

ENERGYUNITED ELECTRIC MEMBERSHIP CORPORATION
Minutes of Regular Meeting of the Board of Directors
June 20, 2024

Pursuant to due notice thereof, a regular meeting of the Board of Directors of EnergyUnited Electric Membership Corporation was held at the Cooperative's Headquarters in Statesville, North Carolina, at 1:00 p.m. on Thursday, June 20, 2024. With Board President Max Walser presiding, the following proceedings were held (action being by unanimous or without dissenting vote or abstention unless otherwise stated):

1. CALL TO ORDER

President Walser called the meeting to order.

2. INVOCATION

President Walser gave the invocation.

3. ROLL CALL

Upon calling the roll, all directors were present. Also present were Chief Executive Officer Thomas Golden, Chief Financial Officer Alec Natt, Chief Human Resources Officer Pam Britt, Vice President of Energy Delivery Steve McCachern, Vice President of Energy Services and Corporate Communications LaQuisha Parks, Vice President of Information Technology Ryan Gardner, Corporate Communications Manager Marilyn Lineberger, Corporate Attorney Roy McDonald, Executive Assistant Shamica Butts-Young, and paralegal Emily Zimmerman.

4. APPROVAL OF AGENDA

A request was made to remove the May Safety Report (Item b) from the consent agenda.

*Upon motion duly made and seconded, June 20, 2024 Regular Meeting of the Board of Directors agenda was **ADOPTED**.*

a. MAY SAFETY REPORT

Vice President Sisson requested, and CEO Golden provided, an overview of the Cooperative's internal accident investigation process.

No action was requested.

5. GENERAL SESSION

a. ITEMS FOR ACTION

i. JUNIOR MAC MEMBER PROCESS

VP Parks and Cooperative Communications Manager Lineberger reviewed and proposed the following changes to the junior MAC member process:

Selection, Makeup, and Terms of MAC Members: The Board shall establish three MACs to meet in Statesville, Lexington, and Cornelius, which conform to the operating regions. Each MAC shall have no less than twelve members which shall be representative of the makeup of the Membership of the Cooperative. Each MAC may also have no more than two junior MAC members. A junior MAC member is defined as a high school student in the ~~tenth or eleventh or twelfth~~ grade: (1) who is the child or dependent of a cooperative member or a MAC member; or (2) who attends a high school that is ~~located within the operating regions served by EnergyUnited~~. MAC members shall serve for a period of three years on a rotating basis. MAC members shall then rotate off the MAC for at least three years before returning to service. Junior MAC members shall serve no more than a single one-year term. The Directors representing an operating region will select MAC members and Junior MAC members for service on that operating region's MAC, with the assistance of that region's current MAC members and staff. Current MAC members will be encouraged to nominate potential MAC members and potential Junior MAC members for service on MACs.

The purpose of the proposed changes are to align the selection of junior MAC members with the process of selection of junior ambassadors.

*Upon motion duly made and seconded, the following resolution was **ADOPTED**:*

NOW, THEREFORE, BE IT RESOLVED, Member Policy MP-05 is hereby amended as follows:

Each MAC may have no more than two junior MAC members.

A junior MAC member shall be defined as a high school student in the eleventh or twelfth grade: (1) who is the child or dependent of

a cooperative member or a MAC member; or (2) who attends a high school that is located within the operating regions.

Junior MAC members shall serve no more than a single one-year term.

The Directors representing an operating region will select junior MAC members for service on that operating region's MAC, with the assistance of that region's current MAC members and staff.

Current MAC members will be encouraged to nominate potential junior MAC members for service on MACs.

b. INFORMATIONAL ITEMS

i. FEDERATED RURAL ELECTRIC INSURANCE EXCHANGE POLICY REVIEW

Scott Campbell, an Account Executive with Federated Rural Electric Insurance Exchange, gave an overview of the Cooperative's insurance coverage types and limits.

No action was requested.

ii. RATE CHANGE COMMUNICATION PLAN

VP Parks presented the timeline and gave an overview of the key messages of the Cooperative's rate change communication plan.

