

Piedmont Electric Membership Corporation
Hillsborough, North Carolina
Board of Directors Meeting
December 20, 2021
SUMMARY MINUTES

The regular meeting of the Board of Directors of Piedmont Electric Membership Corporation was held at 3:00 p.m. on December 20, 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, Cy Vernon, David Poythress, V. Kay Scurlock-Ferguson, Richal Vanhook, Steven Bailey, Steve Long and Randy Kinley with Beth Townsend participating via TEAMS. 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 Susan Cashion, Vice-President, 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.

The following business was discussed in various levels of detail:

1. Mr. Barber presented Mr. Long with a 10 Year Service Award and Mr. Poythress with a 15 Year Service Award.
2. Upon motion and second the Board approved the minutes from the November 15, 2021 meeting unanimously.
3. Upon motion and second the Board approved the summary minutes from the November 15, 2021 meeting unanimously.
4. Upon motion and second the Board approved the Monthly Safety Report unanimously.
5. Staff reported on operations activities noting that JT&S had performed lock-out training in December and that operations employees were given a report on 2022 plans.
6. Staff updated the Board on the Rural Economic Development Loan and Grant Program noting the amounts available for loans from the revolving fund.
7. Staff reported that the "COVID" accounts receivables continue to decrease.
8. Staff reported on a member email that was received via the web site.
9. Staff informed the Board that that a Foundation Board member had requested to be released

from their position. The Board accepted that Foundation Board members resignation with many thanks and then approved the appointment of another.

10. The Vice-President of Financial Services presented the semi-annual charge-offs for the period from July 1, 2020 to December 31, 2020. Upon motion and second the Board unanimously approved the member charge-offs and two charge-off's for damages as presented.
11. The Vice-President of Financial Services presented the 2022 budget. Upon motion and second the Board unanimously approved the 2022 budget as presented.
12. The Board inquired as to the reasons Piedmont plans to shelter the mobile substation in Caswell County and the various reasons were explained.
13. The Vice-President of Engineering presented a document for Board approval request called a Collateral Assignment of Material Contracts to assist a commercial member in their efforts to refinance their debt. The Board, by consensus, authorized the execution of the Collateral Assignment of Material Contracts.
14. The Vice-President of Engineering also presented the proposed contract for engineering services in 2022. Upon motion and second the Board unanimously approved the designated consulting engineering contract for 2022.
15. The Vice-President of Engineering informed the Board that the test was completed on the AMI pilot project with one issue noted and it is being resolved. Network installation should begin in the next two weeks.
16. The President and General Manager reported that the sale of Diversified Energy is completed for a sales price of \$35.5 million plus approximately \$1 million in inventory and \$2.5 million in accounts receivable. Piedmont will recover its investment in Diversified in full.
17. The Vice-President of Financial Services presented the AP8 Work Orders for September and October 2021 totaling \$1,365,483.62. Upon motion and second the Board unanimously approved the Work Orders for September and October 2021.
18. The Vice-President of Financial Services presented the Financial Report for November 2021 and the Wholesale Power Cost Adjustment for November, 2021. The calculated January 2022 retail WPCA credit related to power cost is (\$0.00037) and the calculated WPCA charge related to the coal ash clean-up is (\$0.00472) resulting in a net calculated WPCA

credit for January 2022 of (\$0.00509).

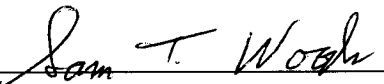
19. The President and General Manager gave the Board members a report of their 2021 compensation report and a sheet to complete for their contributions to REAP and ACRE for the upcoming year.
20. Mr. Parker reported on the Nominations Committee meeting on December 4 where the Committee nominated Steven Long as the sole candidate for District 4, Beth Townsend as the sole candidate for District 6 and Thomas Warren and Richal Vanhook as the candidates for District 9 for the Board election cycle in 2022.

Staff was excused at 4:05 for an Executive Session of the Board that ended at 4:45 p.m. Mr. Barber declared the meeting adjourned at 4:45 p.m. since there was no further business to come before the Board.



Chairman

Attest:



Secretary

PEMC\Minutes 11/20/21