

**Piedmont Electric Membership Corporation  
Hillsborough, North Carolina  
Board of Directors Meeting  
September 15, 2025  
SUMMARY MINUTES**

The regular meeting of the Board of Directors of Piedmont Electric Membership Corporation was held at 3:00 pm on September 15, 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, Kim Woods, V. Kay Scurlock-Ferguson, Darren Chalk, Cy Vernon, Jimmy Thomas, and Steve Long. Also present were Jordan Overbee, President and General Manager; Sarah Bohlin, Vice President of Corporate Services; Jarrod Kilgore, Vice President of Engineering and Operations; Lisa Kennedy, Vice President of Financial Services; and Mike Parker and C. P. Stewart, Attorneys.

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

1. Upon motion and second, the Board approved the minutes from the August 18, 2025, Board meeting.
2. Upon motion and second, the Board approved the summary minutes from the August 18, 2025, meeting.
3. Chris Berry, Safety Coordinator, joined the meeting at 3:05 and introduced Becky Alston, Director of Job Training and Safety with NCEMC, who joined the meeting virtually to inform the Board of the findings of the Rural Electric Safety Achievement Program (“RESAP”) inspection. The program is designed to continuously improve safety across all areas in the Cooperative using standards that exceed the minimum requirements of OSHA. The inspection itself is a surprise visit aimed at assessing operations on a typical day. Ms. Alston informed the Board that employee incidents have dropped significantly since 2020 even though Piedmont employees drove more than 1.1 million work related miles in 2024. Piedmont achieved satisfactory performance in the following areas: Safety Program Elements and Safety Improvement Plan; General Vehicles under 10k lbs.; and Warehouse and Covered Storage, Maintenance Facilities, and Environmental/Hazardous Materials, among others. Piedmont achieved strong performance in the following areas: Common Facility; Pole Yards and Outside Storage; Administration and Office Areas; and Arc Rated Clothing and Fall Protection; Insulating Gloves, Sleeves, and Coverups, among others. Ms.

Alston complimented the knowledge of the employees regarding procedures and their willingness to engage her team in conversation. She similarly complimented the organization, cleanliness, and overall great conditions of the vehicles, and praised the pre and post-trip inspection documentation. Ms. Alston noted that crews should ensure that: trailers are clean of all debris; all wheel chocks are properly accounted for; each vehicle has a current, valid registration card; all grounds have a unique number; and that panels with gaps be filled with blanks. Ms. Alton concluded by reminding the Board that RESAP is above and beyond mere compliance: it is going the extra mile for the people.

4. Next, the Board reviewed the proposed changes to Section 3.05 of the Bylaws. The first proposed change reads: “Each member *on the thirtieth day preceding an annual meeting or a special meeting* who is not in a status of suspension...shall be entitled to one vote...” The second proposed change reads: “*For matters other than election of directors*, voting by members other than members who are natural persons shall be allowed upon presentation...” Upon motion and second, the Board adopted the proposed change to Section 3.05.
5. The President and General Manager gave the President’s Report.
  - a. He informed the Board that PEMC performed well on the RESAP inspection and was excited about the results being presented.
  - b. He announced that the two Operations Supervisor positions that were vacant due to employees retiring were filled by internal candidates, and the Cooperative is now organizing a team to determine how many line technicians should be hired.
  - c. He reported that grading and construction contracts are being awarded for the Moriah Energy Center, and the Cooperative is working with Enbridge on the inflated costs for the project that are 100% reimbursable.
  - d. He noted that Member Services has been successful with cost-saving measures through Paperless Billing and an updated Collections/Disconnect process, and that the new travel site is live and will help with administration of travel going forward.
  - e. He reported that pole inspections occurred on 40% of the allocated work for 2026, and PEMC currently has 95 rejected poles.
  - f. He announced that Duke Energy is making a push to hire new contract crews in North Carolina which has affected PEMC. The Cooperative is working with its partners to retain crews and to develop contracts with other partners.

- g. He informed the Board that the warehouse Min/Max system is ready for testing and is to be implemented before the end of 2025. He also informed the Board that the warehouse has successfully offloaded unneeded materials to other Cooperatives to assist them and reduce the unneeded inventory.
  - h. He reported that the right-of-way contractor has sent six new crews into the Piedmont system to bring the work completed up to date.
  - i. The President and General Manager updated the Board on goals, noting that all but three goals were on target or met.
6. The Vice President of Engineering and Operations
- a. Gave the Monthly Right of Way Report. PEMC is currently working the Byrd Road Circuit (#123) out of Baynes substation, and has completed 276.47 of its 514.21 miles with 234.74 remaining.
  - b. Lewis Tree is currently 52.49 miles behind schedule for 2025, and they are bringing in six bucket crews to help meet their schedule.
  - c. Edko completed the transmission line herbicide treatment on July 31, 2025. Piedmont has identified over 200 danger trees to be cut, and Lewis Tree has cut around 128 danger trees so far.
  - d. The top four things to do are: (1) Finish the NC DOT bridge; (2) Phase 3 of the Timberlake job; (3) Mow all “no spray” zones; and (4) reduce the danger tree work orders.
  - e. The Vice President of Engineering and Operations gave the Operations Pole Project Report. 50 poles were addressed in August, of which 37 were replaced, 3 were retired, and 10 reviewed. 256 poles remain in the workflow. Since April, 4012 poles have been inspected, and 357 pads have been inspected. 92 poles have been rejected, and 4 pads have been rejected. In total, 41.42% of assets have been inspected with a 2.20% rejection rate.
  - f. The Vice President of Engineering and Operations gave the Outage Report reporting that there were 73 outages for 4434.32 consumer hours without power resulting in a System Average Interruption Duration Index (“SAIDI”) of 7.62. He noted that SAIDI is trending towards being on-target for 2025.

