

**Piedmont Electric Membership Corporation**  
**Hillsborough, North Carolina**  
**Board of Directors Meeting**  
**September 19, 2022**  
**SUMMARY MINUTES**

The regular meeting of the Board of Directors of Piedmont Electric Membership Corporation was held at 3:00 p.m. on September 19, 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, Cy Vernon, David Poythress, V. Kay Scurlock-Ferguson, Steven Bailey and Steve Long; Beth Townsend and Richal Vanhook participated via TEAMS. Also present in person was Steve Hamlin, President and General Manager, Susan Cashion, Vice-President, Compliance and Administrative Officer, Larry Hopkins, Vice-President of Engineering, Mike Parker, Attorney, Angie Jones, Manager of Human Resources, Ed Durham, Manager of Energy Services, and Scott Rowland, Manager of Information Technology. Participating via TEAMS were Lisa Kennedy, Vice-President of Financial Services and Robert Riley, Vice-President of Operations.

Mr. Barber, Chair, 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 August 15, 2022 meeting.
2. Upon motion and second the Board approved the summary minutes from the August 15, 2022 meeting.
3. Upon motion and second the Board approved the Monthly Safety Report .
4. Representatives of HomeServe joined the meeting via TEAMS. They did a presentation on HomeServe, a home repair service program. There is no charge to the cooperative, the cooperative receives a 10% commission with a minimal effort. The Board asked for a schedule of costs, information on how the contractors rate the program and what information the members will receive in the mail.
5. Mr. Parker reviewed the proposed changes to Article IV, Sections 4.01, 4.04, 4.05, 4.06 and

4.09 of the Bylaws to eliminate the at-large directorate and reduce the number of Board members to nine. The Board had discussed these changes at the June 2022 Board meeting during executive session. Upon motion and second the Board voted unanimously to adopt the changes to Article IV, Sections 4.01, 4.04, 4.05, 4.06 and 4.09 of the Bylaws.

6. The Vice-President of Engineering informed the Board that:

- a. Our newest commercial account has requested additional capacity and requested permission to install a generator at the Mebane-Oaks substation. It will likely need to operate 24 hours a day, every day of the week for about two months. The Board expressed concern about noise complaint from the neighbors. The Board requested that the company contact everyone within 3,000 feet of the Mebane-Oaks substation to give their consent in writing.,
- b. He reported they are working on acceptable verbiage in a Memorandum of Understanding with Thermo Fisher for the costs of the capacitors Piedmont will need to install for the system upgrades to accommodate their demand for increased capacity,
- c. He presented a proposed contract for design, materials and equipment for the Eubanks Substation upgrade for \$332,520. Upon motion and second the Board unanimously approved the contract. He also discussed the two bids received for the two transformers needed for the Mebane Oaks substation to upgrade from 44KV to 100KV. The low bid was from SDX but they indicated a delivery time of 108 to 124 weeks which is outside the timeline that our member needs the additional power. ABB Hitachi can meet the timeline with some cushion. Their bid was \$2,314,584. Upon motion and second the Board approved the contract with ABB Hitachi.
- d. He reported approximately 77% or 26,000 meters are now installed by Landis+Gyr. There are some communications issues they are working to resolve and they hope to have all residential meters installed by late November, early December.

7. The Vice President of Operations gave the operations report, informing the Board they conducted OPS personnel training on August 25<sup>th</sup> and they met with Pike to discuss an additional tree crew on September 8. Otherwise, it was a relatively normal month.

8. The Vice-President, Compliance and Administrative Officer:

- a. Gave an update on the Rural Economic Development Loan and Grant (“REDLG”) Program. Upon motion and second, the Board approved the \$200,000 loan request from the Anderson Township Voluntary Fire Department.
  - b. She further discussed several projects that may be funded under the Infrastructure Investment and Jobs Act. Grants were also submitted for NC Clean Air Technology Funds for Level 2 EV chargers at the Hillsborough and Roxboro offices. The award for the additional EV charger in Carrboro is expected in the third quarter and announcements are anticipated for applications in each county for EV school buses. The maximum annual grant for energy efficient substation transformers is capped at \$25,000 with a five -year cap of \$125,000.
  - c. She further informed the Board that meetings with county officials are being held to discuss broadband expansion in our underserved areas.
  - d. And finally, Piedmont received a plaque recognizing their support of Hillsborough Hog Day; their entry of “Wilbur,” decorated with line technician gear, came in second place.
9. The Vice President of Financial Services presented the Financial Report for August 2022. Equity is 31.94% compared to 2021 year-end equity of 32.40%. Piedmont has connected 304 new services in 2022 compared to 242 new services connected to date in 2021 and has 33,702 net services in place as compared to 33,357 in 2021. Piedmont has added 12.49 miles of line in 2022 and now has a total of 3,632.10 miles of line. Deferred storm recovery costs to date are \$140,845.93 and Piedmont has recovered \$50,164.61 of those expenses through the storm recovery rider leaving \$90,681.32 in unrecovered costs. She presented the Wholesale Power Cost Adjustment for August 2022. The calculated October 2022 retail WPCA charge related to power cost is \$0.00597 and the calculated WPCA credit related to the coal ash clean-up is \$0.00472 resulting in a net calculated WPCA charge for October 2022 of \$0.00125.

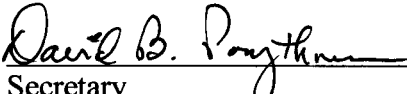
Strategic Planning sessions with staff are scheduled for October 5th from 8:00 a.m. to 5:00 p.m. and October 6th from 8:00 a.m. to noon. The Directors are welcome to participate.

The staff was excused at 5:15 p.m. for an executive session that ended at 7:10 p.m.

Mr. Barber declared the meeting adjourned at 7:10 p.m. since there was no further business to come before the Board.

  
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Chair

Attest:

  
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Secretary

PEMC\Minutes 09/19/22