

UNION ELECTRIC MEMBERSHIP CORPORATION

Monroe, North Carolina
Minutes of Board of Directors Meeting
August 8, 2020

Pursuant to due notice thereof, a regular meeting of the Board of Directors of Union Electric Membership Corporation (hereinafter called “the Cooperative”) was held on August 8, 2020, at 9:00 a.m., via electronic conference.

All Directors were present. Also present were Greg Andress, Executive Vice President and General Manager; Aaron Christensen, General Counsel; and Numa Robertson, Vice President of Corporate Services. Theresa Blackwell, Vice President of Finance and Accounting; attended portions of the meeting.

With President Kirk presiding, the following proceedings were held:

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| Invocation | 1. | Mr. Starnes gave the invocation. |
| Approval of Minutes of Board Meeting | 2. | On MOTION and second, the minutes of the June 13, 2020, and July 23, 2020, Board Meetings were approved. |
| New Member Applications – June 1 through July 31, 2020 | 3. | A total of 1,433 new members made application for service during the period of June 1, 2020, through July 31, 2020, and those new members are now actively receiving electric service from the Cooperative. A total of 1,051 members resigned their membership during this period. Thereafter, on MOTION and second, the following resolution was approved

RESOLVED , the resignations and/or disconnections of resigning members is hereby accepted and approved. The applications of new members are hereby accepted and approved. A list of resigning members and new members is hereby directed to be filed in the official records of the Cooperative. |
| Financial Report – Union Power | 4. | On MOTION and second, the Board accepted the Financial Report as of June 30, 2020. |
| Financial Report – Union Services | 5. | On MOTION and second, the Board accepted the Financial Report for Union Services as of June 30, 2020. |
| COVID-19 Update | 6. | Ms. Blackwell provided a detailed report on the pandemic impacts on Accounts Receivable, planning for debt management contracts, voluntary extensions of the North |

Carolina mandate from 6 months to 12 months for repayment contracts, impacts on pre-pay accounts, and modified disconnect policies. Mr. Address commented on member relation issues, financial impacts, and industry trends and practices.

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| Property Acquisition | 7. | Mr. Address reported on investigation of strategic real estate acquisitions. |
| Executive Session | 8. | The Board entered an Executive Session. At the conclusion of the Executive Session, on MOTION and second, the Board directed Mr. Address to explore potential contracts for strategic land acquisition and authorized Mr. Address to enter contracts for identified parcels. |
| Legal Report | 9. | Mr. Christensen presented the confidential legal report, commenting on governance, pandemic, employment, and member issues. |
| Executive Session | 10. | The Board re-entered an Executive Session. At the conclusion of the Executive Session, on MOTION and second, the Board authorized Mr. Address to negotiate and execute a contract for industrial power supply, with a corresponding rate schedule as recommended by the rate consultant. |
| Manager's Report | 11. | Mr. Address presented the General Manager's report, commenting on state and federal political developments and various statewide initiatives. Mr. Address further reported on employee return-to-work strategies and "punch list" items for the construction project. |
| Write-off Report | 12. | Mr. Address reported on net write-off for the period of January 2020 through June 2020, summarizing recent write-off trends, addressing recoupment strategies, and commenting on the anticipated impacts of the moratorium on cut offs. |
| Safety Report | 13. | Mr. Address presented the Safety Report for June 2020, commenting on the occurrence of one Non-OSHA recordable incident during the time period and favorable metrics on the Balanced Performance Scorecard. |

Mr. Address further commented on employee efforts to work safely through the pandemic.

**2020 Annual Meeting
Membership Update**

14. Mr. Address reported on nominations, the petition deadline, and continued planning for the Virtual Annual Member Meeting.

**REAP & ACRE
Campaign**

15. Mr. Address reported on the REAP and ACRE campaigns and commented on various energy policy issues facing the industry.

Director Training

16. Mr. Address reported on opportunities for remote director training.

There being no further business, on MOTION and second, the meeting was adjourned at 10:45 a.m.
Respectfully submitted this 8th day of August 2020.



Sherise Jones, Secretary

Approved:



Lee Roy Kirk, President