

**Piedmont Electric Membership Corporation
Hillsborough, North Carolina
Board of Directors Meeting
September 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 September 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, Beth Townsend and Steve Long with Randy Kinley 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, Angie Jones, Manager of Human Resources, Kirk Metcalf, former Manager of Human Resources, Brandon Reed, Manager of Member Services 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 August 16, 2021 meeting.
2. Upon motion and second the Board approved the summary minutes from the August 16, 2021 meeting.
3. Upon motion and second the Board approved the Monthly Safety Report.
4. Representatives of RiverStreet Networks (“RSN”) joined the meeting via TEAMS to discuss the current status of deployment of broadband services in Caswell and Person Counties. In Caswell County RSN has decided that it is not financially feasible at this time to build the anticipated broadband system due to the award Spectrum received for the same coverage area. In Person County work is progressing with only the Whitt tower not currently operational. The maps are currently being updated. There are about 5,000 unserved and underserved people in Orange County but they are so scattered that is financially challenging to serve them.

5. The President & General Manager reported on the Duke Energy coal ash insurance settlement. Duke has informed Piedmont that Piedmont's share will be about \$924,000, however Enervision believes it should be around \$1,543,000. Staff will work with Enervision and Duke to clarify these amounts and possible recapture opportunities.
6. The Vice-President of Operations reported on a three-day safety training session.
7. The Vice-President of Engineering discussed the negotiations with Charter Communications for a resolution to the long dispute over pole attachments fees. On September 14 Mr. Hopkins communicated a settlement offer of \$8.12 per pole with adjustments based on the Handy Whitman Index and continuation of the existing agreement for the terms and conditions for attachment. He is now waiting to hear a response.
8. Angie Jones, our new Manager of Human Resources was introduced to the Board. She is a Buffalo native with 20 years of Human Resources experience. She will be employed by CSC and will share services between Piedmont and their other human resource clients. Additionally, she presented the Affirmative Action Report for the period beginning May 1, 2020 through April 30, 2021.
9. Staff reported there are no new Rural Economic Development Loan and Grant Program ("REDLG") requests. The Caldwell and Swepsonville Fire Departments plan on closing their loans this fall. Additionally, the accounts receivables continue to decline and are now \$609,508. Piedmont is collecting payment arrearages that are from six to eighteen months depending on the balance.
10. The Board was informed of the recognition of employee Abby Anderson by RE magazine.
11. The Manager of Member Services reported on trends for methods of payments by members and the closing of offices by other cooperatives due to the decline in payments by members at their offices. There are less transactional interactions for balances, due dates and cutoff dates and an increase in digital communications such as email, website interaction, social media and "chat". There are increases in complex transactions such as energy analysis, solar and other programs. Also, there are more outbound communications with members on issues such as payment of

—

past dues amounts, particularly during the COVID pandemic, and planned outages. He also noted that the number of member contacts for the Caswell office dropped below 5,000 for 2020 which is less than the number of members communicating via email. The weekly average in Caswell is between 69.8 and 84.5 transactions per month and 5.5 to 10.5 Electel transactions monthly with some overlap. Thus, staff recommends closing the Caswell office beginning January 1, 2022, reducing the hours of operation of the drive-through windows in Hillsborough and Roxboro to Tuesday, Wednesday and Thursday and continue to limit interactions to the drive-through windows only. There are currently three FTE positions that will need to be filled if these recommendations are not adopted. The Board discussed the recommendations, particularly the closing of the Caswell office and its effect on member services and the cost to keep it open once a week. Any decision to close it would require much advance notice to allow members time to plan for their future transactions with Piedmont. A motion was made to accept the recommendation to close the Caswell office effective January 1, 2022 and the motion was seconded. The motion subsequently failed. An additional motion was made to accept the recommendation to reduce the hours of operation of the drive-through windows in Hillsborough and Roxboro to Tuesday, Wednesday and Thursday, effective July 1, 2022 and that motion was seconded and then passed.

-
12. The President & General Manager reported that all employees will return to work in the offices effective November 1, 2021 due to concerns over cybersecurity and concerns over resentment that some employees are able to work from home while others are not. Additionally, he informed the Board that Piedmont will be subject to the recent announcement by President Biden that all employers with 100 or more employees are subject to mandatory vaccinations or weekly COVID testing with limited exceptions. Currently Piedmont is waiting on OSHA regulations interpreting this Executive Order.
 13. The Vice-President of Financial Services presented the Financial Report for August 2021 and the Wholesale Power Cost Adjustment for August, 2021. The calculated October 2021 retail WPCA credit related to power cost is (\$0.00083) 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 (\$0.00555).

The Board members who attended the NRECA Regional meeting reported that the meetings were very informative even without the break-out sessions that were not held due to COVID protocols. They estimated that attendance was about 60%-65% of normal. They noted that mask requirements were not strictly enforced although most did respect the social distancing guidelines.

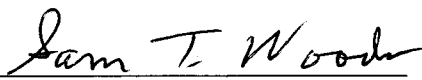
It was noted that the upcoming statewide directors conference will be held on October 28 and 29 in Beaufort, North Carolina and may be attended remotely.

Mr. Barber declared the meeting adjourned at 5:55 p.m. since there was no further business to come before the Board.



Chairman

Attest:



Secretary

PEMC\Minutes 09/20/21