remain responsible for overruns and change-order costs attributable to the project.

C. Long-Term Service Agreement

- 1) An Extraordinary Large Load Customer shall enter into a written service agreement, special contract, or other Board-approved binding instrument before Cobb EMC undertakes a Material Commitment.
- 2) The agreement should ordinarily contain an initial term sufficient to align with the capital recovery period and risk profile of the project; absent Board approval otherwise, a term of 10 to 15 years should be presumed for projects requiring material dedicated infrastructure or wholesale commitments.
- 3) The agreement may include phased energization schedules, milestone dates, rights to suspend work, and expiration of reserved capacity if milestones are missed.
- 4) Cobb EMC shall require that any service agreement, special contract, or other binding instrument be executed directly with the end-user Extraordinary Large Load Customer, and not with a land agent, site developer, broker, or similar intermediary. Exceptions may be granted only with the approval of the ELL Task Force and the Board.
- 5) The Cooperative may require prior notice and, where appropriate, Board approval of any material change in ownership, controlling interest, project operator, guarantor, or other change that materially alters the credit profile or operational characteristics of the project.

D. Minimum Billing, Demand, or Revenue Protection

- 1) Where appropriate, the customer shall commit to minimum billing demand, minimum annual revenue, take-or-pay obligations, contract demand, or other mechanisms to preserve revenue certainty and reduce stranded cost risk.
- 2) Service agreements should address sustained underutilization of reserved capacity, prolonged construction delays, phased development schedules, or

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failure to achieve committed load levels. Such provisions may include expiration of reserved capacity, revised construction schedules, minimum revenue obligations, or other contractual remedies designed to protect existing members.

- 3) The Board may approve alternative structures if management demonstrates that equivalent member protection is achieved through other means.

E. Credit Security

- 1) Cobb EMC shall require financial assurances sufficient to protect the Cooperative and its members from project-related financial risk. Cobb EMC may require the Extraordinary Large Load Customer to be solely responsible for providing any necessary credit support to upstream power supply, transmission, and fuel transportation providers, as applicable.
- 2) Cobb EMC may periodically reevaluate the customer's financial condition throughout construction and during the term of service. If management determines that the customer's financial condition has materially deteriorated or project risks have increased, Cobb EMC may require additional security or other commercially reasonable protections consistent with the applicable agreements.
- 3) Security requirements may be adjusted over time to reflect construction exposure, credit quality, milestone satisfaction, or changing market conditions.

F. Stranded Cost and Early Termination Protection

- 1) The customer shall reimburse Cobb EMC for Stranded Costs triggered by cancellation, delay, termination, load reduction, bankruptcy, default, or non-performance.
- 2) Agreements shall include clear calculation methodologies, survival provisions, remedies, and collection rights.
- 3) Cobb EMC shall negotiate off-ramp rights ensuring the customer is directly liable to wholesale suppliers for early termination caused by customer default.

G. Operational Protections

- 1) Service agreements may include operational requirements, curtailment rights, telemetry requirements, and other reliability protections.

H. Site and Community Viability Requirements

- 1) Cobb EMC may require evidence of site control, and all required governmental approvals. Progress toward approvals may be considered during preliminary screening; however, final evaluation and any Material

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Commitment shall require completion of all required governmental approvals.

- 2) If local opposition or permitting disputes create meaningful risk, Cobb EMC may require additional deposits, stronger milestones, or defer commitments.

I. Project Development Milestones

- 1) Extraordinary Large Load projects shall progress through defined evaluation stages established by management procedures. Advancement may require deposits, milestone achievement, updated financial review, or additional management approval.

X. APPROVAL AUTHORITY AND BOARD OVERSIGHT

- A. Management may receive inquiries, execute confidentiality agreements, collect application fees, or study deposits, and perform non-binding screening analyses under adopted procedures.
- B. The Director of External Affairs shall serve as the initial point of contact and gatekeeper for all Extraordinary Large Load inquiries. The EVP of Power Supply and Emerging Technologies and the Director of External Affairs shall make the initial determination whether an inquiry should be referred to the ELL Task Force or managed through Cobb EMC's normal commercial account process.
- C. Approval by the Board is required before Cobb EMC executes a binding service agreement for an Extraordinary Large Load Customer with a load of 50 MW or greater. Any load of less than 10 MW shall follow the normal commercial/industrial process unless management determines the project presents extraordinary risk. Any load of 10 MW or greater will require a mandatory ELL Task Force review, written enterprise risk assessment, and Board notification. Any load of 50 MW or greater requires Board approval before any binding service commitment that could materially affect rates, reliability, capital spending, power supply obligations, or member risk.
- D. The Board may establish portfolio risk limits, including limits related to customer concentration, aggregate commitments, financial exposure, capital commitments, and wholesale power obligations.
- E. In addition to evaluating each project individually, management shall evaluate the cumulative effect of all Extraordinary Large Load projects under study, contracted, under construction, and energized. No project shall be approved solely on a stand-alone basis if the resulting portfolio would create an unacceptable concentration of customer, affiliate, industry, technology, geographic, transmission, power supply, credit, construction, or stranded -cost exposure.
- F. The Board package for approval should include, at a minimum: project description; load profile; required facilities; financial analysis; downside case analysis; proposed rate or contract treatment; credit assessment; wholesale/transmission implications; permitting and community viability assessment; summary of key negotiated protections; summary risk matrix;

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remaining unresolved risks; alternative courses considered; sensitivity analysis; expected capital recovery period; portfolio exposure; and management's recommendation.

