

**Piedmont Electric Membership Corporation
Hillsborough, North Carolina
Board of Directors Meeting
March 17, 2025
SUMMARY MINUTES**

The regular meeting of the Board of Directors of Piedmont Electric Membership Corporation was held at 3:00 p.m. on March 17, 2025 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, Steven Bailey, David Poythress, Richal Vanhook, V. Kay Scurlock-Ferguson, Steve Long, Darren Chalk and Cy Vernon with Jimmy Thomas participating via TEAMS. Also present were Jordan Overbee, President and General Manager; Sarah Bohlin, Vice President of Corporate Services; Lisa Kennedy, Vice-President of Financial Services; Jarrod Kilgore, Vice President of Engineering and Operations; Mike Parker and C.P. Stewart, Attorneys; Russ Roundtree of the accounting firm of McNair, McLemore, Middlebrooks & Co and Stephanie Beauregard of Booth & Associates, LLC.

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

1. Upon motion and second, the Board approved the minutes from the February 17, 2025 Board meeting.
2. Upon motion and second, the Board approved the summary minutes from the February 17, 2025, Board meeting.
3. Piedmont's attorney presented Resolutions for the AR-45 RUS loan. Upon motion and second, the Board approved the Resolutions for the AR-45 RUS loan.
4. Russ Roundtree presented the 2024 annual audit report for the Cooperative. He noted that it was "clean audit" with no major issues, exceptions or audit adjustments. He reviewed the engagement responsibilities and the timeline for the audit process. He then discussed the financial portions of the audit, comparing 2023 with 2024 results for assets, member equity and liabilities. He reviewed highlights from the balance sheet and compared operating expenses for 2023 and 2024. He discussed kWh purchased and sold and the total cost of service per consumer. He reminded the Board of the minimum requirements in the mortgage covenants. Finally, he reviewed the significant disclosures in the audit notes, changes in disclosures, the significant accounting estimates and audit risks and noted there were no significant audit adjustments or disagreements with management.

5. The Board excused staff and met in executive session with Russ Roundtree beginning at 3:30 p.m. and ending at 3:41 p.m. Russ Roundtree was excused at 3:41 p.m.
6. Stephanie Beauregard discussed the proposed rate change for 2025.
 - a. She noted that the Service Rules and Regulations were last updated in 2017 so she recommends updates including updated costs for member service.
 - b. She presented redline drafts and “clean” drafts of these proposed rates and of the draft Service Rules and Regulations.
 - c. She was excused from the meeting at 4:15 p.m.
7. The Senior Energy Services Specialist, joined the meeting at 4:15 p.m. to discuss changes to the heat pump rebate program. He reviewed what other cooperatives and Duke Energy are doing through rebates. He recommends adjusting the rebate program.
8. Upon motion and second, the Board approved the proposed rate changes.
9. Upon motion and second, the Board approved the revised Service Rules and Regulations.
10. The President & General Manager gave the President’s report.
 - a. The legislative rally was successful with positive feedback from the legislators on protecting utility workers, economic development and some relief from the 2030 energy requirements.
 - b. He noted NCEMC has assumed compliance training for NERC and reporting for Piedmont to NERC and FERC.
 - c. Piedmont is working with Enervision and the Ferguson group on future grants and have projects prepared for future federal funding.
 - d. Cooperative Services Center, Inc. held its quarterly Board meeting; he requested policy manuals be written with a review and update of the bylaws.
 - e. The President & General Manager noted that Duke Energy held its Carolina Resource Plan meeting on March 13 and continues to improve its resource planning and is working on legislative changes.
 - f. Sales of kWh for February 2025 were 59,362,720 and 2025 year-to-date are 119,119,386 kWh as compared to February 2024 sales of 50,804,019 kWh and 2024 year-to-date of 104,660,500. Piedmont installed 42 new services in February and has installed 84 new services in 2025 compared to 81 year-to-date in 2024.

