

PIKE ELECTRIC CORPORATION

Corporate Governance Guidelines

The Board of Directors (the “Board”) of Pike Electric Corporation (the “Company”) has adopted the corporate governance guidelines set forth below to assist and guide the Board in the exercise of its duties and responsibilities. These guidelines should be interpreted in accordance with any requirements imposed by applicable federal or state law or regulation, the New York Stock Exchange (the “NYSE”), and the Certificate of Incorporation and Bylaws of the Company. The Board may review and amend these guidelines from time to time.

1. The Roles of the Board of Directors and Management

The business of the Company shall be conducted under the oversight of the Board. The Board shall select the Chief Executive Officer (the “CEO”) and delegate to the CEO the authority and responsibility to manage the Company’s operations. The CEO also serves as the chairman of the Board (the “Chairman”). The day-to-day management of the Company, including the preparation of financial statements, risk management, and short and long-term strategic planning, is the responsibility of the Company’s management. The primary responsibility of the Board is to oversee and review management’s performance of these functions. The CEO and senior management shall be responsible for running the Company’s business operations.

2. Board Leadership

The CEO serves as the Chairman. The independent directors will annually elect a lead independent director (the “Lead Director”). The Lead Director will preside at all meetings of the Board at which the Chairman is not present, including executive sessions of the non-management directors, and perform such other functions as the Board may direct, including (i) advising the Nominating and Governance Committee on the selection of committee chairs, (ii) advising the Chairman on the agenda for Board meetings, (iii) determining with the Chairman the nature and extent of information provided to the Board in advance of Board and committee meetings, (iv) working with the Chairman to propose an annual schedule of major discussion items for the Board’s approval, and (v) serving as a liaison between the Chairman and the independent directors. The Lead Director also has the authority to call additional meetings of the non-management directors.

3. Board Membership Criteria

The Nominating and Governance Committee shall periodically review with the Board the appropriate skills and characteristics required of Board members given the current Board composition. It is the intent of the Board that the Board will be comprised of individuals who have distinguished records of leadership and success in their arena of activity and who will make substantial contributions to Board operations and effectively represent the interests of the stockholders.

The Board’s assessment of Board candidates includes, but is not limited to, consideration of: (i) roles and contributions valuable to the business community; (ii) personal qualities of leadership, character, judgment and whether the candidate possesses and maintains throughout service on the Board a reputation in the community at large of integrity, trust, respect, competence and adherence to the highest ethical standards; (iii) relevant knowledge and diversity of background, viewpoint, professional experience, education, skill and other individual qualities and attributes that contribute to Board heterogeneity; (iv) whether the candidate is free of conflicts and has the time required for preparation, participation and attendance at all meetings; and (v) applicable listing standards of the NYSE (collectively, the “Board Membership Criteria”). A director’s qualifications in light of these criteria shall be considered at least each time the director is re-nominated for Board membership.

When a director's principal occupation or business affiliation changes, or other circumstances arise which may raise questions about the director's continuing qualifications in relation to the Board Membership Criteria, then the director shall tender his or her resignation, or the Nominating and Governance Committee shall ask for such tender. The Nominating and Governance Committee shall consider the tendered resignation and recommend to the Board the action to be taken.

Any director who intends to resign or retire from, or refuse to stand for re-election for, the Board for any reason should communicate his or her intention in writing to the Secretary of the Company no later than the close of business on the second business day after determining to do so.

Each non-management director must tender his or her resignation at the annual meeting following his or her 75th birthday. If circumstances dictate, the Nominating and Governance Committee may ask a director to continue to serve on the Board past age 75.

Independent directors are encouraged to evaluate carefully the time required to serve on other boards (excluding non-profit) taking into account board attendance, preparation, participation and effectiveness on these boards. Independent directors must advise the chair of the Nominating and Governance Committee before accepting an invitation to serve on another board to enable the Company to determine whether (i) any regulatory issues or potential conflicts are raised by the director accepting such an invitation and (ii) the director will have the time required for preparation, participation and attendance at Pike Electric Corporation Board meetings. In addition to the Board, independent directors should not serve on more than five other boards of public companies. A director who is a CEO of a public company may serve on the board of that company but shall not serve on more than one other public company board in addition to this Board.