- G. Management shall keep the Board informed of material changes in project scope, schedule, cost, credit quality, or community/permitting risk after approval and before full energization.

XI. REQUIRED COMPANION AGREEMENTS, SCHEDULES, AND PROCEDURES

This Board policy is intended to operate together with more detailed management procedures and contract forms. At a minimum, Cobb EMC should maintain or develop implementation documents, which may be updated from time to time without amending this Board policy so long as they remain consistent with it. Examples of such documents include:

- A. Large Load Intake and Evaluation Procedure, including initial screening criteria, queue management, confidentiality protocols, required customer information, study triggers, milestone tracking, and internal approval workflow.
- B. Engineering / System Impact / Facilities Study Procedure, including study deposits, scope definitions, assumptions, model requirements, and expiration periods for study results.
- C. Power Supply and Transmission Coordination Procedure, including wholesale supplier notices, resource adequacy review, RSA or comparable wholesale contract review, transmission service implications, and escalation points for external approvals.
- D. Extraordinary Large Load Service Agreement or Special Contract form covering term, pricing or applicable tariff/rider, contract demand, minimum billing or revenue protection, milestones, default remedies, curtailment provisions, and confidentiality provisions.
- E. Facilities Extension, Advance Contribution, and Cost True-Up Agreement for dedicated or incremental facilities required to serve the project.
- F. Credit Support Agreement forms, including parent guaranty, letter of credit requirements, collateral provisions, and security release criteria.
- G. Operational Requirements and Communications Protocol covering telemetry, dispatch/curtailment contacts, outage coordination, backup generation coordination, protection settings, restoration sequencing, and power quality obligations.
- H. Real Estate, Easement, and Permitting Checklist covering site control, easements, rights-of-way, land acquisition responsibility, environmental review, and external permits.
- I. Member and Communications Procedure for projects that may generate substantial public interest or resident concern, including internal coordination on messaging, factual disclosures, and timing of outreach.
- J. Board Approval Memorandum Template and Risk Review Checklist to ensure consistent evaluation of financial, reliability, contractual, and reputational risks.
- K. Applicable retail tariff provisions, line extension policies, service regulations, and any Board-approved extraordinary-load rider or special rate schedule.

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XII. COMMUNITY AND MEMBER CONSIDERATIONS

- A. Cobb EMC recognizes that large-load projects may generate significant member questions or local concern regarding noise, land use, traffic, water demands, visual impacts, resilience, and electric system costs.
- B. While Cobb EMC does not control local zoning or land-use decisions, management shall evaluate whether unresolved local opposition or permitting barriers create project completion risk that could expose members to stranded costs or reputational harm.
- C. For projects with material public interest, management should prepare a member-focused explanation of how the proposed contract structure protects existing members from bearing the costs of the project.

XIII. REPORTING, EXCEPTIONS, AND REVIEW

- A. Management will provide a monthly report to the Board on the status of significant Extraordinary Large Load inquiries, major study activity, contract negotiations, and key risk issues, subject to confidentiality requirements.
- B. Management shall periodically report to the Board regarding the Cooperative's overall Extraordinary Large Load portfolio, including Total MW under study, total MW under contract, construction commitments, concentration by customer, concentration by industry, credit exposure, wholesale power obligations, major upcoming decision points, and emerging market or regulatory developments that could materially affect portfolio risk.
- C. Management shall report any significant deviation from approved project assumptions that could materially affect member risk, financial exposure, reliability, or contractual obligations.
- D. Any material exception to this policy must be approved by the Board and supported by written findings explaining why the exception remains in the best interests of Cobb EMC and its members.
- E. This policy shall be reviewed periodically, and at least every two years, to reflect changes in market conditions, wholesale obligations, technology, and legal or regulatory developments.

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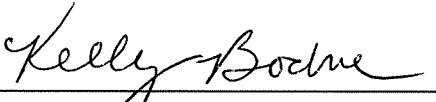
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APPENDIX A – BOARD DECISION CHECKLIST

Category	Questions the Board Should Expect Answered	Status / Notes
Member Protection	Will existing members remain insulated from the project's incremental and stranded costs?	
Reliability	Can Cobb EMC serve the load without degrading reliability or operational flexibility for other members?	
Power Supply	What wholesale power, capacity, or transmission commitments are required, and who bears those costs and risks?	
Facilities	What dedicated substations, feeders, communications, or protection systems are required, and who funds them?	
Revenue Security	What do minimum demand, minimum bill, term, and credit support protections apply?	
Project Viability	Does the customer have credible site control, permitting momentum, financing, and schedule discipline?	
Community Risk	Are there community or governmental issues that could delay or stop the project after Cobb EMC invests?	
Exit Risk	If the project load reduces, pauses, or goes away from projections, how are Cobb EMC and its members made whole?	
Strategic Alignment	Does the project support the Cooperative's long-term strategic objectives, financial goals, and system development plans while maintaining acceptable enterprise risk?	
Member Benefit	What measurable long-term benefits are expected for Cobb EMC members?	
Portfolio Exposure	How does this project affect overall extraordinary large load portfolio risk?	
Rate Adequacy	Are all allocable and incremental costs expected to be recovered?	

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Chair, Board of Directors

REVISION HISTORY:

ADOPTED: September 29, 2026