

JANUARY 2024 BOARD MINUTES

The regular meeting of the Bristol Tennessee Essential Services Board of Directors was held on Wednesday, January 17, 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 December board meeting which had been previously distributed. The minutes were approved by general consensus.

Safety Report

Ms. Ellis reported that BTES has completed 263,584.24 safe working hours from January 6, 2022 to December 31, 2023 without a lost time accident. The January safety meeting for all employees was "PPE Care and Use".

She also reported that we had a lost time accident on Friday, January 12, 2024. An employee was injured while working on a pole.

Reliability Report

Mr. Hacker presented the outage data for December 2023. He reported 3.9 average customer outage minutes for the month and 138.7 through December 31, 2023.

Financial Reporting

Electric Business Unit

Ms. McVey presented the December 2023 financial reports. She reported that December was warmer than normal and warmer than last year, therefore we sold less and purchased less kWh. Even though sales and purchases were less there is little effect on Revenue Less Power Cost. The load factor this December is a lot better than last year. She also reported that the TVA Prepayment interest rate was 5.36% in December.

\$(000)	YTD Actual	YTD Budget
Electric Sales	\$ 42,234.6	\$ 45,071.3
Other Electric Revenue	\$ 3,371.4	\$ 3,292.5
Other Income	\$ 1,434.7	\$ 1,267.2
Total Operating Expense	\$ 46,595.6	\$ 49,666.2
Non-Operating Expense	<u>\$ 313.4</u>	<u>\$ 222.3</u>
Electric Net Income (Loss)	\$ 131.7	\$ (257.5)
Operating & Maintenance Expense	\$ 6,163.6	\$ 6,697.3
Broadband Net Income	\$ (192.7)	\$ (2,538.6)

Advanced Broadband Services Business Unit

Ms. McVey reported that in December 2023 the number of Internet, telephone and cable services decreased. She also reported that the Local Broadcast Retransmission Fee contracts have been renewed for the next three years. The monthly fee for these local channels is going from \$25.30 to \$32.82 per subscriber per month. That is an almost 30 percent increase over last year and the fee will increase 11 percent in each of the next two years.

TVA Monthly Fuel Cost

Mr. Dowell indicated that the February 2024 monthly fuel cost will decrease to \$.02194 per kWh for residential (RS) customers.

	December 1, 2023	January 1, 2024	February 1, 2024
	Fuel Cost	Fuel Cost	Fuel Cost
500 kWh	\$10.91	\$12.22	\$10.97
1000 kWh	\$21.81	\$24.44	\$21.94
1500 kWh	\$32.72	\$36.66	\$32.91
2000 kWh	\$43.62	\$48.88	\$43.88

Approval of the Strategic Plan 2024-2028

Mr. Dowell presented the Strategic Plan for 2024-2028 which is the culmination of Phase 4 of our strategic planning process. This plan outlines five goals with strategies to achieve those goals. As the plan is implemented, key performance indicator scorecards with progress reports will be presented to the Board periodically. Mr. Turner made a motion to approve the plan. Mr. Vann seconded the motion and the Board voted unanimously to approve it.

CEO Report

Transformer Update

Mr. Dowell reported that we have had some partial deliveries of transformers and we have units to serve the subdivisions in progress. We do have some available for future subdivision projects.

Bristol Business Park

Mr. Dowell reported that Lot 1 in the Bristol Business Park was sold to A.Y. McDonald.

January Storm Work

Mr. Dowell showed a video of crews restoring power from damage caused by wind and snow.

Communication Review

Mr. Dowell reported that we are looking at all forms of communication to our customers and employees to determine the purpose and appropriate audience. We are also evaluating options for an Outage Management System.

Board Comments

There were no further Board comments.

Chairperson Downs adjourned the meeting.

Respectfully Submitted,



Doug Harmon, Secretary