

LUMBEE RIVER ELECTRIC MEMBERSHIP CORPORATION  
Minutes of the Regular Meeting of the  
Board of Directors  
December 17, 2024

Pursuant to due notice thereof, a meeting of the Board of Directors of the Lumbee River Electric Membership Corporation was held at the Corporation's headquarters in Pembroke, North Carolina, beginning at 5:30 p.m., Tuesday, December 17, 2024. Directors present in person were, Anthony Hunt, James Hardin, Ronald G. Hammonds, Secretary Elaine O. Chavis, Vice Chairman Roger Oxendine, Treasurer Kirk Lowery, Sherry Carter, Rhonda Goins Dial and Ronald Anderson. Also present were Grady Hunt representing Hunt & Brooks, the Corporation's general counsel and President and CEO Jonathan T. Locklear. Chairman Rory Eddings, Mary Beth Locklear, Sharon M. Burnette and Erice Locklear were not present.

Also present were the Executive Assistant Kim Chavis, Chief Operations Officer John Dyson, Chief Financial Officer Daniel Leonard, Vice President of Information Technology Craig Davis, Joshua Locklear, Manager of Key Accounts, Vice President of Human Resources Marie Hussey, and VP of Member Service & Community Relations Ruby Clark Quick. VP of Eng. & Operations Matt Epps and Director of Corporate Safety Mark Walters were not present.

The Vice Chairman called the meeting to order and prayer was said by Ronald Anderson.

1. A MOTION WAS DULY MADE BY BOARD MEMBER KIRK LOWERY AND WAS PROPERLY SECONDED AND THE BOARD ADOPTED THE AGENDA. THE VOTE WAS CARRIED UNANIMOUSLY.
2. Vice President of Human Resources Marie Hussey introduced the new employees including 1<sup>st</sup> Class Power Line Technician, Jamie Hunt and Member Services Representatives Kimbrey Hammonds, Gabriela De La Cruz, Chassidy Jacobs, and Jessica Lowery.
3. A MOTION WAS DULY MADE BY BOARD MEMBER ELAINE O. CHAVIS AND WAS PROPERLY SECONDED AND THE BOARD APPROVED THE MINUTES FOR THE NOVEMBER 19, 2024 REGULAR BOARD MEETING. THE VOTE WAS CARRIED UNANIMOUSLY.
4. Chief Operations Officer John Dyson presented the Safety Report for the month of November 2024. There was a property damage incident at the Lumberton office and there was damaged to a company vehicle. A MOTION WAS DULY MADE BY BOARD MEMBER RONALD ANDERSON AND WAS PROPERLY SECONDED AND THE BOARD APPROVED THE NOVEMBER 2024 SAFETY REPORT. THE VOTE WAS CARRIED UNANIMOUSLY.
5. Ms. Elaine O. Chavis presented the Secretary's Report to the directors for the month of November 2024. A MOTION WAS DULY MADE BY BOARD MEMBER RONALD HAMMONDS AND WAS PROPERLY SECONDED AND THE BOARD APPROVED THE NOVEMBER 2024 SECRETARY'S REPORT. THE VOTE WAS CARRIED UNANIMOUSLY.
6. Mr. Kirk Lowery presented the Treasurer's Report (Form 7) to the directors for the month of November 2024. A MOTION WAS DULY MADE BY BOARD MEMBER KIRK LOWERY AND WAS

PROPERLY SECONDED AND THE BOARD APPROVED THE NOVEMBER 2024 TREASURER'S REPORT (FORM 7). THE VOTE WAS CARRIED UNANIMOUSLY.

7. Chief Financial Officer Daniel Leonard presented the LREMC Financial Report for November 2024.

A MOTION WAS DULY MADE BY BOARD MEMBER RONALD ANDERSON AND WAS PROPERLY SECONDED AND THE BOARD APPROVED THE NOVEMBER 2024 ESTATE RETIREMENTS. THE VOTE WAS CARRIED UNANIMOUSLY.

8. President and CEO Jonathan T. Locklear attended the Sandhills Utility Services board meeting on December 16, 2024. He applauded the board members of LREMC for investing in Sandhills Utility. There is an expectation of 1.3 million back in March 2025 of which LREMC will get a portion of the allocation. Investments are doing well. Sandhills Utility has a lot of good projects going on to include the Microgrid at Camp Mackall which will have the capacity to power at least 100 homes.

President and CEO Jonathan T. Locklear stated that he is confident that LREMC will land on its feet. He noted some concerns regarding WPCA and pushing statewide for more real time communication with regard to issues surrounding the WPCA.

President and CEO Jonathan T. Locklear noted that Microgrids are going to be common going forward because they have the potential to supplement the energy needs. There is an energy crisis in the country and the demand for energy continues to grow nationwide.

