

## **AUGUST 2025 BOARD MINUTES**

The regular meeting of the Bristol Tennessee Essential Services Board of Directors was held on Wednesday, August 20, 2025, at noon at 2470 Volunteer Parkway, Bristol, Tennessee.

### **Call to Order**

Chairperson Downs called the meeting to order at 12:00 p.m.

### **Board Members Present**

Erin Downs, John Vann, Doug Harmon, Vince Turner, and Jason Booher.

### **Staff Present**

CEO Clayton Dowell, Vice President of People Operations Tara Ellis, Vice President of Engineering David Hacker, Vice President of Operations and Safety Steve Craddock, and Supervisor of Accounting Heather Jenkins.

### **Public Comment Period**

Chairperson Downs called for public comments. There were none.

### **Minutes**

Chairperson Downs asked if there were any corrections to the minutes of the July board meeting, which had been previously distributed. No corrections were noted. Mr. Booher motioned to approve the minutes as distributed. Mr. Turner seconded. The motion passed.

### **Safety Report**

Mr. Craddock reported 236,756.26 safe working hours from January 12, 2024, to July 31, 2025. The August safety meeting for outside crews took place on August 12. The topic was "Meter Setting Safety." Mr. Craddock also reported the annual TVPPA DIC Safety Audit was conducted in August. Overall, BTES received a very good report. One opportunity was identified, and corrective measures have been implemented.

### **Reliability Report**

Mr. Hacker presented the outage data for July 2025. He reported an average of 19.969 customer outage minutes for the month. The year-to-date average, through July 31, 2025, was 38.734 customer outage minutes.

### **Financial Report**

#### **Electric Business Unit**

Ms. Jenkins presented the June 2025 financial reports. She reported Electric Sales for FY 2025 was 31 MWh and \$9.3 million more than the prior year. Year-end entries for the Other Post-Employment Benefits Trust and the Tennessee Consolidated Retirement System pension plan have been completed. Those entries are mainly reflected in Administrative and General expenses and on the Balance Sheet in Deferred Inflows and Outflows of Resources.

### Advanced Broadband Services Business Unit

Ms. Jenkins reported total Fiber customers at the end of June was 18,039 with 17,154 Internet services, 5,629 cable services, and 4,791 telephone services.

<b>\$(000)</b>	<b>YTD Actual</b>	<b>YTD Budget</b>
Electric Sales	\$ 97,109.8	\$ 89,648.1
Other Electric Revenue	7,133.8	6,531.7
Other Income	2,478.1	2,408.4
Total Operating Expense	102,236.3	97,434.5
Non-Operating Expense	<u>580.0</u>	<u>407.1</u>
<b>Electric Net Income (Loss)</b>	<b>\$ 3,905.4</b>	<b>\$ 746.6</b>
 <b>Operating &amp; Maintenance Expense</b>	 <b>\$ 22,344.6</b>	 <b>\$ 23,795.1</b>
 <b>Broadband Net Income</b>	 <b>\$ 4,690.9</b>	 <b>\$ (1,215.9)</b>

### TVA Monthly Fuel Cost

Mr. Dowell reported that the September 2025 monthly fuel cost would decrease to \$0.02420 per kWh for residential (RS) customers.

	<b>July 1, 2025</b>	<b>August 1, 2025</b>	<b>September 1, 2025</b>
	<b>Fuel Cost</b>	<b>Fuel Cost</b>	<b>Fuel Cost</b>
<b>500 kWh</b>	\$13.98	\$13.50	\$12.10
<b>1000 kWh</b>	\$27.96	\$27.00	\$24.20
<b>1500 kWh</b>	\$41.94	\$40.50	\$36.30
<b>2000 kWh</b>	\$55.92	\$54.00	\$48.40

### Identity Theft Prevention Policy Annual Approval

The annual review of the Identity Theft Prevention Policy is required by the FACT Act of 2003 which requires safeguarding of customer information to help prevent identify theft. The Identity Theft Prevention Committee has reviewed the policy and has removed references to the Customer Portal Process, as this is no longer applicable. Board approval is required annually. Mr. Booher moved to approve the policy. Mr. Vann seconded. The motion carried unanimously.

### Approval of Purchase - Substation Voltage Regulators

Mr. Dowell reported there are substation voltage regulators that need to be replaced. The Engineering Department has discussed a plan to replace the regulator banks at our distribution substations with larger banks and refurbish the existing 416 kVA banks and reuse them at Bluff City District Substation. He recommended the purchase of twelve (12) regulators from Siemens Energy Inc. for a total price of \$647,556. Mr. Booher made a motion to accept the proposal as recommended. Mr. Turner seconded, and the motion passed unanimously.

**CEO Report****Project updates**

Mr. Dowell provided updates on the following: Accounting Information System and Customer Information System projects, South Bristol Delivery Point project, and the A.Y. McDonald facility at the Bristol Business Park

**Transmission and Distribution Work Schedule Pilot**

Mr. Dowell reported that BTES is piloting an adjusted work schedule for the Transmission and Distribution evening shift, beginning and ending three hours earlier. Outcomes will be evaluated after the trial period.

**Board Comments**

Chairperson Downs invited comments from the Board. Mr. Booher shared information from a recent Sullivan County Planning Commission meeting regarding land held by BTES for economic development.

Chairperson Downs adjourned the meeting.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read 'D. Harmon', is written above the printed name.

Doug Harmon, Secretary