

**Piedmont Electric Membership Corporation**  
**Hillsborough, North Carolina**  
**Board of Directors Meeting**  
**October 18, 2021**  
**SUMMARY MINUTES**

The regular meeting of the Board of Directors of Piedmont Electric Membership Corporation was held at 3:00 p.m. on October 18, 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, Beth Townsend and Randy Kinley with Steve Long participating via TEAMS. Also present in person was Steve Hamlin, President and General Manager, Susan Cashion, Vice-President, Compliance and Administrative Officer, Mike Parker, Attorney, and Scott Rowland, Manager of Information Technology. Participating via TEAMS were Larry Hopkins, Vice-President of Engineering, 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 September 20, 2021 meeting.
2. Upon motion and second the Board approved the summary minutes from the September 20, 2021 meeting.
3. Upon motion by and second the Board approved the Monthly Safety Report.
4. The President and General Manager reported the Duke Energy coal ash insurance settlement will be about \$300,000 more than Duke had originally estimated.
5. The Vice-President of Operations reported on operations noting that:
  - a. JT&S had performed a training session on leadership accountability on September 20,
  - b. That staff had met that same day to discuss a sufficient lead time on ordering materials,
  - c. That the Safety Manager did a “back to the basics” training session on September 28th, and,
  - d. He also spoke to the Durham Tech graduates from the Electric Line

Technician Completion Ceremony.

6. The Vice-President, Compliance and Administrative Officer:
  - a. Gave an update on the Rural Economic Development Loan and Grant Program noting that \$3,042,275 is available for loans under the 5% cap and \$1,022,379 in the revolving fund. The Caldwell and Sweptsonville Fire Departments still plan on closing their loans this fall and the City of Roxboro has inquired about a possible loan.
  - b.. The COVID 19 related accounts receivable balance is currently down approximately \$19,000 since the last Board meeting and 668 members have made long term repayment arrangements.
  - c. The Carrboro EV charging station opened on October 5 and construction will begin on the EV charging station at Arby's in Mebane on October 25 now that the permits are issued,
  - d. She reported that the Manager of Energy Services plans to retire at the end of 2021, and,
  - e. She provided an update on RiverStreet Networks ("RSN") informing the Board that they now have 94 customers in Person County. The publicity campaign is still not complete RSN does what minimum amount is necessary to service the two "hot spots" in Caswell County.
7. The Vice-President of Engineering:
  - a. Informed the Board that a test will be conducted on the AMI pilot project with a planned outage on October 25<sup>th</sup> at 10:00 a.m. for five minutes in length to see how the system responds. The affected members will be informed in advance of the outage.
  - b. He explained that the North Roxboro substation was essentially constructed on a pile of rocks and there is no good place for a mobile substation on the site. The grading work necessary to accommodate a mobile substation was let for bids. Solomon & Son submitted a detailed qualified bid and, since they have experience with this type of work on an energized site, the Board, by consensus, agreed to award the job to Solomon & Son.

8. The President and General Manager:

- a. Discussed the sale of Diversified Energy which is owned by 19 cooperatives including Piedmont to Sharp Propane, a publicly traded propane company. He estimates that it may take over a year to “wind down” the details of Diversified’s operations. More details will be presented as more accurate information is available.
  - b. Presented an opportunity for an Indefeasible Right to Use (“IRU”) to Crown Castle for four strands of Piedmont’s fiber. The IRU is for 20 years with a one-time payment of \$147,000 and an annual maintenance fee of \$9,625. The NCMC will have to construct a connection but at no expense to Piedmont. The Board, by consensus, agreed to authorize him to proceed with an IRU with Crown Castle, and
  - c. Presented a Remote Work Policy for the Board’s consideration noting there are instances where it is for the mutual benefit of the employee and Piedmont to allow employee(s) to work remotely. It will only be used in special, and generally temporary, circumstances; for example, where someone is out for recovery from an operation if they can perform their work from home. The Board expressed concern over the fairness of the policy for those who cannot do their jobs remotely. The policy was tabled for the Board to do a thorough review before voting.
9. The Vice-President of Financial Services presented the AP8 Work Orders for July and August 2021 totaling \$1,161,973.62. Upon motion and second the Board approved the Work Orders for July and August 2021. She further presented the Financial Report for September 2021 and the Wholesale Power Cost Adjustment for September, 2021. The calculated November 2021 retail WPCA credit related to power cost is (\$0.00101) and the calculated WPCA charge related to the coal ash clean-up is (\$0.00472) resulting in a net calculated WPCA credit for October 2021 of (\$0.00573).

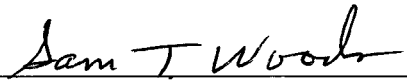
Mr. Parker reported on information he received at the meeting of the NCEMC Attorneys group the previous weekend.

Staff was excused at 4:35 for an Executive Session of the Board that ended at 5:15 p.m.

Mr. Barber declared the meeting adjourned at 5:15 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 10/18/21