

MARCH 2024 BOARD MINUTES

The regular meeting of the Bristol Tennessee Essential Services Board of Directors was held on Wednesday, March 20, 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, 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 February board meeting which had been previously distributed. The minutes were approved by general consensus.

Safety Report

Ms. Ellis reported that BTES completed 22,019.41 safe working hours from January 12, 2024 to February 29, 2024. The March safety meeting for all employees was “Substation Safety and Security”.

Reliability Report

Mr. Hacker presented the outage data for February 2024. He reported 2.25 average customer outage minutes for the month of February and 33.53 average customer outage minutes through February 29, 2024.

Financial Reporting

Electric Business Unit

Ms. McVey presented the February 2024 financial reports. She reported that we sold substantially more kWh in February 2024 than in February 2023. This is due in part to more heating degree days but also because of the unbilled revenue at the end of January was billed in February. The Revenue Less Power Cost was more than it had been in a long time which led to net income of \$1,177,600.

\$(000)	YTD Actual	YTD Budget
Electric Sales	\$ 60,688.2	\$ 63,543.1
Other Electric Revenue	\$ 4,609.4	\$ 4,492.2
Other Income	\$ 1,856.4	\$ 1,640.6
Total Operating Expense	\$ 65,481.9	\$ 68,372.3
Non-Operating Expense	\$ 415.8	\$ 296.2
Electric Net Income (Loss)	\$ 1,256.3	\$ 1,007.4
Operating & Maintenance Expense	\$ 8,530.0	\$ 9,336.0
Broadband Net Income	\$ (120.7)	\$ (1,575.7)

Advanced Broadband Services Business Unit

Ms. McVey reported that in February 2024 the number of Internet, telephone and cable services decreased. Ms. Ellis reported that the targeted Internet marketing campaign seemed to be helping in Internet sales. The results will show in March reports.

TVA Monthly Fuel Cost

Mr. Dowell indicated that the April 2024 monthly fuel cost will decrease to \$.02251 per kWh for residential (RS) customers.

	February 1, 2024	March 1, 2024	April 1, 2024
	Fuel Cost	Fuel Cost	Fuel Cost
500 kWh	\$10.97	\$14.59	\$11.26
1000 kWh	\$21.94	\$29.18	\$22.51
1500 kWh	\$32.91	\$43.77	\$33.77
2000 kWh	\$43.88	\$58.36	\$45.02

Approval of Purchase on Substation Breakers

Mr. Dowell reported that we are continuing our 69kV automation project at Industrial and Piney Flats Substations and need three 72kV SSF6 breakers. This project will expand automation in the substations and increase reliability and resiliency. We notified known vendors and placed an advertisement in the Bristol Herald Courier. He recommended purchasing breakers from Siemens Energy, Inc. at a total cost of \$261,231.00. Mr. Akard made a motion to purchase the breakers and Mr. Vann seconded. The motion was approved.

CEO Report

South Bristol Transformers

Mr. Dowell reported that he, David Hacker, Chris De Troye and Chris Kibler went to Georgia to inspect the transformers for South Bristol. They visited the plant where the units are

manufactured and discussed shipping logistics. The first unit should be delivered in April and the second one about a month later.

Strategic Plan Implementation

Mr. Dowell reported that we are making progress on our five goals, he presented a tracking dashboard to reflect the progress of different projects and strategies for each goal.

Other Items

Mr. Dowell reported that TVA is nearing completion of an Integrated Resource Plan and will be releasing it for public comment soon. He also reported that as we look at substation needs over the next ten years, we have started to search for suitable property. There was also discussion about pursuing grant opportunities if any align with BTES plans or initiatives.

Board Comments

No further Board comments.

Chairperson Downs adjourned the meeting.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "D. Harmon", written in a cursive style.

Doug Harmon, Secretary