

**Piedmont Electric Membership Corporation**  
**Hillsborough, North Carolina**  
**Board of Directors Meeting**  
**March 18, 2024**  
**SUMMARY MINUTES**

The regular meeting of the Board of Directors of Piedmont Electric Membership Corporation was held at 3:00 p.m. on March 18, 2024 pursuant to notice of date and time of said meeting at the headquarters of the Cooperative in Hillsborough, North Carolina.

The following members of the Board were present: Randy Kinley, Cy Vernon, Steven Bailey, David Poythress, V. Kay Scurlock-Ferguson, Richal Vanhook, Steve Long, Darren Chalk and Jimmy Thomas. Also present in person were Steve Hamlin, President and General Manager, Larry Hopkins, Vice-President of Engineering, Susan Cashion, Vice-President – Compliance and Administrative Officer, Angie Jones, Manager of Human Resources, Brandon Reed, Manager of Member Services & Public Relations, Ed Durham, Manager of Energy Services, Mike Parker, Attorney, and Scott Rowland, Manager of Information Technology. Participating via TEAMS were the following staff members: Lisa Kennedy, Vice-President of Financial Services, Leslie Brooks, Supervisor of Financial Accounting, Robert Riley Vice-President of Operations and Steve Jones, General Plant Supervisor. Also present were Russ Rountree and Jake Morris of the accounting firm of McNair, McLemore, Middlebrooks & Co and Stephanie Beauregard of Booth & Associates, LLC.

Mr. Kinley, Chair, called the meeting to Order and offered an invocation.

1. Mr. Kinley recognized Ms. Scurlock-Ferguson for completing the Board Leadership Program.
2. Upon motion and second the Board approved the minutes from the February 19, 2024 meeting.
3. Upon motion and second the Board approved the summary minutes from the February 19, 2024 meeting.
4. Upon motion and second the Board approved the Monthly Safety Report. There was one accident but no injuries.
5. Mr. Russ Rountree, CPA of the accounting firm of McNair, McLemore introduced Mr.

Morris, CPA who presented the 2023 annual audit report for the Cooperative. He reviewed the generally accepted auditing standards, noting that it was “clean audit” with no major issues, exceptions or audit adjustments. He reviewed the RUS mortgage covenants related to Form 7. He reported there were no audit adjustments and no disagreements with management. Their firm is working on completing the Form 990. The Board met in executive session with Mr. Morris and Mr. Rountree beginning at 3:25 pm and ending at 3:40 pm and Mr. Morris and Mr. Rountree were then excused.

6. Ms. Beauregard discussed the process for a cost-of-service and rate design study. The reasons for the study are to determine what it costs to serve a class of consumers to determine what to charge and to avoid discrimination between classes of consumers. The rate design is based on the cost-of-service study. Ms. Beauregard then presented the recommended 2024 rate updates which are scheduled to take effect on May 1, 2024. Upon motion and second the Board approved the recommended changes effective May 1, 2024. Ms. Beauregard was then excused from the meeting at 4:15 p.m.

7. The Manager of Member Services & Public Relations:

a. Gave a political update.

b. Reported on a couple of member comments related to a power restoration that took about five hours after a tree fell on the line.

c. Discussed the proposed position of Member Relations Specialist. Upon motion and second the Board approved creating the position of Member Service Specialist.

8. The Vice-President of Operations gave the operations update.

9. The General Plant Supervisor reported that a number of co-op vehicles are driven home by employees. Piedmont has four spare vehicles. The General Plant Supervisor plans to reduce the vehicle inventory by four vehicles.

10. The Vice-President of Engineering:

Reported that the mobile transformer will be utilized in May to serve Thermo Fisher.

a. He also reported that the use of the inspection waiver and indemnity form began with only a few complaints.

11. The Vice-President – Compliance and Administrative Officer presented the Rural Economic Development Loan and Grant (“REDLG”) Program update.

12. The Vice-President of Financial Services asked the Board:

a. To request approval of the North Carolina REA for an AR45 RUS loan of \$72 million. Upon motion and second, the Board approved requesting North Carolina REA approval of the RUS AR45 loan of \$72 million.

b. Then presented the Financial Report for February 2024.

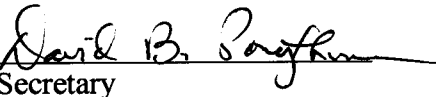
c. Then presented the Wholesale Power Cost Adjustment for February 2024. The calculated April 2024 retail WPTA charge related to power cost is \$0.01044; the calculated WPTA charge related to the coal ash clean-up is \$0.00189; the calculated WPTA related to TIER adjustment is \$0.00931 resulting in a net calculated WPTA charge for April 2024 of \$0.02164.


13. The President and General Manager reported that the independent cooperatives have a meeting scheduled with Duke Energy for May 1 to discuss wholesale power supply.

The staff was excused at 6:25 for an executive session that ended at 6:45 p.m.

Mr. Kinley declared the meeting adjourned at 6:45 p.m. since there was no further business to come before the Board.

Attest:

  
Secretary

  
Chair