

FEBRUARY 2024 BOARD MINUTES

The regular meeting of the Bristol Tennessee Essential Services Board of Directors was held on Wednesday, February 21, 2024 at noon at 2470 Volunteer Parkway, Bristol, Tennessee.

Call to Order

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

Board Members Present

Erin Downs, David Akard III, Doug Harmon, Vince Turner and John Vann

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 Vice President of Finance Lola McVey.

Public Comment Period

Chairman Downs called for public comments. There were none.

Minutes

Chairperson Downs asked if there were any corrections to the minutes of the January board meeting which had been previously distributed. The minutes were approved by general consensus.

Safety Report

Ms. Ellis reported that BTES completed 266,487.49 safe working hours from January 6, 2022 to January 12, 2024 when we had a lost time accident. From January 13, 2024 to January 31, 2024 we completed 10,423.75 safe working hours. The February safety meeting for all employees was "OSHA Right to Know".

Reliability Report

Mr. Hacker presented the outage data for January 2024. He reported 31.28 average customer outage minutes through January 31, 2024.

Financial Reporting

Electric Business Unit

Ms. McVey presented the January 2024 financial reports. She reported that at the end of January there is about \$600,000 of unbilled revenue that will be billed in February. She also reported that the Operating and Maintenance expense continues to be below budget mainly due to tree trimming expense not yet incurred. She also reported that we are still getting good interest rates on investments.

\$(000)	YTD Actual	YTD Budget
Electric Sales	\$ 51,994.7	\$ 54,418.3
Other Electric Revenue	\$ 4,127.2	\$ 4,031.0
Other Income	\$ 1,642.3	\$ 1,475.4
Total Operating Expense	\$ 57,304.4	\$ 59,490.2
Non-Operating Expense	<u>\$ 364.7</u>	<u>\$ 259.3</u>
Electric Net Income (Loss)	\$ 95.1	\$ 175.2
Operating & Maintenance Expense	\$ 7,420.1	\$ 8,060.1
Broadband Net Income	\$ (264.1)	\$ (2,062.1)

Advanced Broadband Services Business Unit

Ms. McVey reported that in January 2024 the number of Internet, telephone and cable services decreased. Ms. Ellis reported that we are doing a targeted Internet marketing campaign and that billboards will be going up in the near future.

TVA Monthly Fuel Cost

Mr. Dowell indicated that the March 2024 monthly fuel cost will increase to \$.02918 per kWh for residential (RS) customers.

	January 1, 2023	February 1, 2024	March 1, 2024
	Fuel Cost	Fuel Cost	Fuel Cost
500 kWh	\$12.22	\$10.97	\$14.59
1000 kWh	\$24.44	\$21.94	\$29.18
1500 kWh	\$36.66	\$32.91	\$43.77
2000 kWh	\$48.88	\$43.88	\$58.36

Approval of Replacement Truck for V69

Mr. Dowell reported that a bucket truck originally approved by the Board in March 2022 with a lead time of 24-36 months has been delayed even further. We became aware that a bucket truck that meets our specification was immediately available through Global Rental Co., Inc. The price is an additional \$7,900.00 over what the Board approved in March 2022 for a total purchase price of \$226,830.00. Mr. Dowell recommends the purchase of this vehicle. Mr. Akard made a motion to purchase the vehicle. Mr. Vann seconded the motion and the Board voted unanimously to approve it.

Approval of Purchase on ONTs

Mr. Dowell reported that in order to serve additional customers and upgrade equipment, we need to purchase more Optical Network Terminals (ONTs). The latest generation will allow us to provide up to 10Gbps to locations where they are installed. He recommended purchasing 2,400 units from Nokia at \$199.00 per unit to be delivered in monthly increments of 200. Mr. Turner made a motion to purchase the units and Mr. Akard seconded. The motion was approved.

Approval of Advanced Metering Infrastructure System

Mr. Dowell presented a proposal for an Advanced Metering Infrastructure (AMI) system. This system does not replace our current system but would enhance that system for commercial and industrial customers and could

accommodate additional residential customers as well. We reached out to known vendors and placed an advertisement in the Bristol Herald Courier. We evaluated three proposals and are recommending the system from Sensus by Xylem at a cost of \$1,332,554. Mr. Harmon made a motion to purchase the Sensus system. Mr. Akard seconded the motion and the Board voted unanimously to approve it.

CEO Report

TVA Board Meeting

Mr. Dowell reported that he and April Eads attended the TVA Board listening session and meeting in Johnson City. Mr. Dowell spoke at the listening session regarding our appreciation for the economic development grants we have received, TVA's investment in our community through the South Bristol Delivery Point and the good communication during winter storm Heather. He also showed a slide from the meeting outlining the sources of generation for winter storm Heather.

Tennessee Legislation

Mr. Dowell reported that we are monitoring state legislation along with TMEPA. There are several bills being watched that could affect BTES and its customers.

Rate Adjustment

Mr. Dowell reported that we met with Chris Mitchell, our rate consultant on Monday. Mr. Mitchell discussed rate adjustments BTES may want to consider in the future. Mr. Dowell indicated further review and discussion would be prudent before making any rate adjustment decisions.

APPA Legislative Rally

Talking points for meeting with legislators at the upcoming APPA Legislative Rally were distributed.

Board Comments

Mr. Akard commented how he likes BTES TV+.

Chairperson Downs adjourned the meeting.

Respectfully Submitted,



Doug Harmon, Secretary