

**Piedmont Electric Membership Corporation
Hillsborough, North Carolina
Board of Directors Meeting
May 18, 2026
SUMMARY MINUTES**

The regular meeting of the Board of Directors of Piedmont Electric Membership Corporation was held at 3:00 pm on May 18, 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; Mike Parker and C. P. Stewart, Attorneys.

Mr. Kinley called the meeting to order at 3:00 pm and offered an invocation.

1. Upon motion and second, the Board approved the minutes from the April 20, 2026, Board meeting.
2. Upon motion and second, the Board approved the summary minutes from the April 20, 2026, meeting.
3. Upon motion and second, the Board approved the minutes from the Annual Meeting held on April 21, 2026.
4. The President and General Manager gave the monthly IT report.
 - a. For all emails received in April, 22,966 were blocked at the edge, 7 were malware, 1,458 were phishing, 4,305 were spam, 627 were deleted by zero-hour auto purge, and the remainder were delivered. He also informed the Board of the Abnormal Security Attack Trends for February: 302 Phishing Credentials; 60 Other; 14 Scam; 2 Social Engineering; 6 Malware; 2 Reconnaissance; and 365 Untargeted Spam. He further informed the Board of the KnowBe4 Phishing Campaign: there was one campaign in April with 105 recipients, zero (0) people clicking, and thirty-three (33) people reporting. The security system analyzed 82,980,538 events in March generating 58 alerts with 25 high alerts; 8 medium alerts; 24 low alerts and one informal alert. No events were malicious.

5. The President and General Manager gave the President's Report.

- a. Member services has successfully set up chat through SmartHub which will allow members another way to communicate with Piedmont staff and will permit members to text with staff.
- b. The Transmission Right of way contractor has begun work clearing for 2026. Operations is on track to complete all work plan jobs for 2026 for the first year recorded. Piedmont and Enbridge have executed a change order for the revised total cost of the project, and Piedmont is currently completing an invoice request. The fencing and foundations have begun at Red Mountain substation for the Moriah Energy Center breaker station upgrade.
- c. Piedmont is currently scheduled for an RUS field audit on June 23rd.
- d. The internal audit of lighting rates was completed with updated pricing for members. A few members have signed up for the revamped demand rate. Piedmont is conducting an internal audit of accounts that may be tax exempt. The review has already confirmed some existing accounts and staff will contact those that have not submitted their tax-exempt certificates and paperwork.
- e. Federated visited this month and gave Piedmont an excellent review for 2025; Piedmont successfully implemented the changes previously requested.
- f. NISC and Meridian, the two leading software companies for cooperatives, are merging.
- g. The President and General Manager updated the Board on goals, noting that all but three are on target with eight on target to meet the stretch goal and one on target to meet the goal.

6. The Vice President of Engineering and Operations

- a. Gave the monthly Right-of-Way Report. He reported that of the 497.40 total distribution miles: 137.28 miles are complete; 360.12 miles remain; and crews are estimated to be approximately 21.92 miles behind schedule. He has met with Lewis Tree Service to discuss rates and catching up on the schedule and will be in further negotiations with them. Townsend Tree commenced the 2026 transmission maintenance schedule on May 4th. Piedmont is working with Aries Pro to get the IVM software up and running. The T/M Crew is currently cutting danger trees and

executing work orders. He further informed the Board that Piedmont aims to trim the 397.01 miles of distribution lines, to cut smaller staking sheets as they come in; to continue removing danger trees as found; to execute 72 miles of transmission maintenance; and to work on Timberlake Phase 4.

- b. The Vice President of Engineering and Operations gave the monthly Inspection/Pole Replacement Report. He reported that PEMC replaced sixty (60) poles in April. Piedmont has started inspections of transmission poles, and those numbers will be included in future reports.
- c. The Vice President of Engineering and Operations gave the monthly Idle Services Project Report. He informed the Board that twenty (20) idle services were addressed in April, of which thirteen (13) were retired and seven (7) placed in idle rate. There are 937 idle services remaining to be addressed.
- d. The Vice President of Engineering and Operations delivered the monthly Outage Report. He reported that there were seventy-three (73) outages for 8,890.93 consumer hours without power resulting in a SAIDI of 15.19 and a CAIDI of 71.1. Two outages occurred at the same work site in Carrboro from a construction crew cutting trees, and Piedmont sent an email to the contractor to inform their management of the incidents and to request an explanation.
- e. The Vice President of Engineering and Operations presented the 2026 load forecast for the period 2026 through 2045. The Load Forecast is designed to meet four objectives: 1) to satisfy Piedmont's RUS reporting requirements to support work plans and loan requests, 2) to satisfy regulatory requirements in support of Piedmont's integrated resource planning process for the North Carolina Utilities Commission, 3) to provide information to NCEMC to efficiently plan and dispatch its power supply portfolio and 4) to help engineers and financial planners at Piedmont plan for increasing competition. It projects the anticipated annual data through 2045. It has three components: 1) consumer forecast, 2) energy sales by retail class and purchases forecast, and 3) demand forecast, all estimated on a monthly basis. The load forecast anticipates total consumer growth of .9% by 2045 with 87.7% being residential, 12.2% small commercial and 0.0% industrial in 2026 and 86.9% being residential, 13% small commercial and 0.0% industrial by 2045.

