

**Piedmont Electric Membership Corporation
Hillsborough, North Carolina
Board of Directors Meeting
October 20, 2025
SUMMARY MINUTES**

The regular meeting of the Board of Directors of Piedmont Electric Membership Corporation was held at 3:00 pm on October 20, 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, David Poythress, Kim Woods, V. Kay Scurlock-Ferguson, Darren Chalk, Cy Vernon, Jimmy Thomas, and Steve Long with Steve Bailey participating via TEAMS. 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 September 15, 2025, Board meeting.
2. Upon motion and second, the Board approved the summary minutes from the September 15, 2025, meeting.
3. The President and General Manager gave the President's Report.
 - a. He informed the Board that all should have received the training for using the new Travel/Concur website.
 - b. He announced that the RUS Accounting Audit has been put on hold due to the government shutdown but all documents are prepared.
 - c. He reported that the logistics team for the new Crisis Response Process has been successful at negotiating rates and relationships with local hotels and negotiating rates with vendors for emergency tents and food for a large storm event with multiple potential sites.
 - d. He also informed the Board that Member Services has removed the maximum limit on solar panels in the community solar program and signed up one individual for 100 panels.

- e. He also announced that the Service Crew Supervisor has begun a new rotational program for service work to ensure that Piedmont is always prepared with trained employees.
- f. He further reported that all permits are secured and right-of-way clearing should begin in the next few weeks for the Helena-Moriah transmission line.
- g. Home sales are slow so there were only 15 new services installed in August.
- h. The President and General Manager informed the Board that interviews are scheduled for the new CEO for NCEMC on December 15th and 16th at Wake EMC. He and the other North Carolina Cooperative CEOs have been invited to attend the interviews for feedback on the decision. Accordingly, he informed the Board that he will be absent from the December meeting but can call in if needed.
- i. The President and General Manager updated the Board on goals, noting that all but three goals were on target or met.

4. The Vice President of Engineering and Operations

- a. Gave the Monthly Right of Way Report. Alejandro's bid crews are currently working the Cherry Grove circuit #112 out of the Cherry Grove substation. Lewis Tree is currently 41.99 miles behind schedule for the 2025 plan; they brought in six (6) bucket crews with a GF from Baltimore, Maryland and three (3) crews and a GF from Myrtle Beach, SC, on September 2, 2025 to help catch up on the arrearage. All nine (9) extra crews are working on the Maple Ridge circuit #134 out of the Bivins substation. They will start the Bivins Road #133 circuit as soon as Maple Ridge is complete. Edko completed the transmission line herbicide treatment on July 31, 2025. The T/M Crew is cutting trees identified as danger trees, completing staking sheets and working member requests as received. The NCDOT bridge job on NC Highway 86 was completed on September 8, 2025, and the crew has moved on to cutting staking sheets. 250 trees have been identified to cut, and Lewis Tree has cut around 180 trees so far. The top three things to do are: (1) complete Phase 3 of the Timberlake job; (2) mow all no-spray zones; and (3) cut stack of danger tree work orders (at approximately 80 and growing). Clearing of the three miles of transmission line in Person County will begin shortly. Right of way for two of the

owners are still unresolved with one of the two pending before the Clerk of Superior Court due to the property being tied up in an estate.

- b. The Vice President of Engineering and Operations gave the Operations Pole Project Report. 187 poles were addressed in September, 126 of which were replaced, 34 of which were retired, and 27 of which were reviewed. 149 poles remain in the workflow.
 - c. The Vice President of Engineering and Operations gave the Outage Report reporting, reporting that there were 66 outages for 3528.15 consumer hours without power resulting in a System Average Interruption Duration Index ("SAIDI") of 6.06. He noted that SAIDI is trending towards on-target for 2025. It was a good month for both the SAIDI and the Customer Average Interruption Duration Index ("CAIDI").
 - d. The Vice President of Engineering and Operations gave the IT report for September revealing that, for all emails received for the month, 8,905 were blocked at the edge, 10 were malware, 1,154 were phishing, 4,884 were spam, 392 were deleted by zero hour auto purge, and the remainder were delivered. The Abnormal Security Attack Trends shows that events have increased as compared to the previous month, even though Phishing was down 20%. The KnowBe4 Phishing Campaign report indicated that no employees clicked on the one campaign conducted during the month with 105 recipients, with 28 people reporting the incident. The security system analyzed 94,350,063 events in September, generating ten high alerts, one critical alerts, and eight events requiring staff reviews. None of the events were malicious. CrowdStrike Endpoint Protection had one high alert involving a malicious website, but the computer was checked and no issues were found.
 - e. Fiber repairs for September included one on Ben Johnston Road in Hillsborough due to tropical storm damage completed on October 2, 2025, and one on the west side of the ring wherein Piedmont is beginning detection/repair of issues with a non-production fiber.
5. Brandon Reed, Manager of Member Services, joined the meeting at 3:25 p.m.
- a. He gave the 3rd Quarter Member Services Data to the Board. He reported 34,536 accounts are served with 64.5% paying online, 17.8% paying by mail, 12.3%

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paying over the phone, and 5.4% paying at a drive through. The report revealed that there are approximately 15,460 total calls per month to the automated system with approximately 5,002 going to representatives. Those representative calls are answered within 59 seconds with an average call length of 2 minutes, 49 seconds. The answer speed is down due to having a number of employees out and also due to the numerous calls during the Chantel storm in July. He also informed the Board that there are 2,183 members with time-of-day rates; 538 with electric vehicles; and 520 with solar net metering. Of those with time-of-day rates, 109 were members with solar net metering; 323 were members with electric vehicles, and 17 were members with both electric vehicles and solar net metering. Seven members have both electric vehicles and solar net metering but do not have time-of-day rates.