No action was requested.

iii. FOUNDATION MONTHLY REPORT

VP Parks gave an overview of the EnergyUnited Foundation's activity, including applications received, grants approved, and the Foundation's bank account balance, which is \$489,216.94.

Board members questioned why the Foundation had amassed such a large balance in its bank account. CEO Golden reported that the Cooperative has been in discussions with the Foundation about a number of concerns the Cooperative has regarding the Foundation's practices, to include the Foundation maintaining a such a large balance in its bank account. In these discussions, the Cooperative has attempted to encourage the Foundation to take steps to get member donations out of the Foundation's bank accounts and back into the community, where it is sorely

needed. Such talks continue, but the Cooperative has experienced resistance to change from the Foundation.

The Board asked CEO Golden to keep them advised.

No action was requested.

iv. GOVERNANCE TALK: USING A CONSENT AGENDA

CEO Golden presented NRECA's Governance Talk board educational video "Using a Consent Agenda."

No action was requested.

v. 2024 ANNUAL MEETING JUNE PRESENTATION

Attorney McDonald reported that the Nominating Committee had met on June 11, 2024, and nominated Lisa Pullis (District 1), Travis Phifer (District 2), Jill Doss-Raines (District 2), and Brian Sisson (District 3) as candidates in the 2024 Director Election. Attorney McDonald also reported that there were no nominations by petition.

Attorney McDonald further reported that Richard Johenning, a member living in District 2, had appeared before the Nominating Committee but was not nominated because he did not meet the Membership Director Qualifications set out section 4.3-Director Qualifications, of EnergyUnited's bylaws. Mr. Johenning had challenged the Nominating Committee's decision and brought the challenge before the Credentials and Election Committee on June 18, 2024. After hearing Mr. Johenning's challenge and reviewing the bylaws, the Credentials and Election Committee upheld the Nominating Committee's decision.

There being only one nominee for the District 1 and District 3 directorships expiring and up for election at the 2024 Annual Meeting, President Walser made the following declaration, in accordance with Section 4.5-Director Elections, of EnergyUnited's bylaws:

Nominations to directorships for election at the 2024 Annual Meeting have closed. The number of nominees to the District 1 and District 3 directorships do not exceed the number of directors to be elected in such Districts. Balloting in such Districts shall be dispensed with, and I declare Lisa Pullis and Brian Sisson each duly elected to three-year terms to the District 1 and District 3 directorships, respectively. Such terms shall begin immediately following the adjournment of the Annual Meeting, on September 19, 2024.

Attorney McDonald reported on next steps in the EnergyUnited 2024 Director Election.

No action was requested.

c. CHIEF EXECUTIVE OFFICER REPORT

CEO Golden reported on a 4.1% Duke Transmission Increase, a break in at the Lake Norman Office, fees associated with NC Lineman School, a Meeting with security consultant PCS, closing of the Mocksville Office sale, posting of FORM 990 for review, the video honoring retired director Ann Eller, and RESAP (Rural Electric Safety Program) 2024 Onsite Evaluation results. Executive Assistant Butts-Young reported on upcoming director training, conferences, and meetings.

No action was requested.

7. EXECUTIVE SESSION

Upon motion duly made and seconded, the board went into executive session at approximately 2:30 p.m. and President Walser declared the board in open session at approximately 2:50 p.m.

All matters set out in the agenda for presentation and discussion in executive session were presented and discussed. See the Minutes of Board of Directors Meeting – Executive Session dated June 20, 2024, prepared by Attorney McDonald.

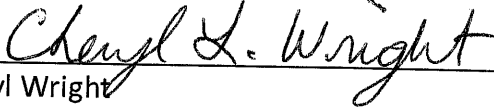
8. OTHER ITEMS

No other items were presented or discussed.

9. ADJOURN

*Where upon there being no further business to be taken, upon motion duly made, seconded, and **APPROVED**, the meeting adjourned at approximately 3:00 p.m.*

I, the duly elected and qualified Secretary of EnergyUnited Electric Membership Corporation, do hereby certify that the foregoing actions were taken by the directors of the corporation at a meeting duly noticed and held June 20, 2024.



Cheryl Wright
Secretary