The forecast anticipates energy sales in 2026 to be broken down as follows: 80.1% residential, 13.3% small commercial, and 6.6% industrial in 2026. The forecasted numbers will be 77.0% residential, 15.1 small commercial, and 7.9% industrial by 2045. Total sales in 2026 of 545,388 MWh will increase to 640,408 MWh in 2045. The forecast breaks down anticipated changes in numerous ways including by consumer class, monthly sales, market shares and energy efficiency savings.

7. The President and General Manager communicated eliminating lighting contracts with members, where their lighting rates are consistent with the current rate schedule. The rates needed to be corrected since the construction costs (CIAC) that were previously built into their rate(s), have now been recovered.
8. Brandon Reed, Manager of Member Services
 - a. Joined the meeting at 4:05 p.m. and gave the ACSI Member Satisfaction Report to the Board. Piedmont had a satisfaction score of 88% for the first quarter of 2026, which tied for the third highest score in Piedmont's history and just slightly below the 90% rating in the 4th quarter of 2025. He noted the 1st quarter ACSI score was a positive increase over the 1st quarter in 2025.
 - b. The Manager of Member Services reported there were 34,640 accounts served for the first quarter. He reviewed the report on call volumes, call lengths, speed of answering, payment channels, and drive-thru payment methods. Mr. Reed was excused at 4:14 p.m.
9. The Vice President of Corporate Services
 - a. Gave the April Safety Report, noting there are still no injuries for 2026. There were seventeen (17) crew visits and one (1) vehicle accident this year that was not the fault of Piedmont. The Worker's Compensation for 2026 Modifier is 1.12, with zero (0) Worker's Compensation filed year-to date and four (4) liability claims filed. She also informed the Board that seven (7) near-miss incidents have been filed year-to-date. She noted the use of Adobe forms that can be completed electronically on SharePoint by employees.
 - b. The Vice President of Corporate Services gave the report from Federated Insurance for the period from May 3, 2025, to May 3, 2026. The numbers are positive and trending in the right direction with no Worker Compensation claims to date.

- c. The Vice President of Corporate Services gave the monthly report on the Rural Electric Development Loan and Grant (“REDLG”) loans. She informed the Board that there are funds available through the revolving fund and for loans under the 5% cap. There are no new loan requests. The City of Mebane closed on their loan and an event will be planned for a later date. The New Hope Volunteer Fire Department of Orange County was very pleased to learn their request was approved. The loan previously approved by the Board for the Allensville Volunteer Fire Department for the purchase of a new 2027 Freightliner M2 106 4 Door engine will be submitted to the USDA for approval, however they may need the funds before the USDA can review loan request. If so, it will be converted to a loan from the revolving fund.
- d. The Vice President of Corporate Services informed the Board that, as a returning full requirements member of NCEMC, Piedmont is eligible to participate in the North Carolina Electric Membership Corporation Member Cooperative Loan Program that provides no interest loans for economic development projects to be served by Piedmont. Upon motion and second, the Board voted unanimously to add this loan program to its portfolio of loans available to serve members.

10. The Vice President of Financial Services

- a. Presented the unaudited financials for April 2026. The actual heating and cooling days for April were 239, 4 more than the normal of 235, bringing the year-to-date difference to -37, 1.90% below normal. Piedmont connected 114 new services year-to-date in 2026 as compared to 131 in 2025 and has 35,126 services in place year-to-date compared to 34,785 in 2025. Piedmont added 5.27 miles of line in 2026 and has a total of 3,699.61 miles of line.
- b. The Vice President of Financial Services presented the Wholesale Power Cost Adjustment for April 2026.

11. Mr. Stewart reported on several matters discussed at the meeting of the NCEMC attorneys the first weekend in May.

Staff was excused for an executive session that began at 5:01 pm and ended at 5:15 p.m.

There being no further business to conduct, Mr. Kinley declared the meeting adjourned at 5:15 p.m.

Randy Kinley
Chair

Attest:

David B. Rayth
Secretary

Minutes 05 18 26