

Piedmont Electric Membership Corporation
Hillsborough, North Carolina
Board of Directors Meeting
November 21, 2022
SUMMARY MINUTES

The regular meeting of the Board of Directors of Piedmont Electric Membership Corporation was held at 3:00 p.m. on November 21, 2022 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 in person: Bill Barber, Randy Kinley, David Poythress, V. Kay Scurlock-Ferguson, Steven Bailey, Richal Vanhook, Steve Long and Beth Townsend; Cy Vernon participated via TEAMS. Also present in person was Steve Hamlin, President and General Manager, Susan Cashion, Vice-President, Compliance and Administrative Officer, Mike Parker, Attorney, Ed Durham, Manager of Energy Services, Angie Jones, Manager of Human Resources and Scott Rowland, Manager of Information Technology. Participating via TEAMS were Lisa Kennedy, Vice-President of Financial Services, Robert Riley, Vice-President of Operations, Larry Hopkins, Vice-President of Engineering and Brandon Reed, Manager of Member Services and Public Relations.

Mr. Barber called the meeting to Order.

The following business was discussed in various levels of detail.

1. Upon motion and second the Board approved the minutes from the October 17, 2022 meeting. Upon motion by and second the Board approved the summary minutes from the October 17, 2022 meeting.
2. Upon motion and second the Board approved the Monthly Safety Report.
3. Staff discussed a letter of concern sent to Mr. Vernon from a member over LED lights that they considered exceptionally bright. Piedmont will attempt to insure only the needed light is installed, would keep up with new technologies to address dark skies and lighting concerns, ensure flood lights are installed at the proper angle, and watch for any local ordinances that might apply.
4. The Vice-President of Engineering informed the Board:

- a. About the status of Piedmont's newest large commercial account.
 - b. He reported that approximately 80% of the new meters were installed and the project should be completed in April 2023.
 - c. Questions from the Town of Chapel Hill about the proposed substation at Eubanks are being addressed. Piedmont is also looking for a substation site on West Ten Road near Efland.
 - d. And finally, Piedmont was approached by Orange County EMS and the fire department with an opportunity to share drone footage. There would need to be approximately \$15,000 in the budget for a drone and software represents \$5,000 of that amount. The Board, by consensus, agreed to postpone any decision on the request from the County.
5. The Vice-President of Operations informed the Board that Piedmont was prepared for Hurricane Nicole but damage was minimal and the standby crews were released at noon the day of the storm. A squirrel caused an outage at the West Hillsborough substation.
6. The President and General Manager presented an Equity Management Policy to do an additional economic forecast each year at the suggestion of CFC who will provide the software for this forecast. Upon motion and the Board approved the Equity management Policy.
7. The Vice-President, Compliance and Administrative Officer provided the following updates:
- a. The status of the Rural Economic Development Loan and Grant ("REDLG") Program,
 - b. Discussed several potential projects under the Infrastructure Investment and Jobs (IIJA) Act. The Grassy Creek proposal was completed and is being reviewed with the extended deadline for submission of March 31, 2023. Staff is working on grant proposals for electric buses and charging stations. Caswell County received a grant for an EV charger at a school served by Piedmont. A grant proposal was submitted for an additional charging station in Carrboro Plaza for a \$45,000 grant with Piedmont providing the additional \$35,000 in funding for the station.
 - c. Requested that the Board approve two events the recently revived Social Committee at Piedmont was interested in doing. After discussion the Board was uncomfortable

with the expense of these projects to the Cooperative, particularly based on the actual cost per meal served.

8. Staff reminded the Board about the Board Retreat on December 1 and 2 including a trip to see the microgrid and battery storage system at Wake EMC. The second day will include a political update, a report on TEMA and supply issues, and an update from Duke Energy and department presentations.
9. The Vice-President of Financial Services presented the Financial Report for October 2022. Equity is 32.23% compared to 2021 year-end equity of 32.40%. Deferred storm recovery costs to date are \$140,845.93 and Piedmont has recovered \$73,441.77 of those expenses through the storm recovery rider leaving \$67,404.16 in unrecovered costs. These numbers are annualized and do not include the approximate costs for Hurricane Ian of \$444,000, however a majority of this expense is expected to be reimbursed by FEMA. She then presented the Wholesale Power Cost Adjustment (“WPCA”) for October 2022. The calculated December 2022 retail WPCA charge related to power cost is \$0.00948 and the calculated WPCA charge related to the coal ash clean-up is (\$0.00472) resulting in a net calculated WPCA charge for December 2022 of \$0.00476. Piedmont is attempting to cover wholesale power costs through the WPCA in order to avoid a large one-time true-up with Duke Energy. It averages out to about \$4.50 per month per average residential member.

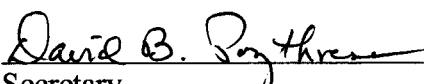
The staff was excused at 5:00 p.m. for an executive session that ended at 5:30 p.m.

Mr. Barber declared the meeting adjourned at 5:30 p.m. since there was no further business to come before the Board.



Chair

Attest:



Secretary