11. The VP of Corporate Services presented the Monthly Safety Report, noting one accident that was not the fault of the Piedmont employee. Upon motion and second, the Board approved the Monthly Safety Report.
12. The VP of Engineering & Operations updated the Board on right-of-way clearing with 68 miles completed and 446 remaining, a little behind schedule. A number of members have reported danger trees as a result of an article in Carolina Country. He presented the monthly outage report showing 70 outages for a total consumer hours of 4009.95 hours, a SAIDI of 6.93 minutes, and a CADI of 108.3 minutes. The Board requested that he add a causation line for power supply interruption.
13. The Safety Coordinator, joined the meeting at 5:15 p.m.
 - a. He explained the Rural Electric Safety Achievement Program (“RESAP”). The five parts of RESAP are Leadership commitment, safety health check, annual performance measures, safety on-site inspections and a safety improvement plan. Initiatives completed in 2024 included pole prop cradle, training field enhancements, revision of the employee safety manual and quarterly tool inspections. Initiatives planned in 2025 include use of Piedmont experts to complete annual training, build a near-miss platform with open communication, revision of the emergency action plan, an annual safety day, advanced technology resources and implementation of online training to increase safety awareness and revamping the safety incentive program. The worker compensation experience modifier is 1.28.
 - b. Piedmont has 77 vehicles that were driven a total of 1,161,286 miles. There were eight vehicular accidents in 2024 but only two were the fault of Piedmont employees.
 - c. The Safety Day is April 23, 2025 at the Roxboro office.
 - d. The Safety Coordinator was excused at 5:45 p.m.
14. The Manager of Member Services and Public Relations joined the meeting at 5:45 to review the consumer satisfaction survey for the 4th quarter of 2024. The overall customer satisfaction for the quarter was 87%. He reviewed trends for consumer satisfaction with transactional matters, right-of-way, new service, call center, drive-thru and online services.

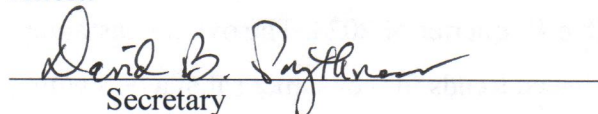
15. The Manager of Member Services and Public Relations discussed the election process and the Annual Meeting scheduled for April 16 at 5:00 p.m. He was excused at 6:05 p.m.
16. The VP of Corporate Services gave the report on the Rural Electric Development Loan and Grant (“REDLG”) loans. There is funding available through the revolving fund and for loans. There were no new loan requests but the USDA has approved the Swepsonville Volunteer Fire Department loan request.
17. The VP of Corporate Services reported on the grants approved by the Board Piedmont Electric Helping Hands Foundation at its February meeting including money for line technician training scholarships. She informed the Board of several upcoming events including Lineman Appreciation Day, Safety Day and Employee Appreciation Day.
18. The VP of Corporate Services informed the Board that Leigh Taylor of NRECA is available to do a post search leadership workshop on June 4. Upon motion and second, by the Board voted to book Ms. Taylor for the workshop on June 4.
19. The VP of Financial Services presented the unaudited financials for February, 2025. Piedmont experienced 562 normal degree days and 474 actual degree days for a monthly variance of -88 and a cumulative variance of 7 or 0.55%. Piedmont connected 84 new services in 2025 as compared to 81 new services connected year-to-date in 2024 and has 34,712 net services in place compared to 34,344 net services year-to-date in 2024. Piedmont added 5.11 miles of line in 2025 and now has a total of 3,689.49 miles of line.
20. The VP of Financial Services presented the Wholesale Power Cost Adjustment for February 2025.

Staff were excused for an executive session that began at 6:20 p.m. and ended at 6:35 p.m.

There being no further business to conduct, Mr. Kinley declared the meeting adjourned at 6:35 p.m.


Chair

Attest:


Secretary