

**Piedmont Electric Membership Corporation  
Hillsborough, North Carolina  
Board of Directors Meeting  
January 20, 2026  
SUMMARY MINUTES**

The regular meeting of the Board of Directors of Piedmont Electric Membership Corporation was held at 3:00 pm on January 20, 2026, 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, Attorney.

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

1. All of the Directors signed their annual re-certifications pursuant to section 401 of the Board Policy Manual.
2. Upon motion and second, the Board approved the minutes from the December 15, 2025, Board meeting.
3. Upon motion and second, the Board approved the summary minutes from the December 15, 2025, Board meeting.
4. The President and General Manager gave his monthly report.
  - a. The NCEMC Board selected Amadou Fall, their current COO, as their new CEO to replace Joe Brannan when he retires April 18, 2026. The Board made it clear they expect more transparency and a clearer path to the future with a detailed strategic plan in place. The new CEO's performance is to be measured on metrics that coincide with the NCEMC overall achievements.
  - b. The goals for 2025 were ambitious and most were met. Strategic Planning and Initiatives meetings are ongoing throughout the Cooperative with goal completion dates being set throughout 2026.
  - c. Piedmont was recognized in the January 2026 edition of RE Magazine for improved use of AMI data for rate building and structuring and for the proactive efforts of member engagement to keep unexpected high monthly statements to a minimum.

- d. The President and General Manager updated the Board on 2025 goals, noting that two goals were over target, one goal was on target, one goal (Capital Budget to Actual Variance) was below target, three goals were reached and five stretch goals were reached. Thus, all goals or stretch goals were reached or on target except Capital Budget to Actual Variance.

5. The Vice President of Engineering and Operations

- a. Gave the Monthly Right-of-Way Report. All of the 514.21 miles of distribution right-of-way were completed in 2025. The 2026 transmission maintenance contract was awarded to Townsend Tree. The T/M Crew is cutting danger trees work orders and will start on Phase 3 of the Timberlake planned job on January 5. The 2026 list of work includes trimming of 497.40 miles of distribution right of way, cutting Phase 3 and 4 of the Timberlake planned jobs, cutting the smaller staking sheets as they come in, continuing removal of danger trees as they are identified and maintenance of 72 miles of transmission right of way.
- b. The Vice President of Engineering and Operations gave the Operations Pole Project Report. There were 3 poles replaced in December and only 20 poles remain in the workflow.
- c. The Vice President of Engineering and Operations gave the Idle Services Project Report. Piedmont addressed 110 services in December, of which 96 were retired and 14 remained at the idle rate. There are 980 idle services remaining in the workflow.
- d. The Vice President of Engineering and Operations gave the Outage Report, indicating that there were 90 outages for 3,365.23 consumer hours without power resulting in a System Average Interruption Duration Index (“SAIDI”) of 146.20 and a Customer Average Interruption Duration Index (“CAIDI”) of 120.74.
- 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, 5,092 were blocked at the edge, 2 were malware, 1,085 were phishing, 4,486 were spam, 624 were deleted by zero-hour auto purge, and the remainder were delivered. The Abnormal Security Attack Trends revealed November numbers for seven attack types: 189 Phishing Credentials; 45 Other; 5 Scam; 2 Social Engineering; 2

Malware; 3 Invoice/Payment Fraud; 1 Reconnaissance; and 381 Untargeted Spam. The abnormal security summary for 2025 indicates 1,669,223 total messages were processed, 5,556 spam messages were remediated, 2,437 attacks were remediated and there were 177 employee reported submissions auto triaged. The KnowBe4 Phishing Campaign had one campaign in December with 104 recipients, zero people clicking, and thirty-seven (37) people reporting. The security system analyzed 76,423,519 events in December, generating 28 high alerts, 8 medium and 7 low alerts with 8 events requiring staff reviews. No events were malicious. No fiber damage occurred in December and the fiber ring inspection and maintenance is ongoing.

6. Brandon Reed, Manager of Member Services,

- a. Joined the meeting at 3:50 p.m. and gave the ACSI Member Satisfaction Report to the Board. Piedmont had a satisfaction score of 90% for the fourth quarter, the highest on record for Piedmont and the third highest score among cooperatives. The Member Engagement Index was 89%; of those polled, 113 identified as “member/owner,” and 87 identified as “customer only.” The Net Promoter Score (“NPS”) which measures loyalty by looking at members’ likelihood of recommending their co-op to a friend if they had the option to choose from among more than one electric utility company was 82.5%. All of Piedmont’s key performance attributable ratings exceeded the benchmarks.
- b. The Manager of Member Services gave the 4th Quarter Member Services Data to the Board. He reported 34,671 accounts are served with 63.7% paying online, 17.7% paying by mail, 12.0% paying over the phone, 5.5% paying at a drive-through and 1.2% paid by the application of retirement of 2025 capital credits in December. The report revealed that there were 12,206 total calls per month to the automated system with 5,958 handled by representatives. Those representative calls are answered within 50 seconds with an average call length of 3 minutes, 8 seconds. One employee is on leave and that resulted in the extended time to answer. There are 2,217 members with time-of-day rates; 557 with electric vehicles; and 541 with solar net metering. Of those with time-of-day rates, 112 were members with solar net metering; 321 were members with electric vehicles, and 23 were members with

both electric vehicles and solar net metering. Eight members have both electric vehicles and solar net metering but do not have time-of-day rates. The Manager of Member Services was excused at 4:03 p.m.

