

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

The regular meeting of the Board of Directors of Piedmont Electric Membership Corporation was held at 3:00 pm on November 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, V. Kay Scurlock-Ferguson, Darren Chalk, Cy Vernon, Jimmy Thomas, and Steve Long with Kim Woods attending 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 October 20, 2025, Board meeting, with one correction of “mobile transformer” instead of “mobile service” on Page 5.
2. Upon motion and second the Board approved the summary minutes from the October 20, 2025, meeting with the same correction of “mobile transformer” instead of “mobile service.”
3. The President and General Manager gave the President’s Report.
 - a. He informed the Board that Piedmont will begin training and implementation of the new Futura Design Tool in December ahead of schedule.
 - b. He announced that Piedmont has begun scheduling pole replacement from failures found in 2025.
 - c. The meeting with commissioners onsite for the last easement for the Moriah Energy Center transmission line was successful; Piedmont should hear from the court soon. Land clearing will begin where allowed. He also informed the Board that substation grading has been delayed due to information Person County failed to share with Piedmont and staff is working through the final paperwork. Piedmont is finalizing

a contract for a new “underground contractor” to ensure no delays due to ongoing labor concerns.

- d. A plan will be presented to the Board for the 2025 capital credit retirements that will ensure funding is available for infrastructure upgrades.
 - e. The President and General Manager informed the Board that during the week of November 17th, Piedmont will be testing the new Crisis Response Team with the GridEx event on November 18 – 19.
 - f. Piedmont successfully hit all 20 coincidental peaks with Duke Energy in 2025.
 - g. Final changes to the new vehicle GPS system are being completed and training will begin soon to improve coaching for employee drivers.
 - h. He reported that, pending weather and no crew changes, the 2025 right-of-way clearing goals will be met.
 - i. Piedmont has finalized a full revamp of the Affirmative Action Plan and Equal Employment Opportunity Plan, and Leadership received updates and training in November.
 - j. 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. Of the 514.21 total miles, 382.84 miles have been completed, and 131.37 miles remain. Alejandro’s bid crews are currently working the Oakview circuit #111 out of the Cherry Grove substation. Lewis Tree is currently 28.36 miles behind schedule for the 2025 plan. Ten off-system Lewis crews remain here working on the Bivins, Fox Run, and South Lowell circuits. The T/M Crew is cutting danger trees that have been identified, 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 150 trees so far. The top three things to do are: (1) complete Phase 3 of the Timberlake job; (2) mow all transmission no-spray zones; and (3) reduce the danger tree work orders, currently at approximately 80 and increasing.

- b. The Vice President of Engineering and Operations gave the Operations Pole Project Report. 71 poles were addressed in September, 64 of which were replaced, and 7 of which were retired. 49 poles remain in the workflow, which identified poles that require attention from the old Peak/Clevest inspections. Regarding the remaining poles and pads, 6,115 poles have been inspected with 259 rejected, and 358 pads have been inspected with 4 rejected. Overall, 6,473 poles and pads have been inspected, 163 rejected, and a total rejection rate of 2.52%.
 - c. The Vice President of Engineering and Operations gave the Idle Services Project Report. Piedmont has addressed 447 idle services and has 1,177 remaining in the workflow. Of the 1,177 remaining, 976 are with Member Services, 97 are with Engineering (pre-field work) and 91 are in construction.
 - d. The Vice President of Engineering and Operations gave the Outage Report, indicating that there were 72 outages for 7818.50 consumer hours without power resulting in a System Average Interruption Duration Index (“SAIDI”) of 13.41. He noted that SAIDI is trending towards on-target for 2025.
 - e. The Vice President of Engineering and Operations gave the IT report. The IT report for October revealed that, for all emails received for the month, 11,922 were blocked at the edge, 18 were malware, 1,422 were phishing, 5,207 were spam, 655 were deleted by zero-hour auto purge, and the remainder were delivered. The Abnormal Security Attack Trends revealed October numbers for seven attack types: 249 Phishing Credentials; 42 Other; 25 Scam; 4 Social Engineering; 3 Malware; 2 Invoice/Payment Fraud; and 644 Untargeted Spam. The KnowBe4 Phishing Campaign had two campaigns in October. The first campaign had 103 recipients with one person scanning the QR Code and thirty-two people reporting it. The second campaign had 104 recipients with four people clicking and fourteen people reporting it. The security system analyzed 89,691,493 events in October, generating 16 high alerts, 0 critical alerts, and 4 events requiring staff reviews. None of the events were malicious. Fiber repairs for October included one repair on Arthur Minnis Road and ongoing inspection and maintenance of the west side ring.
5. The Vice President of Corporate Services

