

**Piedmont Electric Membership Corporation**  
**Hillsborough, North Carolina**  
**Annual Meeting of the Members**  
**April 14, 2022**  
**MINUTES**

The 2022 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 welcomed the members participating virtually and noted the challenges of the past two years due to the COVID-19 pandemic. He thanked the staff for providing the membership with reliable and efficient service and thanked those members who voted in the election. He then 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 1084 members voting by either mail-in ballot or online voting with a minimum of 283 required for a quorum. Mr. Parker stated the minutes of the Annual Meeting held on April 16, 2021 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 and voting then thanked the staff for their service. He discussed how the COVID-19 pandemic had changed the operations at Piedmont. The lockdown caused some members to struggle to pay for electric service. Piedmont responded by a six-month moratorium on disconnections and late fees and made long-term arrangements to allow members to catch up on arrearages. Piedmont closed its lobbies to protect employees and the public and allowed employees who could do so to work remotely. Piedmont's Helping Hands Foundation contributed over \$150,000 to assist members with their electrical service.

Mr. Hamlin reviewed the finances for 2021, noting Piedmont had paid more than \$33 million for wholesale power and invested \$16.7 million in upgrades to the power grid. He explained that 49% of the wholesale power purchased by Piedmont is generated by nuclear, 27% by natural gas, 16% by coal and 8% by renewable energy. The future emphasis will be more on renewable energy and natural gas as the reliance on coal powered sources declines. This will allow Piedmont to progress toward its goal of net-zero carbon emissions by 2050. Piedmont had margins of approximately \$5.3 million for 2021 that will be returned in the future to the members as capital credits, noting Piedmont had returned \$1.3 million in capital credits in 2021 for the margins in 1994 and one-half of 1995. Piedmont's total net utility plant grew from about \$178 million to around \$185 million in 2021. He concluded the financial portion of his report by announcing no general rate increase for the next year.

Efforts to reduce costs while strengthening the power grid continue with a four-year work plan that will provide members with more information about their energy usage through a meter replacement program. These new meters will not only provide the member with more information, they will allow faster response to outages. After a successful pilot program, members will be notified by email and a postcard when the new meters are to be installed in their area.

Mr. Hamlin noted the increase in the number of members paying online resulting in a decrease in the office drive-thru hours to save on costs. Beginning July 1, the drive-thru in Hillsborough and in Roxboro will be open Tuesday through Thursday with the Caswell office drive-thru remaining open on Wednesdays.

Mr. Hamlin discussed the partnership with RiverStreet Networks to bring broadband to Person County. He noted Rural Digital Opportunity Fund grants were awarded to Charter Communications and SpaceX but, unfortunately RiverStreet did not receive any of these grants. Piedmont will work with the companies receiving the grants through pole attachments to expand broadband into the service areas the grants covered.

Mr. Hamlin then noted “the good, the bad and the ugly.” For the good, he noted the members have a strong connection to the logo and like being part of a cooperative. One benefit of the pandemic is staff has taken advantage of many training opportunities offered remotely to stay up to date on industry trends. But the bad is that inflation has risen resulting in heavy increases in the capital costs of items such from gas to poles to transformers that are a necessary part of electric service. The ugly is that supply chain delays increase costs and slow delivery of items need for infrastructure such as transformers and meters.

Mr. Hamlin concluded by thanking the membership for their continued support of the Cooperative as we work together to build a wonderful community to live, work and raise a family. He then reintroduced Mr. Parker.

Mr. Parker announced the results of the balloting for each directorate district with an expiring term. Stephen C. Long received 889 votes for District No. 4; Elizabeth (Beth) Townsend received 875 votes for District No. 6; Richal Vanhook received 588 votes and Thomas S. Warren, Jr. received 436 votes for District 9. Thus, Stephen C. Long in District No. 4; Elizabeth (Beth) Townsend in District No. 6 and Richal Vanhook in District 9 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 Lisa Kennedy, Vice-President t of Financial Services, for the Cooperative announced the two winners of the \$100 bill credits from among those who submitted ballots.

  
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Chairman

Attest:

  
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Secretary