7. The Vice President of Corporate Services

- a. Gave the December Safety Report and reported an Incident Rate of 2.41, compared to the N.C. Cooperatives incident rate for 2024 of 4.40, and a DART Rate of 1.20 as compared to a DART Rate of 2.04 for N.C. Cooperatives in 2024. The Hillsborough, Roxboro, and Caswell facilities all passed the facility inspections, all trucks passed the weekly inspections, and there were a total of 21 crew visits in 2025. 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. There were no injuries or accidents to report for December. The Worker's Compensation 2025 Modifier is 1.28 with two (2) Worker's Compensation filed year-to date but will be 1.12 for 2026 as reported in the President's Report. One liability claim has been filed since December, and 9 liability claims were filed in 2025. 43 employees participated in near-miss training with Jason Springs from Federated Insurance. Cody Phillips, Job Training and Safety Specialist with NCEMC did training in "Commitment to Zero Contacts."
- b. The Vice President of Corporate Services reported on a Rural Electric Development Loan and Grant ("REDLG") program loan request from the Caldwell Fire Department for of a new fire engine. That fire department has an existing loan that has a balance on an original loan. She presented two REDLG reports, with different funding. The Board discussed the loan request. Upon motion and second the Board voted to offer the Caldwell Fire Department a REDLG loan at the usual percentage level. Assuming the Caldwell Fire Department accepts the reduced loan that would leave funding available through the revolving fund and availability for loans under the 5% cap. Strong Arm Baking Company submitted a REDLG loan request seeking funding for an expansion of a 12,000 square foot food production facility. They are seeking a loan to assist with site acquisition. It will be located entirely within territory served by Duke Energy and it is a for-profit company. After discussion, the Board decided this project is inconsistent with their guidelines for

projects funded through a REDLG loan. Upon motion and second, the Board voted unanimously to deny this loan request. The Cherry Grove Volunteer Fire and Rescue Department closed their REDLG loan on January 31, 2025, and Bethel Hill Charter School plans to close their REDLG loan in the near future. There will be events at Prospect Hill Volunteer Fire Department and Cornwall Volunteer Fire Department on Friday, January 23<sup>rd</sup>.

- c. The Vice President of Corporate Services shared a letter to the Piedmont Electric Helping Hands Foundation from Gwen Vaughn announcing her resignation from the Board of Directors, effective January 9, 2026.
  - d. The Vice President of Corporate Services reviewed the employee survey. The Board requested that the employees' comment responses be shared with them.
8. The Vice President of Financial Services
- a. Presented the unaudited year-end financials and those for December 2025. The actual heating and cooling days for December were 701, 62 more than the normal of 639, bringing the year-to-date difference to -62 or -1.11% below normal for the year. Piedmont connected 368 new services in 2025 as compared to 451 in 2024 and has 35,076 services in place at the end of 2025 as compared to 34,629 in 2024. Piedmont added 9.97 miles of line in 2025 and has a total of 3,694.34 miles of line.
  - b. The Vice President of Financial Services presented the Wholesale Power Cost Adjustment for December 2025.
  - c. The Vice President of Financial Services presented a chart showing the long-term debt with maturity dates, interest rates and repricing.
  - d. The Vice President of Financial Services presented a chart showing the revenue requirements for the period 2026 to 2035 with a 10- year forecast showing both the pros and cons. This forecast includes many assumptions and thus will require numerous adjustments over time to be useful. Certain assumptions are made including expenses based on historical averages, revenue adjustments for future loads from the Moriah Energy Center, scheduled to come online next summer, and the Sheetz distribution center. It also includes an adjustment for the credit from the Catawba nuclear facility.

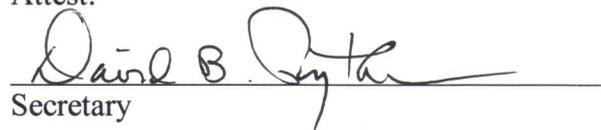
- e. The Vice President of Financial Services presented a change to the contribution in aid of construction (“CIAC”) to simplify the formula for calculating CIAC and show full transparency.
- 9. The Vice President of Engineering and Operations and the Vice President of Financial Services were excused at 5:55 p.m.
- 10. The Vice President of Corporate Services did a tutorial for the Directors on the use of the SharePoint app on their iPads. It contains an employee directory, a “suggestion box,” promotional video, a list of current events, birthdays and service anniversary dates, the safety pledge, board members bios and an employee newsletter among other features. The departments are all listed. All employees can access the information except for the information on Board members and the evaluation of the President and General Manager which are limited to the Directors. She explained how to access and complete the evaluation for the President and General Manager in Performance Pro, noting the deadline to complete the evaluation is February 13.

The Board went into an executive session that began at 6:29 pm and ended at 7:50 pm.

There being no further business to conduct, Mr. Kinley declared the meeting adjourned at 7:50 p.m.

  
Chair

Attest:

  
Secretary