

Piedmont Electric Membership Corporation
Hillsborough, North Carolina
Board of Directors Meeting
July 15, 2024
SUMMARY MINUTES

The regular meeting of the Board of Directors of Piedmont Electric Membership Corporation was held at 3:00 p.m. on July 15, 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, Richal Vanhook, V. Kay Scurlock-Ferguson, Steve Long, Darren Chalk and Jimmy Thomas. Also present in person were Steve Hamlin, President and General Manager; Jordan Overbee, the incoming President and General Manager; Susan Cashion, Vice-President, Compliance and Administrative Officer; Mike Parker, Attorney; Ed Durham, Manager of Energy Services; Brandon Reed, Manager of Member Services and Public Relations and Scott Rowland, Manager of Information Technology. Participating via TEAMS were Larry Hopkins, Vice President of Engineering; Lisa Kennedy, Vice President of Financial Services and Robert Riley, Vice-President of Operations.

Mr. Kinley welcomed Mr. Overbee to Piedmont, called the meeting to order and offered an invocation.

1. Mr. Kinley recognized Ms. Scurlock-Ferguson for achieving Director Gold status.
2. The Board approved the minutes and summary minutes from the June 17, 2024 meeting.
3. Upon motion, the Board approved the Monthly Safety Report. There was one incident during the month when a vehicle was left in gear and rolled into a bucket truck, fortunately, no one was injured. The Board inquired about several items shown on the Safety Improvement Plan and expressed concerns over the number of accidents, even if they were all relatively minor.
4. The Vice President of Operations gave the operations report informing the Board of some unusual outages during the previous month. A double circuit pole broke behind the public works building in Carrboro in a difficult location to access and caused a number of outages. A Duke Energy line broke and contacted a Piedmont line causing

about 600 outages. He noted that contract crews were assisting with power restoration in Texas from Hurricane Beryl.

5. The Vice President of Engineering presented the 2024 load forecast for the period 2024 through 2043. He noted that RUS no longer requires a 20-year long range plan. The load forecast anticipates total consumer growth of 0.51% by 2043 to a total of 40,402 members with annual sales increasing 1.15% with a 147-megawatt peak load in the summer of 2043 and 156-megawatt peak load in the winter of 2043. Upon motion, the Board adopted the resolution approving the Load Forecast for the period 2024 through 2043.
6. The Vice President of Engineering responded to an inquiry about the efficiency of solar panels, noting to do an accurate measure would require control conditions. He explained the solar fields Piedmont has in Roxboro and Caswell do not cost Piedmont anything since they belong to NCEMC and Piedmont has a Power Purchase Agreement for the energy they produce.
7. The Vice President of Engineering discussed the Laws Tower Piedmont owns just inside Orange County near the southwest corner of Person County. It was previously owned by NCEMC but was sold to Piedmont as a part of Piedmont's transition to an independent member. It was constructed for load control communications but is no longer used by Piedmont for either load control or for SCADA since all Piedmont substations now have fiber communications. It is essentially supported by guy wires which is why the lot is shaped somewhat like a funnel. The cost would be substantial to upgrade it for any purpose useful to Piedmont. Currently, the only use of it is by the North Carolina Highway Patrol for communications; they have constructed a small brick building on the site. Mr. Hopkins inquired if the Board might be interested in conveying it to the Highway Patrol for a nominal sum to save Piedmont several thousand dollars in annual upkeep. After discussion, upon motion, the Board voted to have the site appraised and then decide whether to offer to sell it to the Highway Patrol.
8. The Vice President of Engineering reported the survey for the proposed West Ten substation is finished and has been given to the property owner for his approval.

9. The Manager of IT presented the IT and Cybersecurity Report for the 2nd quarter of 2024. Of the total 424,709 emails received for the quarter, 32,107 were blocked at the edge, 83 were malware, 2,736 were phishing, 13,295 were spam, 3,821 were deleted by zero-hour auto purge and 372,667 were delivered. He noted there were no failures in the one KnowBe4 Phishing campaign conducted in April, two failures in the one campaign conducted in May and no failures in the one June campaign.
10. The Manager of IT gave a fiber update, noting that, after reviewing the practice of other cooperatives, he recommends continuing to have repairs done by contractors rather than employing someone in-house to do repairs. Piedmont sent Request for Proposals to a number of contractors in a search for a new contractor to do fiber repairs and hopes to select one by the end of July. The fiber ring was added to the Eubanks substation on July 8th. Fiber was discovered lying in a pond near Red Valley Road in Rougemont. No fiber was broken, but the steel strand that the fiber is lashed to was broken. There was squirrel damage near Laurel Springs Drive in Chapel Hill and a splice canister was discovered on the ground near Roxboro Road in Rougemont. Upcoming projects include moving the fiber underground on Dairyland Road, eastern and western side dark fiber maintenance and installation of new fiber at the Hillsborough office.
11. The Vice-President, Compliance and Administrative Officer reported that there are no new Rural Electric Development Loan and Grant (“REDLG”) requests although there was an inquiry from the Bahama Fire Department. There is funding available through the revolving fund and funds available for loans under the 5% cap. The Orange Rural and White Cross Fire Department’s loan requests have been submitted to USDA. The title issues for the Person County ambulances financed through a REDLG loan are now resolved. The Efland Volunteer Fire Company hopes to complete construction on their building and close their REDLG loan in August.
12. The Manager of Energy Services discussed the Community Solar program with the Board. It allows Piedmont members to subscribe to energy produced by the solar panels in the solar fields at the Roxboro and Caswell office sites and avoid the cost of home installation. It also allows renters and members with less than optimal solar exposure to sign up for solar and support renewable energy at a more affordable price.

Piedmont and NCEMC have a 20-year Power Purchase Agreement for the solar energy produced that began in 2015. Currently, 142 active members have subscribed to 1,533 panels so there are 321 panels remaining. The panels are owned by NCEMC and they pay annual rent to Piedmont for the space occupied by the solar panels. Piedmont advertises lease availability of the panels to the membership three times each year. NCEMC has a contractor who remotely monitors the system for problems, makes repairs and washes the panels yearly. The pros and cons of additional panels was discussed; currently only 83% of the available panels are leased. The pros are the low cost to members and it allows members who lease or have limited solar exposure to participate and the cons are: is there a willingness of NCEMC to add more panels, the avoided cost changes over time, the availability of grants, a lack of land space, changes and improvements in solar technology.

13. The Manager of Member Services answered questions that arose at the previous Board meeting regarding Survey and Balloting, the entity that conducts the director elections.
14. The Vice President of Financial Services presented the Financial Report for June 2024. Piedmont experienced 354 normal degree days and 482 actual degree days for a monthly variance of 128 and a cumulative variance of -265 or -6.89%.

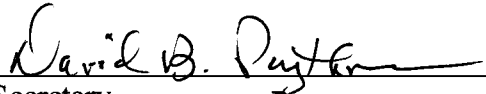
The staff was excused at 4:30 p.m. for an executive session that ended at 6:00 p.m.

Ms. Kennedy requested that the Board adopt a resolution to grant check signing authority to Mr. Overbee. Upon motion, the Board approved a resolution to grant check writing signing authority to Mr. Overbee.

There being no further business to conduct, Mr. Kinley declared the meeting adjourned at 6:05 p.m.


Chair

Attest:


Secretary