- a. Gave the October Safety Report with an Incident rate of 2.82 and a DART rate of 1.41 as compared to an Incident rate of 4.04 and a DART rate of 2.04 for N.C. cooperatives in 2024. Hillsborough, Roxboro, and Caswell all passed the facility inspections, the trucks passed weekly inspections, and 15 crew visits have been completed year-to-date with one completed on October 16th. Four injuries have been reported year-to-date, two of which were OSHA recordable and two of which were not. The Worker's Compensation 2025 Modifier is 1.28 with two Worker's Compensation claims filed year-to-date. One liability claim has been filed in October, and six liability claims have been filed year-to-date. Three employees participated in Advanced Line Construction training on November 3rd. Construction crews received training and reminders on rolling stops at signs on November 12th. She also reported that seven near-miss incidents have been filed year-to-date. She also announced that a PEMC Line Technician came in 11th place out of 26 during the Pole Top Rescue Competition at Nash Community College on October 22. She announced that Safety Leadership Team Meeting was held on November 14th to complete training on root cause analysis for incidents. She informed the Board that Samsara driver identification fobs work with GPS systems to identify who is driving a company vehicle and scores driving habits. The Statewide representative with Job Training & Safety, Randy White, is scheduled to complete unannounced crew visits in November. Piedmont has a continuous focus on survey readiness.
- 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 funds available for loans under the 5% cap. She informed the Board that Bethel Hill Charter School in Roxboro, North Carolina, has amended their requested to lower their loan amount instead of the original approved amount. The school has changed their list of renovations, upfits and projects, thus changing the loan amount requested. Cherry Grove Volunteer Fire Department, also a prior REDLG recipient, has requested funds to purchase a 2003 International E-One from the Cape Fear Fire Department.

- c. Upon motion and second the Board approved the changes to the loan request for Bethel Hill Charter School.
- d. Upon motion and second the Board approved the loan request to Cherry Grove Volunteer Fire Department, provided that Cherry Grove pays down 20% of the total cost of the fire truck.
- e. The Vice President of Corporate Services gave the Piedmont Electric Helping Hands Foundation (“PEHHF”) yearly review. She also announced that Keith Epstein, Gwen Vaughn, Heidi York, Joe Bumgarner, Katherine Cathey, and Aaron Nelson have been nominated to serve as PEHHF Directors in 2026
- f. Upon motion and second the Board approved the appointment of Keith Epstein, Gwen Vaughn, Heidi York, Joe Bumgarner, Katherine Cathey, and Aaron Nelson as 2026 PEHHF Directors unanimously.
- g. The Vice President of Corporate Services informed the Board of changes required to be implemented by the passage of the Secure Act in 2019 and the Secure 2.0 Act in 2022, making a staff recommendation to the Board for beneficiaries to receive a monthly payout of retirement funds upon the death of a participant.
- h. Upon motion and second the Board approved the Resolution Authorizing the Adoption of the Secure Act and Secure 2.0 Act Amendment for the Executive Compensation 457(b) Plan, according to the staff recommendation.
- i. The Vice President of Corporate Services informed the Board of updates made to Policy 317 covering Electronic Information and Technology, Mobile Devices, and Artificial Intelligence. These updates focus on the use of artificial intelligence programs such as Microsoft Pilot, ChatGPT, and others.
- j. Upon motion and second the Board approved the updates to Policy 317 unanimously.
- k. The Vice President of Corporate Services informed the Board of updates made to Policy 201. These updates change the workweek from Wednesday through Tuesday to a standard workweek of Sunday through Saturday to simplify the computation of overtime calculation.
- l. Upon motion and second the Board approved the updates to Policy 201.

- m. The Vice President of Corporate Services informed the Board of an update made to Policy 213, to include Veterans Day as a paid, observed holiday.
- n. Upon motion and second the Board approved the updates to Policy 213.
- o. The Vice President of Corporate Services informed the Board that there is currently no prescreening for candidates nominated to run for the Board of Directors. The Board discussed a staff recommendation that an initial background check be conducted and an I-9 (E-Verify) be completed before nominees are approved for the ballot. These changes are consistent with the pre-screening requirements for employment.
- p. Upon motion and second the Board approved the staff recommendation to prescreen director nominees.

6. The Vice President of Financial Services

- a. Presented the 2026 Budgeted Statement of Operations to the Board, including a recommendation to retire 57% of the unretired 1998 capital credits. This would result in year-end equity of approximately 32.44%. Then in 2026 Piedmont could retire the remainder of 1998 and 15% of 1999 unretired capital credits which would project to 2026 year-end equity of 30.47%. This would push the retirement cycle out from 27 years to 31 years by 2025.
- b. Upon motion and second the Board approved the Capital Credit Retirement for 2025 of 57% of the unretired capital credits for the year 1998.
- c. Upon motion and second the Board approved the 2026 Budgeted Statement of Operations as presented unanimously.
- d. The Vice President of Financial Services presented the unaudited financials for October 2025. The actual heating and cooling days for October were 190, 25 fewer than the normal of 215, bringing the year-to-date difference to -56, 1.26% below normal. Piedmont connected 299 new services year-to-date in 2025 as compared to 375 in 2024 and has 34,994 services in place year-to-date compared to 34,586 in 2024. Piedmont added 10.49 miles of line in 2025 and has a total of 3,694.86 miles of line.
- e. The Vice President of Financial Services presented the Wholesale Power Cost Adjustment for October 2025.

- f. The President and General Manager informed the Board that he needed to know who was attending the Power Exchange and what classes they wanted to attend by the January 2026 Board meeting.
- g. The President and General Manager reported on a member who installed 250 kw solar with batteries who is complaining about his rate. He made a recommendation to change the Qualifying Facilities Purchased Power Schedule QF to remove the facilities charge and charge the following administrative fees:

0 to 25 AC kw system \$7.50/month

25 to 90 AC kw system \$50.00/month

100 to 1 megawatt system \$75.00

Energy Credit fees

Off-peak 3.79 cents

On-peak 4.16 cents

He also recommends getting a rate consultant to design a rate.

Upon motion and second the Board approved the changes as presented unanimously.

There being no further business to conduct, Mr. Kinley declared the meeting adjourned at 5:39 pm.


Chair

Attest:


Secretary

PEMC Summary Minutes 11/17/25