9. Vice Chairman Roger Oxendine noted matters of interest to Directors to include the following:

- a. All LREMC offices will be closed in observance of Christmas on Tuesday-Wednesday, December 24-25, 2024.
- b. All LREMC offices will be closed in observance of New Year's Day on Wednesday, January 1, 2025.
- c. All LREMC offices will be closed in observance of Martin Luther King, Jr. Day, Monday, January 20, 2025.
- d. 2025 NRECA Directors Conference will be held on January 25-28, 2025 (also Online) in Ponte Verde Beach, FL.
- e. 2025 PowerXchange will be held Friday-Wednesday, March 7-12, 2025 in Atlanta, GA.
- f. New Director Orientation will be held Sunday-Wednesday, April 27-30, 2025 in Marriott Marquis, Washington, DC.

10. The Board was presented proposed directors/delegates for 2025 to State & National Organizations to include NCAEC director, NCEMC director, TEMA delegate, NRTC delegate, CRC, CFC, NCSC & NRECA delegates and REAP delegate.

A MOTION WAS DULY MADE BY BOARD MEMBER ANTHONY HUNT AND WAS PROPERLY SECONDED AND THE BOARD APPROVED THE DIRECTORS/DELEGATES FOR 2025 TO STATE & NATIONAL ORGANIZATIONS TO INCLUDE NCAEC DIRECTOR, NCEMC DIRECTOR, TEMA DELEGATE, NRTC DELEGATE, CRC, CFC, NCSC & NRECA DELEGATES AND REAP DELEGATE. THE VOTE WAS CARRIED UNANIMOUSLY.

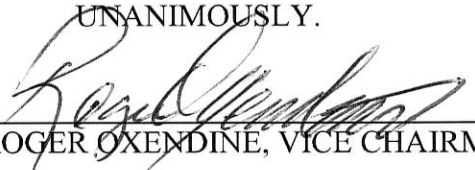
11. A Loan Committee meeting will be held on Tuesday, January 14, 2025 at 5:30 pm at LREMC Headquarters, Pembroke, NC.
12. A MOTION WAS DULY MADE BY BOARD MEMBER ELAINE O. CHAVIS AND WAS PROPERLY SECONDED AND THE BOARD ENTERED EXECUTIVE SESSION with no dissenting votes, and no further discussion, motion carried.
13. A MOTION WAS DULY MADE BY BOARD MEMBER RONALD ANDERSON TO LEAVE EXECUTIVE SESSION with no dissenting votes, and no further discussion, motion carried.
14. A MOTION WAS DULY MADE BY BOARD MEMBER JAMES HARDIN AND WAS PROPERLY SECONDED AND THE BOARD CONFIRMED ALL ACTIONS TAKEN IN EXECUTIVE SESSION with no dissenting votes, and no further discussion, motion carried. All votes were reaffirmed without discussion as follows:

A MOTION WAS DULY MADE BY BOARD MEMBER KIRK LOWERY AND WAS PROPERLY SECONDED AND THE BOARD APPROVED THE PURCHASE OF 44 ACRES ON WHICH TO CONSTRUCT A 230KV-115KV STEP-DOWN STATION. THE VOTE WAS CARRIED UNANIMOUSLY.

A MOTION WAS DULY MADE BY BOARD MEMBER ANTHONY HUNT AND WAS PROPERLY SECONDED AND THE BOARD APPROVED THE CREATION OF A REGULATORY ASSET ACCOUNT TO ALLOW LREMC TO DEFER AN AMOUNT THROUGH THE REGULATORY ASSET ACCOUNT TO BE RECOVERED THROUGH RATES OVER THE NEXT TWELVE-MONTH PERIOD. THE VOTE WAS CARRIED UNANIMOUSLY.

A MOTION WAS DULY MADE BY BOARD MEMBER RONALD G. HAMMONDS AND WAS PROPERLY SECONDED BY ANOTHONY HUNT AND THE BOARD VOTED AGAINST DENIED TO IMPLEMENTING A HIRING FREEZE EFFECTIVE JANUARY 1, 2025 EXCEPT FOR CYBER SECURITY. THE VOTE FAILED ON A FOUR TO THREE VOTE WITH SHERRY CARTER, RONALD G. HAMMONDS AND ANTHONY HUNT VOTING IN FAVOR OF THE MOTION AND RONALD ANDERSON, ELAINE O. CHAVIS, JAMES HARDIN AND KIRK LOWERY VOTING AGAINST THE MOTION.

14. A MOTION WAS DULY MADE BY BOARD MEMBER ANTHONY HUNT AND WAS PROPERLY SECONDED TO ADJOURN THE MEETING. THE VOTE WAS CARRIED UNANIMOUSLY.

  
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 ROGER OXENDINE, VICE CHAIRMAN

  
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 ELAINE O. CHAVIS, SECRETARY