

Piedmont Electric Membership Corporation
Hillsborough, North Carolina
Annual Meeting of the Members
April 16, 2021
MINUTES

The 2021 Annual Meeting of the Members of Piedmont Electric Membership Corporation was held online pursuant to notice to the membership. Board Chair, Mr. Bill Barber, called the meeting to order. D. Michael Parker, counsel for the Cooperative, recorded the minutes for the Secretary, Mr. Sam Woods.

Mr. Barber called upon Mr. Parker, who read the official notice of the Annual Meeting of the Members, together with proof of due mailing thereof to all members of the Cooperative. Mr. Parker announced the existence of a quorum with a total of 1,133 members voting by either mail-in ballot or online voting with a minimum of 281 required for a quorum. Mr. Parker stated the minutes of the Annual Meeting held on April 17, 2020 as recorded by the Secretary were posted on the Cooperative's website and, receiving no comments, would stand approved. Mr. Parker introduced Steve Hamlin, President and General Manager for the Cooperative.

Mr. Steve Hamlin welcomed the members to the Annual Meeting of the Members of the Cooperative and thanked them for watching online. He discussed Piedmont's efforts to continue to provide excellent service to the membership while taking important precautions during the unprecedented COVID 19 pandemic. He reviewed the financial impact on accounts receivables during the crisis and the 23-week moratorium on disconnects. He explained the various measures Piedmont implemented to assist members with delinquent accounts such as applying the deposits, creating payment plans and cancelling some late fees. He noted the \$100,000 in potential assistance from the Piedmont Electric Helping Hand Foundation and encouraged members to sign up to round-up their power bills to assist the Foundation. He explained that Piedmont had closed the three offices to the walk-in public but kept the drive-throughs open in Hillsborough and Roxboro during normal business hours and in Caswell County on Wednesdays.

Mr. Hamlin reviewed the finances for 2020, noting Piedmont had \$3,522,483 in margins as compared to \$3,194,640 in 2019. He reviewed the way each dollar was spent with 52.7% used for the cost of wholesale power, 14% for operations and maintenance, 11.2% for depreciation, 7.5% for member services and account maintenance, 5.8% for interest on loans, 5.3% for member margins and 3.5% for administration expenses.

Mr. Hamlin explained the mix of fuel sources for energy both present and future, noting the decreasing reliance over time on coal as a source and the increasing use of renewable energy and natural gas. The mix will continue to use nuclear for about one-half of the energy needs. He also reviewed other significant costs such as depreciation of \$7,480,585 and interest expense of \$3,852,623 during 2020. Piedmont retired \$1,715,631 in capital credits for 2020, of which \$508,839 were estate retirements for deceased members and \$1,206,792 through a general retirement. The consolidated balance sheet shows the total assets at the end of 2020 were \$207,723,580.

Mr. Hamlin reviewed the accomplishments of 2020, noting Piedmont continued providing the excellent service members expect by delivering power 99.98% of the time, upgrading the system in a number of ways and doing so while keeping rates steady. Piedmont is now installing enhanced meters

in a pilot project that will ultimately provide better service through more reliable communications between each metered household and the cooperative and will provide better real time energy usage information so members have the opportunity to better manage their power use and their power costs.

Mr. Hamlin concluded by discussing the relationship between Piedmont and RiverStreet Networks in a joint effort to expand reliable broadband to the members, particularly in unserved and underserved areas. He showed a map of the wireless coverage either already implemented or under construction in Person County and explained their immediate plans for Caswell County. He encouraged members to sign in at joinbiuldPiedmnt.com to indicate their interest in high-speed internet in their area.

Mr. Hamlin concluded by thanking the membership for their support of the Cooperative and stated that Piedmont will continue to make every effort to serve the membership through excellent service while making all possible efforts to control costs. He then reintroduced Mr. Parker.

Mr. Parker announced the results of the balloting for each directorate district with an expiring term. Cy Vernon received 835 votes for District No. 3; Bill Barber received 827 votes for District No. 7; V. Kay Scurlock-Ferguson received 487 votes, Andy Oakley received 436 votes and John L. Greene received 174 votes for District 8. Thus, Cy Vernon in District No. 3; Bill Barber in District No. 7 and V. Kay Scurlock-Ferguson in District 8 were elected to serve as directors for their respective districts for a three-year term or until their successors are elected.

There being no further business to conduct, Mr. Parker declared the meeting adjourned. After the adjournment Susan Cashion, Vice-President, Compliance and Administrative Officer for the Cooperative announced the two winners of the \$100 bill credits from among those who submitted ballots.



Chairman

Attest:



Secretary

PEMC\annual meeting 2021