

Piedmont Electric Membership Corporation
Hillsborough, North Carolina
Board of Directors Meeting
May 17, 2021
SUMMARY MINUTES

The regular meeting of the Board of Directors of Piedmont Electric Membership Corporation was held at 3:00 p.m. on May 17, 2021 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: Bill Barber, Sam Woods, Randy Kinley, Cy Vernon, Steven Bailey, David Poythress, V. Kay Scurlock-Ferguson, Elizabeth Townsend, Richal Vanhook and Steve Long. Also present in person was Steve Hamlin, President and General Manager, Mike Parker, Attorney, and Scott Rowland, Manager of Information Technology. Participating via TEAMS were the following staff members: Susan Cashion, Vice-President, Compliance and Administrative Officer, Larry Hopkins, Vice-President of Engineering, Lisa Kennedy, Vice-President of Financial Services, Robert Riley, Vice-President of Operations, Kirk Metcalf, Manager of Human Resources, and Chuck Lee, Manager of Energy Services.

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

The following business was discussed on various levels of detail:

1. Mr. Parker administered the oath of office to Ms. Scurlock-Ferguson and she was welcomed to the Board of Directors.
2. Upon motion and second the Board approved the minutes from the April 19, 2021 meeting.
3. Upon motion and second the Board approved the summary minutes from the April 19, 2021 meeting.
4. Upon motion and second the Board approved the minutes from the Annual Meeting that was held on April 16, 2021.
5. Upon motion and second the Board approved the Monthly Safety Report.
6. The President and General Manager reported on a settlement for Carbon Capture Recovery (coal ash) with Duke Energy Carolinas of approximately \$2.2 million and with Duke Energy Progress of \$1.1 million to be credited to Piedmont for wholesale power costs.
7. Bill Shillito and Greg Coltrain of RiverStreet Networks (“RSN”) joined the meeting via TEAMS to discuss the current status of deployment of broadband services. They have redesigned their website to indicate RSN and Piedmont have joined with Caswell and

Person County governments to expand broadband in those counties. They also discussed pending legislation in North Carolina including proposed House Bill 947, The G.R.E.A.T. Broadband Expansion Act. This bill would change the minimum available speeds of 10 Mb down/1 Mb up to 25Mb down /3Mb up as the definition of underserved areas qualifying for grant awards and also provides significant additional funding for broadband expansion.


8. The Vice President of Engineering presented the 2021 load forecast for the period 2021 through 2040. Upon motion and second, the Board adopted the resolution approving the Load Forecast.
9. The Vice President of Engineering also presented a contract to use drones to inspect transmission poles and equipment. Upon motion and second the Board unanimously approved the contract.
10. Mr. Vernon complimented the work of Davis H. Elliot, Inc. on the Cherry Grove transmission line.
11. There are no new Rural Economic Development Loan and Grant Program (“REDLG”) requests and \$2,108,359 is available for loans under the 5% cap and \$392,619 in the revolving fund. The loan to the Orange Rural Fire Department No. 1 for their new fire truck closed in April.
12. Staff reported that the accounts receivables stand at \$742,816.52, a decrease of approximately \$112,000 since the April Board meeting. Piedmont continues to work with members upon request to find available assistance with power bills.
13. The President and General Manager discussed the general retirement for 2021 with the Board. The oldest unretired full year is 1994 and it would currently require approximately \$760,650.08 to retire 1994. The Board inquired if they could retire all of 1994 and perhaps one-half of 1995. Staff will run the numbers to see what that would do to the equity ratio and report back to the Board.
14. Staff reported that the two fast EV chargers are here and the installer is lining up the installations for these and other chargers to be installed statewide. The chargers have to be installed before the end of 2022.
15. Staff reported that all the pilot meters with the exception of 40 or so time of use meters are installed and are providing good data with only minor glitches. The Red Mountain substation collector is still having issues and Landis+Gyr is reviewing the issue. He notes

the global shortage of microchips may delay completion and Landi+Gyr wants to order materials before the pilot is complete. The Board asked for a timeline for the pilot before committing to order materials beyond the pilot project.

16. The President and General Manager discussed a plan to return to normal operations post COVID. The employees want to develop a work from home plan for those able to do so. The Board did not indicate they would support such a plan unless it would save money since their concern is what is best for the members. The employees noted a number of positives including not having to replace one employee who retired, reduction of their carbon footprint and increased productivity due to reduced interruptions. One major concern is cybersecurity when working from home. No changes are planned before September 1, 2021 and the Board and staff will decide what to do long-term between now and then. The Members seem to have adapted well to the changes required by COVID.
17. The Vice-President of Financial Services presented the Financial Report and the Wholesale Power Cost Adjustment for April 2021 noting that Piedmont paid \$2,487,717.12 in Wholesale Power Cost for the month. The calculated June 2021 retail WPCA credit related to power cost is (\$0.00335) and the calculated WPCA charge related to the coal ash clean-up is \$0.00150 resulting in a net calculated WPCA credit for June 2021 of (\$0.00185).
18. The Vice President of Engineering reported that the system analysis being performed by McCall-Thomas will take another six to eight weeks or so to complete; it was delayed by the COVID pandemic.
19. Staff reported on costs associated with fiber repair from a number of causes including a squirrel chewing through the fiber cable.

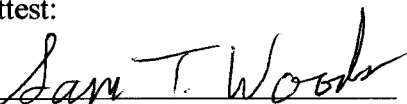
The staff was excused at 5.45 for an executive session that ended at 5:50 p.m.

Mr. Barber declared the meeting adjourned at 5:50 p.m. since there was no further business to come before the Board.



Chair

Attest:



Secretary

PEMC\Minutes 05/17/21