

**Piedmont Electric Membership Corporation
Hillsborough, North Carolina
Board of Directors Meeting
December 21, 2020
SUMMARY MINUTES**

The regular meeting of the Board of Directors of Piedmont Electric Membership Corporation was held at 3:00 p.m. on December 21, 2020 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, Steven Bailey, David Poythress, Sam Woods, Randy Kinley, Cy Vernon and Steve Long with Elizabeth Townsend, Andy Oakley and Richal Vanhook participating via TEAMS. Also present in person were Steve Hamlin, President and CEO and Mike Parker, Attorney and the following staff members who participated via TEAMS: Susan Cashion, Vice-President, Chief Compliance and Administrative Officer, Larry Hopkins, Vice-President of Engineering, Lisa Kennedy, Vice-President of Financial Services and Robert Riley, Vice-President of Operations.

Mr. Barber, Chairman, called the meeting to Order.

Upon motion by Mr. Woods and second by Mr. Vernon, the Board approved the minutes from the November 16, 2020 meeting unanimously.

Upon motion by Mr. Bailey and second by Mr. Kinley, the Board approved the summary minutes from the November 16, 2020 meeting unanimously.

The following business was discussed on various levels of detail:

1. The Board approved the Monthly Safety Report.
2. The CEO provided the Board with information regarding their hourly reports and compensation for the 2020 Form 990 and that Piedmont's coal ash remediation overcollection balance is now approximately \$1.8 million.
3. The CEO informed the Board that he has signed the revised Power Purchase Agreement ("PPA") with Duke Energy Carolinas ("DEC"). He also informed the Board they will be seeing the term "SEEM" from DEC, which is "Southeastern Energy Exchange Market," a regional wholesale power market structure.
4. Staff presented and the Board approved the 2021 budget, noting a few minor changes from the budget presented at the December 3rd Board Retreat.

5. Staff also presented the semi-annual delinquent accounts charge-offs for the period from July 1, 2019 through December 31, 2019. The Board approved the charge –offs for the second half of 2019.
6. Staff updated the Board on pandemic related Accounts Receivable “arrangement” totals noting efforts by staff to work with delinquent members who are making an effort to eliminate their delinquent balance and guiding them to programs to assist with energy costs.
7. Staff updated the Board on broadband issues and informed the Board that the proposed hotspot at the Cherry Grove Ruitan Club is still not operational but should be working soon.
8. Staff updated the Board on the Rural Economic Development Loan and Grant Program (“REDLG”) noting several anticipated needs. The Board requested that Piedmont determine the number of volunteers, a three-year history of volunteers, the number if any of paid staff and the number of volunteers required for certification as part of the due diligence on loan requests from volunteer fire departments.
9. Staff reported that the lease for the charging station for electric vehicles (“EV”) to be located at Carrboro Plaza has been signed and the EV charging station lease for the Mebane Arby’s is still pending.
10. The Vice-President of Engineering:
 - a. Met with the installers for the new meters. They have identified sites for the repeaters and collectors and expect the network and some of the meters in the pilot project to be operational around the end of January 2021,
 - b. Informed the Board that a letter was mailed to members in the area around Highway 54 in southern Orange County regarding solar constraints,
 - c. Reported that the new Hyco transformer came on-line this past week but they are still working on the Cherry Grove substation to bring it on-line,
 - d. Reported that McCall-Thomas plans to be at Piedmont in mid-February for the system analysis assuming that there are no issues with the COVID pandemic.
 - e. Discussed the proposed contract for 2021 with Electrical Consulting Engineers (“ECE”) as a designated consulting engineer with RUS. Their rate increased by 1.9% over the 2020 contract. This is not a job specific contract. The Board approved the contract for 2021 with ECE as a designated consulting engineer.
11. The CEO reported that on November 1, 2020 Bellwether was sold to Allegiant Utility

Services, Inc. ("AUS") and presented a new contract with AUS to install load management, AMI equipment and the new meters, noting as an existing customer, Piedmont will have its rate "grandfathered." The Board approved the contract with AUS.

12. The Vice-President of Financial Services presented the following to the Board:
- a. The Board approved the AP8 Work Orders for September and October 2020 totaling \$3,206,702.38.
 - b. The Financial Report for November 2020.
 - c. The Wholesale Power Cost Adjustment for November 2020, and
 - d. The calculated January 2021 retail WPCA credit related to power cost is (\$0.00102) and the calculated WPCA charge related to the coal ash clean-up is \$0.00150 resulting in a calculated WPCA net charge for January 2021 of \$0.00048 per kWh.
13. Mr. Parker reported on the Nominations Committee meeting on December 5 where the Committee nominated Cy Vernon as the sole candidate for District 3, Bill Barber as the sole candidate for District 7 and Andy Oakley, Kay Ferguson and John Greene as the candidates for District 8 for the Board election cycle in 2021.

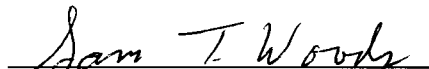
Staff was excused and the Board met in executive session beginning at 4:30 p.m. which ended at 4:55.

Mr. Barber declared the meeting adjourned at 4:55 p.m. since there was no further business to come before the Board.



Chairman

Attest:



Secretary

PEMC\Minutes 12/21/20