The Board Membership Criteria and the Director Independence standards are to be considered in light of the provisions of the Stockholders Agreement dated April 18, 2002 (as may be amended from time to time, the "Stockholders Agreement") among Pike Holdings, Inc., a North Carolina corporation no longer in existence and the predecessor of the Company, and the stockholders party thereto, which provides J. Eric Pike the right to be a member of the Board for so long as he is CEO of the Company and controls at least 1,321,965 shares of the Company's common stock. The Stockholders Agreement is filed as Exhibit 10.6 to the Company's Form S-1/A Registration Statement filed with the Securities and Exchange Commission ("SEC") on June 3, 2005.

4. Independence of Directors

A majority of the directors will be independent directors. For a director to be considered independent, the Board must determine that the director does not have any direct or indirect material relationship with the Company other than as a director. The Board has adopted independence standards to assist it in determining director independence (the "Director Independence Standards"), which are attached as Exhibit A and conform to or are more exacting than the independent requirements in the NYSE Rules. In addition to applying these guidelines, the Board will consider all relevant facts and circumstances in making an independence determination.

The Board will make and publicly disclose its independence determination for each director when the director is first elected to the Board and annually thereafter for all nominees for election as directors. If the Board determines that a director who satisfies the applicable independence requirements of the NYSE is independent even though he or she does not satisfy all of the Director Independence Standards, this determination will be disclosed and explained in the proxy statement.

5. Size of the Board and Selection Process

The number of directors should be large enough to maintain the needed expertise and independence but should not exceed a number that can function efficiently. The Nominating and Governance Committee shall consider and make recommendations to the Board concerning the appropriate size and needs of the Board. The Nominating and Governance Committee shall screen and select Board candidates. The directors are elected each year by the stockholders at the annual meeting of stockholders. Between annual stockholder meetings, pursuant to the Company's Certificate of Incorporation and Bylaws, the Board may elect directors to serve until the next annual meeting.

6. Director Responsibilities

Directors must exercise their business judgment to act in the best interests of the stockholders and the Company. In discharging this obligation, directors reasonably may rely on the Company's senior executives and its advisors and auditors. Each director is expected to make reasonable efforts to attend and participate in regularly scheduled meetings of the Board and any of its committees on which such director serves, to participate in telephone conference meetings or other special meetings of the Board and any of its committees on which such director serves, and to spend the time needed to prepare for such meetings, all to the extent necessary to discharge their responsibilities. All directors and all nominees for election to the Board are strongly encouraged to attend the Company's annual meeting of stockholders.

7. Setting Board Agenda

At the first Board meeting of each year, the Chairman and the Lead Director will propose for the Board's approval agenda items to be discussed during the course of the year. Before each meeting, the Chairman and the Lead Director will review proposed agenda items that fall within the scope of responsibilities of a Board committee with the chair of that committee and distribute the agenda in advance to the Board. Any Board member may ask to include items on the agenda.

Board members shall receive materials related to agenda items in advance of Board meetings so that the directors may prepare to discuss the items at the meeting. Sensitive subjects may be discussed at the meeting without distributing written materials in advance or at the meeting.

8. Board Committees

The Board will have at all times Audit, Compensation, and Nominating and Governance Committees. Each committee has a charter that is posted on the Company's website. Only directors meeting the membership requirements of the applicable committee charter may serve on a committee. The Board shall be responsible for the appointment of committee members and chairs, based on recommendations of the Nominating and Governance Committee. The Board may establish additional committees as necessary or appropriate.

Set forth below is a summary of the responsibilities of the existing Board committees:

- Audit Committee. The Audit Committee shall assist the Board in fulfilling its oversight of responsibility for: (i) the accounting, reporting and financial practices of the Company, including the integrity of the Company's financial statements and the effectiveness of the Company's internal controls over financial reporting; (ii) the performance, qualifications and independence of the Company's registered public accounting firm; (iii) performance of the Company's internal audit function; (iv) the Company's compliance with legal and regulatory requirements and policies; (v) management of key risks associated with the Company's financial and accounting practices; and (vi) any other matters the Board deems appropriate.

