

**Piedmont Electric Membership Corporation
Hillsborough, North Carolina
Board of Directors Meeting
August 17, 2026
SUMMARY MINUTES**

The regular meeting of the Board of Directors of Piedmont Electric Membership Corporation was held at 3:00 pm on August 17, 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; 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 July 20, 2026 Board meeting.
2. Upon motion and second, the Board approved the summary minutes from the July 20, 2026, meeting.
3. The Board members confirmed their representatives for the Nominations Committee.
4. The President and General Manager discussed the availability of an Emergency Line of Credit from CoBank with a low interest rate that also pays patronage. Upon motion by and second, the Board voted to apply for this Emergency Line of Credit from CoBank.
5. The IT report indicated that, for all emails received in July 2026, 25,474 were blocked at the edge, 8 were Rule Blocked, 43 were malware, 1,647 were phishing, 4,650 were spam, 4 were Impersonation Blocked, 50 were Detonation Blocked, 2 were blocked for containing LLM content analysis (AI), 388 were deleted by zero-hour auto purge, and the remainder were delivered. He also informed the Board of the Abnormal Security Attack Trends for July: 79 Phishing Credentials; 26 Other; 17 Scam; 0 Malware; 0 Invoice/payment fraud; 0 Reconnaissance; and 498 Untargeted Spam. He further informed the Board of the KnowBe4 Phishing Campaign: there was one campaign in July with 103 recipients with 2 people clicking on a link and 37 people reporting. The security system analyzed 103,770,226 events in July generating 60 total alerts; of which 1

was a critical alert, 36 were high alerts; 5 were medium alerts; 18 were low alerts and 6 required staff review. No events were malicious. There were fiber repairs on Turtle Hill Court in Person County from a dump truck that hit the fiber while dumping crushed asphalt on the road.

6. The President and General Manager gave the President's Report.
 - a. Facilities, Engineering and Technology are working together to begin the transition of the Control Center temporarily so construction can commence on the new Control Center.
 - b. The outside firm performing the Joint Use/System Field Audit has completed 22% of the work.
 - c. Human Resources has developed a culture task force that will start meeting soon.
 - d. The Roxboro office hosted Energy Day on August 11th in partnership with Duke Energy, the Chamber of Commerce and Enbridge.
 - e. The employee Christmas luncheon will be held at Homestead on December 18th.
 - f. The Safety Department gave an extensive update on a new task list requiring help through the cooperative. The task list comprises items from the audit by Federated Insurance along with information shared with other cooperatives.
 - g. The Right of Way Contractor has brought in additional crews in an effort to meet the schedule for 2026. The team will continue to monitor and work with the crews to ensure safety and quality.
 - h. The Engineering team will be working with Utili-Serve, the Moriah substation contractor, to move a Mebane-Oaks transformer to replace the existing transformer at the Carrboro substation.
 - i. The pole inspection contractor has eliminated that arm of their business so Piedmont is actively searching for a new contractor and is planning for any contingencies.
 - j. The President and General Manager updated the Board on goals, noting that all but three are on target for either the goal or the stretch goal but noted it will not be possible to meet the goals for thermostat enrollment and enrollment for the time of day/electric vehicle rate.

- k. The President and General Manager gave the monthly Right-of-Way Report. Of the 497.40 total distribution miles on the 2026 work schedule, 237.36 miles are completed and 260.04 miles remain. This means they are 59.17 miles behind schedule but have committed two additional crews to the task. With 21 weeks remaining in the year, it will require cutting 12.26 miles per week to complete on time. AriesPro is working with Lewis Tree to implement vegetation management technology and software. There are 72 miles of transmission right of way that are scheduled to be cut in 2026, 27.44 miles are completed and 44.51 miles remain to be completed. The T/M Crew is currently cutting danger trees and executing work orders. Piedmont intends to cut smaller staking sheets as they come in and continue removing danger trees when found.
 - l. The President and General Manager gave the monthly Inspection/Pole Replacement Report. He reported that PEMC replaced forty-two (42) poles in July. 221 poles remain in the workflow.
 - m. The President and General Manager gave the monthly Idle Services Project Report. He informed the Board that 27 idle services were addressed in July, of which 20 were retired and 7 placed in idle rate. There are 815 idle services remaining to be addressed.
 - n. The President and General Manager delivered the monthly Outage Report. He reported that there were 151 outages for 18,291.93 consumer hours without power resulting in a System Average Interruption Duration Index ("SAIDI") of 31.13 and a Customer Average Interruption Duration Index ("CAIDI") of 130.5 for the month. There were several large outages in July.
7. The Vice President of Corporate Services
- a. Gave the monthly Safety Report, noting Piedmont had no recordable injuries and no lost time from work. Piedmont still has had only one recordable injury to date and one vehicle accident that was not the employee's fault. There are 34 crew visits to date and all facility inspections are completed and all trucks passed inspections. The Worker's Compensation Modifier for 2026 is 1.12, with 1 Worker's Compensation claim filed year-to date and 5 liability claims filed of which 4 are paid out. Cody Phillips, the Job Training and Safety Specialist from

NCEMC did a Competent Person Refresher with 35 employees participating on July 22, in addition to in-house training. Two employees remain on light duty from injuries received in previous years.

- b. The Vice President of Corporate Services gave the monthly update on the Rural Electric Development Loan and Grant ("REDLG") loans. She informed the Board that there are funds available through the revolving fund and available for loans under the 5% cap. The Bahama Fire Department submitted a request for a loan to purchase a new fire engine with a January 2027 anticipated delivery date. Upon motion and second, the Board approved the loan request from the Bahama Fire Department.
 - c. The Cherry Grove Volunteer Fire Department inquired about a loan for some firefighting equipment. They have an existing loan from earlier this year secured by a fire truck. Upon motion and second, the Board voted to rewrite the existing loan to include the fire truck that is collateral for that loan and the equipment to be purchased with the new loan funds into a single loan for the combined funds.
8. The Vice-President for Financial Services
- a. Presented the May and June 2026 AR 45 Work Orders. Upon motion and second, the Board approved the May and June 2026 Work Orders.
 - b. The Vice President of Financial Services presented the unaudited financials for July 2026. The actual heating and cooling days for July were 508, 28 more than the normal of 480, bringing the year-to-date difference to 135 or 4.51% above normal. Piedmont connected 253 new services year-to-date in 2026 as compared to 224 in 2025 and has 35,255 services in place year-to-date compared to 34,879 in 2025. Piedmont added 11.88 miles of line in 2026 and has a total of 3,706.22 miles of line.
 - c. A list of all invoices and payments for the month in excess of \$50,000.00 was shared with the Board.
 - d. The Vice President of Financial Services presented the Wholesale Power Cost Adjustment for July 2026.
9. Mr. Parker reviewed a request for the release of an old right of way for Agerholm Holding, LLC on Schley Road. The member granted a new right-of-way, the distribution

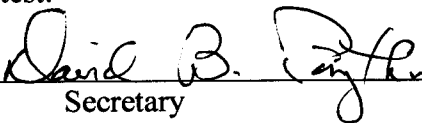
line was relocated and the member paid for the relocation. Upon motion and second, the Board voted to release the old right of way.

The Board went into an executive session that began at 3:55 p.m. and ended at 4:05 p.m.

There being no further business to conduct, Mr. Kinley declared the meeting adjourned at 4:05 p.m.


Chair

Attest:


Secretary

Minutes 08 17 26