

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

The regular meeting of the Board of Directors of Piedmont Electric Membership Corporation was held at 3:00 pm on December 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 Sarah Bohlin, Vice President of Corporate Services; Jarrod Kilgore, Vice President of Engineering and Operations; Lisa Kennedy, Vice President of Financial Services; and C. P. Stewart, Attorney. Jordan Overbee, President and General Manager, was absent due to interviews for the NCEMC CEO.

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

1. Upon motion and second, the Board approved the minutes from the November 17, 2025, Board meeting.
2. Upon motion and second, the Board approved the summary minutes from the November 17, 2025, meeting.
3. The Vice President of Corporate Services reviewed the report from the President and General Manager.
 - a. She proposed April 21, 2026, as the date for the annual meeting.
 - b. She informed the Board that the employee luncheon is December 19, 2025, at Homestead where Piedmont will celebrate 2025 accomplishments and update the employees on Piedmont's status as an electric cooperative, including highlights of the strategic plan.
 - c. Piedmont employees were excited to participate in Toys for Tots, just as they were for the turkey giveaway at the local Food Pantry that they completed.
 - d. She announced she is working with the Electel CEO Scott Armstrong to revise Piedmont's contract with them, including for liability and training needed for Piedmont employees.
 - e. The new internal SharePoint site will be launched by the end of December.

- f. The last easement for the Moriah Transmission line was approved and filed with the Clerk of Court.
 - g. She informed the Board that the technology team has made improvements to the sign-on requirements after the cyber event last month.
 - h. She announced that the Vice President of Financial Services will present an estimated ten-year cash flow along with all past loans with information on each at January's meeting.
 - i. The Vice President of Corporate Services, 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, 457.56 miles have been completed, and 56.65 miles remain. The production crew is currently working the Oakview circuit #111 out of the Cherry Grove substation. Lewis Tree is currently 5.24 miles ahead of schedule for the 2025 plan. Ten (10) off-system Lewis Crews remain here working on the Fox Run and South Lowell circuits. The T/M Crew is cutting danger trees identified, completing staking sheets and working member requests as received. The Crew is currently mowing no spray zones on transmission lines and cutting some smaller staking sheets. He reported that he and other members have identified over 250 trees to be cut, and that Lewis Tree T/M Crew 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 (50% complete); and (3) reduce the number of danger tree work orders (at approximately 80 and growing).
 - b. The Vice President of Engineering and Operations gave the Operations Pole Project Report. 29 poles were addressed in November, 19 of which were replaced, and none of which was retired. 23 poles remain in the workflow, which is for poles that require attention from the old Peak/Clevest inspections. Regarding the on-going asset inspections, 862 poles were inspected in November, and thirty (30) were rejected. Year to date, 7,123 poles and pads have been inspected, bringing the total inspected assets to 67.43%. Of those, 185 poles and four (4) pads were rejected, bringing the total rejected assets to 2.65% for 2025.

- c. The Vice President of Engineering and Operations gave the Idle Services Project Report. Piedmont addressed eighty-seven (87) services in November, of which 71 were retired and 16 were put at the idle rate. There are 1,090 services remaining in the workflow.
 - d. The Vice President of Engineering and Operations gave the Outage Report indicating that there were 87 outages for 5,846.43 consumer hours without power resulting in a System Average Interruption Duration Index (“SAIDI”) of 10.01 and a CAIDI of 128.1. 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 November revealed that, for all emails received for the month, 9,405 were blocked at the edge, 4 were malware, 1,045 were phishing, 4,727 were spam, 664 were deleted by zero hour auto purge, and the remainder were delivered. The Abnormal Security Attack Trends revealed November numbers for seven attack types: 263 Phishing Credentials; 44 Other; 16 Scam; 3 Social Engineering; 6 Malware; 1 Invoice/Payment Fraud; and 448 Untargeted Spam. The KnowBe4 Phishing Campaign had one campaign in November with 103 recipients, zero people clicking, and thirty-two (32) people reporting. The security system analyzed 84,323,727 events in November generating 11 high alerts, 6 critical alerts, and 7 events requiring staff reviews. One of these events was malicious. No Fiber damage occurred in November, but the west side inspection and maintenance is ongoing.
 - f. The Vice President of Engineering and Operations gave the Cybersecurity Incident Report regarding the malicious event.
5. The Vice President of Corporate Services
- a. Gave the November Safety Report and reported an Incident Rate of 2.61 and a DART Rate of 1.30 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 18 crew visits have been completed year-to-date. Four (4) injuries have been reported year-to-date, two of which were OSHA recordable, two of which were not, and two of which involved vehicles. The Worker’s Compensation 2025 Modifier is 1.28 with two (2) Worker’s Compensation filed year-to date. Two liability claims have