- g. The Vice President of Engineering and Operations gave the IT report. The IT report for July revealed that, for all emails received for the month, 13,874 were blocked at the edge, 7 were malware, 1,102 were phishing, 3,836 were spam, 517 were deleted by zero-hour auto purge, and the remainder were delivered. The Abnormal Security Attack Trends shows that, events are largely decreasing as compared to the previous month, but Social Engineering has increased from 1 to 3. The KnowBe4 Phishing Campaign report indicated that two people had clicked on one campaign with 105 recipients, and that 25 people reported the incident. The security system analyzed 86,229,316 events in July generating 5 high alerts, 0 critical alerts, and 8 events requiring staff reviews. None of the events were malicious.
- h. Fiber repairs for August included one on Ben Johnston Road in Hillsborough due to tropical storm damage, and one on Morton-Pullam Road in Roxboro. The Ben Johnston Road project still has a temporary repair as the date for the final repair has not yet been determined. The Morton-Pullman Road project was damaged by shotgun fire for a second time in the same location. Person County Sheriff has been notified.

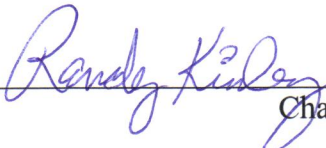
7. The Vice President of Corporate Services

- a. Gave the August Safety Report and reported one incident (head injury) that was OSHA recordable. As of August, PEMC has an incident rate of 3.53, compared to a rate of 4.04 for NC Coops in 2024, and a DART rate of 1.77 compared to a rate of 2.04 for NC Coops in 2024. 3 injuries have been reported year-to-date, 2 of which were OSHA recordable.
- b. The Workman's Compensation 2025 Modifier is 1.28. Two Worker's Compensation Claims have been filed this year, and five liability claims.
- c. 37 employees attended Forklift Training.
- d. She noted that two claims were filed for which Piedmont was not at fault.
- e. She also reported that two vehicles had minor issues on the weekly inspections which were addressed and completed promptly after receiving the inspection report.
- f. Fire extinguisher replacement were completed at both the Hillsborough and Caswell facilities, and the RESAP 2025 inspection is also complete. PEMC has a continued focus on survey readiness.

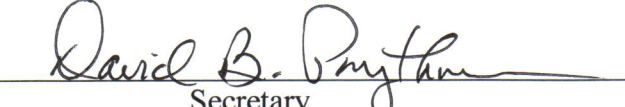
- g. The Vice President of Corporate Services gave the report on the Rural Electric Development Loan and Grant (“REDLG”) loans. There is funding available through the revolving fund and funding available for loans under the 5% cap. Piedmont will hold an event September 19, 2025, at 1:00 p.m. with the Anderson Township Volunteer Fire Department and is working on an event with the Person County Rescue Squad. There are no new loan requests.
  - h. The Vice President of Corporate Services informed the Board of the 2026 Benefits and Renewal Rates.
  - i. After discussion, upon motion and second the Board approved the recommended changes to the employee benefits for 2026.
8. The Vice President of Financial Services
- a. presented the unaudited financials for July 2025. The actual heating and cooling days for August were 308, 120 fewer than the normal of 428, bringing the year-to-date difference to 4, which is 0.12% above normal. Piedmont connected 251 new services year-to-date in 2025 as compared to 307 in 2024 and has 34,935 services in place year-to-date compared to 34,541 in 2024. Piedmont added 10.16 miles of line in 2025 and has a total of 3,694.54 miles of line.
  - b. The Vice President of Financial Services presented the Wholesale Power Cost Adjustment for August 2025.
  - c. The Vice President of Financial Services presented the work order summary to the Board. Upon motion by Mr. Chalk and second by Mr. Vernon, the Board approved the work order.

Staff was excused for an executive session that began at 5:31 p.m. and ended at 6:00 p.m.

There being no further business to conduct, Mr. Kinley declared the meeting adjourned at 6:00 p.m.

  
\_\_\_\_\_  
Chair

Attest:

  
\_\_\_\_\_  
Secretary