- b. The Manager of Member Services gave the ACSI Member Satisfaction Report to the Board and reported the scores for the third quarter of 2025, revealing 188 responses with a Member Engagement Index of 86.1% as compared to the benchmark of 84.4%. Of those polled, 130 identified as “member/owner,” and 107 identified as “customer only.” Those identifying as “member/owner” reported a satisfaction score of 9.1, just shy of the quarterly benchmark of 9.2, and those identifying as “customer only” reported a satisfaction of 8.7, exceeding the quarterly benchmark of 8.5. He also presented the results of the Net Promoter Score (“NPS”) which measures loyalty by looking at members’ likelihood of recommending their co-op based on the following prompt: Imagine that you could choose from among more than one electric utility company. How likely is it that you would recommend your cooperative to a friend or colleague? On a scale of 1 – 10, 176 or 76.2% rated Piedmont in the 9 – 10 range (Promoter); 31 or 13.4% rated Piedmont in the 7 – 8 range (Passive); and 24 or 10.4% rated Piedmont in the 1 – 6 range (Detractor). Analysis showed that members view reliable service, restoration of service, good value, and handling issues were the most important areas of customer service and communication, community support, and managing energy were the least important areas. Overall, Piedmont is meeting these customer expectations.
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- c. The Manager of Member Services gave a political update. In the North Carolina legislature for 2025, Senate Bill 266 eliminated the 2030 interim target for carbon reduction; Senate Bill 311 increases the penalties for assault on a utility worker; House Bill 74 and Senate Bill 664 updated language for mega site and select site funding and House Bill 247 updated underground utility safety regulations. The 2026 North Carolina legislative “short session” issues include large loads, data centers and Artificial Intelligence; a market study on power; an energy policy task force; animal waste renewable energy credits; wildfire mitigation; low hanging utility lines; consumer protections and third party solar. The primary results could impact the legislative agenda, as well as budget adjustments and the Governor’s priorities. He asked the Board members to consider their contributions to NCPAC that addresses North Carolina cooperative issues and AEPAC that addresses Federal cooperative issues. He noted that the two PACs contribute to candidates that support issues favorable to the cooperatives for the North Carolina legislature, the U.S. House and Senate, but not to presidential candidates. Mr. Reed was excused at 3:53 p.m.

6. The Vice President of Corporate Services

- a. Gave the September Safety Report and reported an Incident Rate of 3.15 and a DART Rate of 1.57 as compared to an Incident Rate of 4.04 and a DART Rate of 2.04 for NC Coops in 2024. She reported that Hillsborough, Roxboro, and Caswell all passed the facility inspections, trucks are passing the weekly inspections, and 13 crew visits have been completed year-to-date. Four injuries have been reported year-to-date, two of which were OSHA recordable, two of which were not. The Worker’s Compensation for 2025 Modifier is 1.28 with two Worker’s Compensation claims filed year-to-date. No liability claims have been filed since September, and five liability claims have been filed year-to-date. 38 employees participated in forklift skills test, and one employee participated in certified loss control. She also reported that seven near-miss incidents have been filed year-to-date, the latest of which was for an incident at the Willardsville Substation that resulted in a power outage. The root cause analysis of that incident revealed the mobile procedure switching procedure was not followed. The incident was

addressed with the employee, and the written procedure is now posted at the substation for reference and compliance.

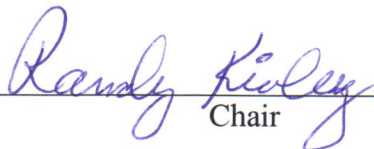
- b. The Vice President of Corporate Services gave the report on the Rural Electric Development Loan and Grant ("REDLG") loans. There is funding available through the revolving fund and funding available for loans under the 5% cap. There are no new loans to report. Bethel Hill Charter School was unable to find a contractor to complete their ADA ramp. They will re-submit a revised loan request for other projects completed.

7. The Vice President of Financial Services

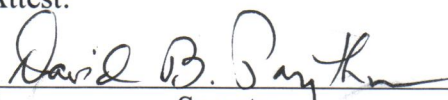
- a. Presented the proposed budget for 2026.
- b. The Vice President of Financial Services presented the unaudited financials for September 2025. The actual heating and cooling days for September were 221, 35 fewer than the normal of 256, bringing the year-to-date difference to -31, -0.65% below normal. Piedmont connected 265 new services year-to-date in 2025 as compared to 329 in 2024 and has 34,951 services in place year-to-date compared to 34,560 in 2024. Piedmont added 9.54 miles of line in 2025 and has a total of 3,693.91 miles of line.
- c. The Vice President of Financial Services presented the Wholesale Power Cost Adjustment for September 2025.
- d. The Vice President of Financial Services presented the July and August 2025 AR 45 Work Orders. Upon motion and second, the Board approved the Work Orders for July and August 2025.

Staff was excused for an executive session that began at 5:36 pm and ended at 7:15 pm.

There being no further business to conduct, Mr. Kinley declared the meeting adjourned at 7:15 pm.


Chair

Attest:


Secretary