

**Piedmont Electric Membership Corporation
Hillsborough, North Carolina
Board of Directors Meeting
September 16, 2024
SUMMARY MINUTES**

The regular meeting of the Board of Directors of Piedmont Electric Membership Corporation was held at 3:00 p.m. on September 16, 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 Jordan Overbee, President and General Manager; Susan Cashion, Vice-President, Compliance and Administrative Officer; Mike Parker, Attorney; and Scott Rowland, Manager of Information Technology. Angela Cheek, Supervisor Payroll joined the meeting at 3:30 p.m. Participating via TEAMS were Robert Riley, Vice-President of Operations and Lisa Kennedy, Vice-President, Financial Services who joined the meeting at 5:00 p.m.

Mr. Kinley called the meeting to order and offered an invocation.

1. Upon motion and second, the Board approved the minutes from the August 19, 2024 Board meeting.
2. Upon motion and second, the Board approved the summary minutes from the August 19, 2024 Board meeting.
3. Upon motion and second, the Board unanimously approved the Monthly Safety Report. The President & General Manager explained the new format to the Board, noting "DART" stands for days away from work restricted. There were no new accidents to report.
4. The VP of Operations gave the operations report, informing the Board that Piedmont connected 35 new services. Lewis Tree has trimmed 290 miles of right of way and still plans on finishing the 2024 work timely. There was an outage in Treyburn that affected 74 members from a contractor that bored into a three-phase line. When it was repaired, another place was discovered where they had bored into the line. Fortunately, no one was injured when Piedmont reenergized the line after the first repair.

5. The IT Manager presented a Fiber Maintenance Contract with River City prepared by ECC Technologies. The Contract specifies that they have four hours to respond to a needed repair and eight hours to repair except under extraordinary conditions. Upon motion and second, the Board voted to approve the Contract and authorized the President & General Manager to execute it on behalf of Piedmont.
6. The VP Compliance and Administrative Officer reported that there are no new Rural Electric Development Loan and Grant (“REDLG”) requests. The Efland Volunteer Fire Department loan closed, and they will have an Open House on September 25 at 2:00 p.m. The Orange Rural and the White Cross fire department loans are still pending. The Bethel Hill Community School and Roxboro-Person County loans should close soon.
7. The President & General Manager and the VP Compliance and Administrative Officer met with the new Caswell County Manager.
8. The Supervisor of Payroll discussed the benefits package for Piedmont employees. Upon motion and second, the Board voted on a benefits package and personal time off.
9. The VP of Financial Services joined the meeting via TEAM at 5:00 and presented the financials for August 2024.
 - a. Piedmont experienced 428 normal degree days and 459 actual degree days for a monthly variance of 31 and a cumulative variance of -161 or -2.02%. August 2024 margins were approximately \$300,000 as compared to August 2023 margins of approximately \$1,000,000. The year-to-date margins are approximately \$2,600,000 compared to 2023 year-to-date margins of approximately \$2,200,000 and margins anticipated by the budget of approximately \$300,000. The total utility plant is approximately \$309,200,000, the net utility plant is approximately \$205,800,000 and the total assets are approximately \$236,200,000. Equity is 32.83% as compared to 2023 year-end equity of 31.88%. Piedmont connected 307 new services to date in 2024 as compared to 427 new services connected to date in 2023 and has 34,541 net services in place compared to 34,179 net services to date in 2023. Piedmont added 8.35 miles of line to date in 2024 and now has a total of 3,675.23 miles of line.
 - b. The VP of Financial Services discussed the general retirement of capital credits. If the Board retires 1997, the equity ratio will be approximately 32.37, a reduction

of approximately .5%, and will keep equity above the target goal of 32%. Upon motion and second, the Board voted to retire all remaining capital credits from 1997.

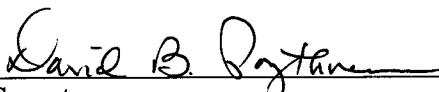
- c. The VP of Financial Services presented the Wholesale Power Cost Adjustment for August 2024. The calculated October 2024 retail wholesale power cost adjustment related to power cost is (0.00513); the calculated wholesale power cost adjustment related to the coal ash clean-up is 0.00349, resulting in a net calculate wholesale power cost adjustment charge for October 2024 of (0.00164).
10. The President & General Manager continues working with Enervision on power supply and informed the Board of an upcoming meeting with Duke Energy to discuss a proposal to purchase a block of wholesale power from the market.
11. The President & General Manager informed the Board that NCEMC will pay Touchstone Energy to use its brand in 2025. Piedmont can opt to discontinue it in 2025 but will have to change its signage. Cooperative Insights can offer the survey services Piedmont now gets from Touchstone. Staff will explore other options as well for the survey services.

The staff was excused at 5:25 p.m. for an executive session that ended at 5:45 p.m.

There being no further business to conduct, Mr. Kinley declared the meeting adjourned at 5:45 p.m.


Chair

Attest:


Secretary