

Piedmont Electric Membership Corporation
Hillsborough, North Carolina
Board of Directors Meeting
January 24, 2022
SUMMARY MINUTES

The regular meeting of the Board of Directors of Piedmont Electric Membership Corporation was held at 3:00 p.m. on January 24, 2022 pursuant to notice of date and time of said meeting at the headquarters of the Cooperative in Hillsborough, North Carolina; the meeting having been postponed from January 17, 2022 due to inclement weather.

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, Randy Kinley and Beth Townsend. Also present were 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, Robert Riley, Vice-President of Operations, Ed Durham, Manager of Energy Services, and Chris Hoyler, Plant Manager.

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 December 20, 2021 meeting.
2. Upon motion and second, the Board approved the summary minutes from the December 20, 2021 meeting.
3. Upon motion and second, the Board approved the Monthly Safety Report. The President and General Manager explained the accident and two disciplinary actions resulting from it reflected by the Monthly Safety Report.
4. He also informed the Board that the true-up for the 2021 wholesale power supply will likely result in Piedmont owing Duke Energy due to unexpected high energy charges, although the exact number will not be available until later this year.
5. The Vice-President of Operations reported there were four bidders for the overhead and underground construction contracts. Upon motion and second the Board approved awarding

the overhead construction contract to Lee Electric and the underground construction contract to Pike Electric.

6. He also reported that on the January 3, 2022 storm, noting all power was restored by 8:00 p.m. that evening. Two Piedmont crews were sent to other cooperatives to provide assistance on January 5th. The ice storm on January 16 caused one outage affecting 200 members. An accident occurred on January 21st when a vehicle ran a stop sign and pulled out in front of a Piedmont line truck. The line truck ran off the road to avoid a collision into soft ground and toppled over. Fortunately, there were no injuries and apparently little damage although the truck is being tested to be certain. The driver of the other vehicle was at fault but left the scene of the accident.
7. The Vice-President of Engineering reported that the weather has delayed meter installation until February 1st.
8. The Plant Manager presented the annual vehicle utilization report. Piedmont has ordered a Ford electric vehicle but it will likely be next year before delivery.
9. The President and General Manager presented the anticipated numbers for the 2021 Organization Incentive Plan. The 2021 incentives are based in part on individual performance and thus the potential payouts for each are half of the total for 2020. The other half will be used to reward employees who excel under the Pay for Performance incentives. In 2022 all of the incentives will be based on individual performance.
10. He also reported that our consultant continues to work on a possible fiber lease opportunity.
11. The President and General Manager further reported that the Annual Meeting will be held on Thursday, April 14, 2022 since April 15 is Good Friday. Voting for the director elections will end on April 12.
12. The Vice-President, Compliance and Administrative Officer:
 - a. Introduced Piedmont's new Manager of Energy Services who is replacing the former manager who has retired,
 - b. Gave an update on the Rural Economic Development Loan and Gran Program,
 - c. Reported that the COVID period accounts receivables are currently \$185,558.94 and continue to decrease,
 - d. Reported about a member complaint submitted to Ms. Townsend regarding the frequency of outages and the response from Piedmont staff explaining the outages


were primarily caused by power delivery failures from Duke Energy.

e. Reported on a meeting with the Ferguson Group from South Carolina who are grant writers, regarding several possible grant opportunities. She explained the grant applications are very lengthy and involved and cost approximately \$17,000 per application.

13. The Vice-President of Financial Services presented the Financial Report for December 2021. The calculated February 2022 retail WPCA credit related to power cost is (\$0.00186) and the calculated WPCA charge related to the coal ash clean-up is (\$0.00472) resulting in a net calculated WPCA credit for February 2022 of (\$0.00658).

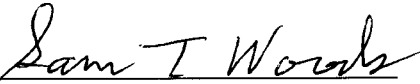
Staff was excused at 4:00 for an Executive Session of the Board that ended at 4:40 p.m.

Mr. Barber declared the meeting adjourned at 4:40 p.m. since there was no further business to come before the Board.



Chair

Attest:



Secretary