- Compensation Committee. The Compensation Committee shall (i) review the Company's compensation practices and policies; (ii) annually review and approve the compensation for the CEO and the other senior executives; (iii) evaluate CEO performance; (iv) annually assist in the Company's compliance with the regulations of the SEC regarding executive compensation disclosure; and (v) perform such other tasks the Board deems appropriate.
- Nominating and Governance Committee. The Nominating and Governance Committee shall: (i) establish membership criteria for the Board; (ii) identify individuals qualified to become directors consistent with such criteria and select the director nominees; (iii) develop and recommend to the Board a set of corporate governance guidelines; (iv) establish and communicate to stockholders a method of recommending potential director nominees for the Committee's consideration; (v) recommend action to the Board upon any vacancies on the Board; (vi) facilitate the annual evaluation of the performance of the Board and its committees; (vii) periodically review succession plans for the CEO and other senior executives; and (viii) perform such other tasks the Board deems appropriate.

The Chairman and the chair of each committee shall approve the agenda, length of and attendance at each committee meeting and shall determine the frequency of meetings. Materials related to agenda items shall be given to the committee members sufficiently in advance to allow the members to prepare for discussing the items at the meeting. The committee chairs shall report a summary of their meeting to the Board following each regular committee meeting.

9. Meetings of Non-Management Directors

The non-management directors shall meet on a regular basis outside the presence of the directors who are members of management. The Company shall indicate in the Company's annual proxy statement either (i) the name of the director who shall preside at such non-management sessions or (ii) the method by which such director will be selected, as well as the means by which interested parties can communicate directly with either such presiding director or the non-management directors as a group. If the non-management group includes directors who are not independent, at least annually there shall be an executive session including only independent directors.

10. Ethics and Conflicts of Interest

The Board expects its members, as well as the Company's officers and employees, to act ethically in compliance with the Company's Code of Conduct and Ethics. The Nominating and Governance Committee is tasked with resolving any related party transaction matters, in accordance with its charter. Persons may anonymously report ethics concerns to the chair of the Audit Committee via our website.

11. Compensation of the Board

The Compensation Committee shall periodically receive reports on the status of Board compensation in relation to other comparable U.S. companies and shall be responsible for recommending to the Board changes in compensation for the independent directors of the Company. Non-independent directors receive no compensation for their service as directors.

12. Director Orientation and Education

The Company shall provide directors with an orientation and education program to familiarize them with the Company's business operations and plans, industry trends and corporate governance practices, as well as ongoing education on issues facing the Company and on subjects that would assist the directors in discharging their duties.

13. Board Self-Assessment

The Board shall conduct an annual self-evaluation to determine whether it and its committees are functioning effectively. The Nominating and Governance Committee shall receive comments from all directors and share those comments with the Board. Based on the comments and further discussion, the Board shall make an assessment specifically reviewing areas in which the Board and/or management believes improvements could be made to increase the effectiveness of the Board and its committees.

14. Succession Planning

The Board plans the succession to the positions of Chairman and CEO and certain other senior management positions. To assist the Board, the CEO shall annually assess senior managers and their succession potential. The CEO shall also provide the Board with an assessment of persons considered potential successors to certain senior management positions.

15. Evaluation of CEO

The Compensation Committee, in consultation with the CEO, shall set annual and long-term performance goals for the CEO. The Lead Director and the chair of the Compensation Committee shall lead the discussion of the CEO's performance against such goals with the independent directors and communicate the Board's evaluation to the CEO. The Compensation Committee will use the evaluation when determining the compensation of the CEO.

16. Access to Officers, Employees and Independent Advisors

Board members shall have complete access to all members of management and Company employees. The Board and its committees may seek advice from outside advisors as appropriate. The Board shall have sole authority to retain and to approve related fees and terms.

17. Securityholder Communications with the Board

The Board provides to every securityholder the ability to communicate with the Board, as a whole, and with independent or individual directors on the Board through an established process for securityholder communication (as that term is defined by the rules of the SEC, "Securityholder Communication").

For a Securityholder Communication directed to the Board as a whole, securityholders may send such communication to the attention of the Secretary of the Board to the address listed below. For a Securityholder Communication directed to an individual director in his or her capacity as a member of the Board, securityholders may send such communication to the attention of the individual director to the address listed below.

Pike Electric Corporation
100 Pike Way, PO Box 868
Mount Airy, NC 27030

The Company will forward any such Securityholder Communication either to each director or to the director to whom such Securityholder Communication is directed. Communications from an officer or director of the Company and proposals submitted by securityholders to be included in the Company's annual proxy statement, pursuant to Rule 14a-8 of the Securities Exchange Act of 1934 (and related communications) will not be viewed as Securityholder Communications. Communications from an employee or agent of the Company will be viewed as Securityholder Communications only if such communications are made solely in such employee's or agent's capacity as a securityholder.