been filed since November, and eight (8) liability claims have been filed year-to-date. Two (2) employees participated in the National Electric Safety Code II course on December 1, 2025. Construction crews received training and reminders on the JT&S November and December Inspection Results. She also reported that eleven (11) near-miss incidents have been filed year-to-date.

- b. The Vice President of Corporate Services also announced that the Samsara driver identification fobs have been distributed, identifying who is driving and providing a score for that driver.
- c. The NCEMC Job Training & Safety Representative, Randy White, completed two unannounced visits on November 20, 2025, and December 9, 2025, respectively. The November inspection at the Hillsborough facility was good overall but revealed minor observations of an incomplete daily trip inspection, an exposed blade that needed a cover, a fall protection harness that needed replaced, and a slip/trip hazard. The December inspection at the Roxboro facility was good overall but revealed the following minor observations: update testing/inspection date on personal grounds, update test date on rubber goods and coverups, boom strap to be utilized on a bucket truck, and emergency lighting in the building needed to be replaced. Piedmont received several “all requirements met” in multiple areas on both inspections. Piedmont participated in a crisis response exercise November 18 and 19 and maintains a continued focus on survey readiness.
- d. 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.

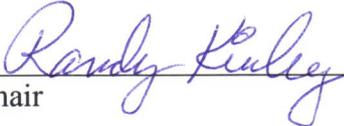
6. The Vice President of Financial Services

- a. Presented the semi-annual bad debt write-offs to the Board for the period of July through December, 2024. Upon a motion and second the Board approved the semi-annual bad debt write-offs for the period of July through December, 2024.
- b. The Vice President of Financial Services presented the damage write-off, to the Board for 2025. Upon a motion and second the Board approved the damage write-off.

- c. The Vice President of Financial Services presented the AR 45 Work Orders for September and October 2025 to the Board. Upon motion and second the Board approved the AR 45 Work Orders for September and October 2025.
 - d. The Vice President of Financial Services presented the unaudited financials for November 2025. The actual heating and cooling days for November were 351, 68 fewer than the normal of 419, bringing the year-to-date difference to -124 or 2.72% below normal. Piedmont connected 352 new services year-to-date in 2025 as compared to 416 in 2024 and has 35,046 services in place year-to-date compared to 34,619 in 2024. Piedmont added 12.07 miles of line in 2025 and has a total of 3,696.44 miles of line.
 - e. The Vice President of Financial Services presented the Wholesale Power Cost Adjustment for November 2025.
 - f. The Vice President of Financial Services reported on the cancellation of the Strike Guard Program. The program had 25 participants.
 - g. The Vice President of Financial Services requested the Board to approve a new minimum check amount of \$25.00 for inactive members. On a motion and second, the Board approved a new minimum check amount of \$25.00 for inactive members.
7. The Vice President of Corporate Services informed the Board that evaluations will be performed in February 2026 for the period from January 1, 2025, through December 31, 2025.

The staff was excused for an executive session that began at 4:40 pm and ended at 5:25 pm.

There being no further business to conduct, Mr. Kinley declared the meeting adjourned at 5:27 pm.


Chair

Attest:

Secretary