

**Piedmont Electric Membership Corporation  
Hillsborough, North Carolina  
Board of Directors Meeting  
November 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 November 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, Richal Vanhook, V. Kay Scurlock-Ferguson, Steve Long, Darren Chalk and Jimmy Thomas. Also present were Jordan Overbee, President and General Manager; Susan Cashion, Vice-President, Compliance and Administrative Officer; Larry Hopkins, Vice-President of Engineering; Mike Parker and C.P. Stewart, Attorneys; Scott Rowland, Manager of Information Technology; Robert Riley, Vice-President of Operations and Lisa Kennedy, Vice-President of Financial Services.

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

1. Upon motion and second the Board approved the minutes from the October 21, 2024 Board meeting.
2. Upon motion and second the Board approved the summary minutes from the October 21, 2024 Board meeting.
3. Upon motion and second the Board unanimously approved the Monthly Safety Report.
4. The VP of Operations gave the operations report, informing the Board that Piedmont connected 47 new services; 39 out of the Hillsborough office and 8 out of the Roxboro office. The Piedmont line technicians have returned from western North Carolina where they assisted with power restoration from Hurricane Helene. Six companies submitted bids for the overhead and underground service installation work. The Safety Coordinator, is training to become a Certified Loss Control Professional.
5. The VP of Operations informed the Board that a total of between 150 and 200 miles scheduled to be trimmed this year will likely not be trimmed by Lewis Tree Company. Piedmont gave notice of enforcement of the liquidated damages clause in their Contract.
6. The VP of Engineering reported the Board approval for the new substation site at Buckhorn but there was a misunderstanding about the acreage. The Seller agreed to split

the difference; he asked the Board to approve the change. Upon motion and second the Board approved the purchase price for the 5.7 acre parcel.

7. The VP of Engineering gave the monthly outage report, noting Piedmont had a total of 43 outages for 3,466 hours impacting 1,873 members. This a little higher than 2023 but less than 2022. The Board asked if they could see a graph comparing the last several years.
8. The VP of Engineering announced the Mebane-Oaks transformer should be here in the next couple of weeks.
9. The VP of Compliance and Administrative Officer informed the Board they need to re-appoint the members of the Piedmont Electric Helping Hands Foundation, however two members asked that they not be reappointed. The Board requested that the Foundation Board be discussed in executive session.
10. The VP of Compliance and Administrative Officer gave the report on the Rural Electric Development Loan and Grant (“REDLG”) loans.
  - a. The Prospect Hill Volunteer Fire Department has requested a loan to purchase a new fire truck in January 2027. Upon motion and second the Board approved the loan to the Prospect Hill Volunteer Fire Department.
  - b. The Cornwall Volunteer Fire Department has requested a loan purchase a fire truck with the funds needed by November 2027. Upon motion and second the Board approved a loan to the Cornwall Volunteer Fire Department for this fire truck.
  - c. Both the Prospect Hill Volunteer Fire Department loan and the Cornwall Volunteer Fire Department loan will be funded by loans from the USDA and appropriate resolutions for each loan were presented and signed.
11. The President and General Manager informed the Board that the new Vice President of Corporate Compliance will be at the December Board meeting.
12. The President and General Manager discussed the results of the employee survey. Both Piedmont and Cooperative Services Center (“CSC”) employees were surveyed.
13. The President and General Manager reviewed the 2025 goals.

The Board requested the 2024 goals to compare with these goals for 2025.
14. The decision to open the drive-through service to members on Mondays and Fridays in Hillsborough and Roxboro has received positive reviews.


15. The VP of Financial Services presented the financials for October 2024.

- a. Piedmont experienced 215 normal degree days and 188 actual degree days for a monthly variance of -27 and a cumulative variance of -159 or -1.54. Included in “other income” for the month was a distribution from Diversified Energy. Year to date kWh billed are approximately 431,100,000 as compared to the budget of 427,100,000 and the kWh billed net of the unbilled kWh are 422,500,00 for a variance from the budget of -1.08%. Piedmont connected 375 new services to date in 2024 as compared to 453 new services connected to date in 2023 and has 34,586 net services in place compared to 34,228 net services to date in 2023. Piedmont added 13.47 miles of line to date in 2024 and now has a total of 3,680.35 miles of line.
- b. The VP of Financial Services presented the Wholesale Power Cost Adjustment for October 2024. The calculated December 2024 retail wholesale power cost adjustment related to power cost is (\$0.00184); 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 December 2024 of \$0.00165.
- c. The VP of Financial Services discussed the costs associated with the use of credit cards and debit cards. She surveyed 9 cooperatives and only one is now charging a fee. The positive for charging a fee is it reduces cost but the negative is that it decreases customer satisfaction. After discussion, the Board requested that staff consider taking only debit cards and bank drafts for all new accounts.
- d. The VP of Financial Services presented the AR 45 Work Orders for July and August 2024. Upon motion and second the Board unanimously approved the July and August 2024 Work Orders.
- e. The VP of Financial Services reviewed the proposed 2025 budget. It is based on the following assumptions: 0.8% projected growth of kWh sales; 392 new consumers added during the year; a wholesale power cost base of 0.72663 and actual of 0.07383; line loss of 5.5%; no rate increase. No new staff is expected to be added during the year and no across the board pay increase. The T.I.E.R would be 1.30 (the RUS minimum required T.I.E.R is 1.25). The Cash T.I.E.R. is

anticipated to be 1.23 and the MDSC is anticipated to be 0.00 (RUS Minimum is 1.35). There are no "place holders" in the budget; what is in the budget is what Piedmont intends to spend in 2025.

Staff was excused for an executive session that began at 5:10 p.m. and ended at 6:20 p.m.

There being no further business to conduct, Mr. Kinley declared the meeting adjourned at 6:20 p.m.

  
Chair

Attest:

  
Secretary

PEMC Minutes 11/18/24