18. Miscellaneous

The Board believes that the Company's management should be responsible for communications with the press, media and other outside parties made on behalf of the Company, though individual Board members may, at the request of the CEO or the Board, communicate with outside parties on behalf of the Company.

These Corporate Governance Guidelines are not intended to modify, extinguish or in any other manner limit the indemnification, exculpation and similar rights available to the directors of the Company under applicable law, the Company's Certificate of Incorporation and/or its Bylaws or by contract.

Although these Corporate Governance Guidelines have been approved by the Board, it is expected that these guidelines will evolve over time as customary practice and legal requirements change. In particular, guidelines that encompass legal, regulatory or exchange requirements as they currently exist will be deemed to be modified as and to the extent such legal, regulatory or exchange requirements are modified. In addition, these guidelines may also be amended by the Board at any time as it deems appropriate.

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Director Independence Standards

The Board of Directors (the “Board”) of Pike Electric Corporation (the “Company”) has adopted these Director Independence Standards to assist in its determination of director independence. To be considered “independent” for purposes of these standards, the Board must determine that the director has no material relationship with the Company other than as a director. In each case, the Board will broadly consider all relevant facts and circumstances and will apply the following standards. In addition, the Board will apply the independence standards set by the New York Stock Exchange, which are included in the standards set forth below.

1. A director will not be considered “independent” if, within the preceding three years:
 - The director was or is an employee, or an immediate family member of the director was or is an executive officer, of the Company; or
 - The director, or an immediate family member of the director, received more than \$120,000 per year in direct compensation from the Company, other than director compensation and pension or other forms of deferred compensation for prior service (provided that such compensation is not contingent in any way on continued service with the Company); except that compensation received by an immediate family member of the director for services as a non-executive employee of the Company need not be considered in determining independence under this test; or
 - The director was affiliated with or employed by, or an immediate family member of the director was affiliated with or employed in a professional capacity by, a present or former internal or external auditor of the Company; or
 - The director, or an immediate family member of the director, was or is employed as an executive officer of another company where any of the Company’s present executives at the same time serves or served on that company’s compensation committee; or
 - The director is employed by another company (other than a charitable organization), or an immediate family member of the director is a current executive officer of such company, that makes payments to, or receives payments from, the Company for property or services in an amount which, in any single fiscal year, exceeds the greater of \$1 million or 2% of such other company’s consolidated gross revenues. In applying this test, both the payments and the consolidated gross revenues to be measured will be those reported in the last completed fiscal year. This test applies solely to the financial relationship between the Company and the director’s (or immediate family member’s) current employer; the former employment of the director or immediate family member need not be considered.
2. The following relationships will not, by themselves, be considered to be material relationships that would impair a director’s independence:
 - Commercial Relationship: If a director of the Company is an executive officer or an employee, or an immediate family member of the director is an executive officer, of another company that makes payments to, or receives payments from, the Company for property or services in an amount which, in any single fiscal year, does not exceed the greater of \$1,000,000 or 2% of such other company’s consolidated gross revenues; or

- Indebtedness Relationship: If a director of the Company is an executive officer of another company that is indebted to the Company, or to which the Company is indebted, and the total amount of either company's indebtedness is less than 2% of the consolidated assets of the company where the director serves as an executive officer; or
 - Equity Relationship: If a director is an executive officer of another company in which the Company owns a common stock interest, and the amount of the common stock interest is less than 5% of the total stockholders' equity of the company where the director serves as an executive officer; or
 - Charitable Relationship: If a director, or an immediate family member of the director, serves as a director, officer or trustee of a charitable organization, and the Company's contributions to the organization in any single fiscal year are less than the greater of \$1,000,000 or 2% of that organizations' gross revenues.
3. For relationships not covered by Sections 1 or 2 above as to which the Board believes a director may nevertheless be independent, the determination of whether the relationship is material or not, and therefore whether the director would be independent, will be made by the directors who satisfy the independence tests set forth in Sections 1 and 2 above.
4. For the purposes of these standards, an "immediate family member" includes a person's spouse, parents, children, siblings, mothers- and fathers-in-law, sons - and daughters-in-law, brothers- and sisters-in-law and anyone (other than domestic employees) who shares such person's home. However, when applying the independence tests described above, the Board need not consider individuals who are no longer immediate family members as a result of legal separation or divorce, or those who have died or have become incapacitated.

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