

## **SEPTEMBER 2024 BOARD MINUTES**

The regular meeting of the Bristol Tennessee Essential Services Board of Directors was held on Wednesday, September 25, 2024 at noon at 2470 Volunteer Parkway, Bristol, Tennessee.

### **Call to Order**

Chairperson Downs called the meeting to order at 12:01 p.m.

### **Board Members Present**

Erin Downs, Vince Turner, Doug Harmon, Jason Booher, 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 Supervisor of Accounting Heather Jenkins.

### **Others Present**

Rachel Bowen, Tom Davenport

### **Public Comment Period**

Chairperson Downs called for public comments. Bill Lizzio, owner of CustomSmart Homes and CustomSmart Solar, shared comments about the application process for a solar account and the billing method for solar generation. Lydia Ashley, representing Habitat for Humanity, accompanied Mr. Lizzio. After Mr. Lizzio and Ms. Ashley's departure, there was discussion about the solar processes. The Board advised Mr. Lizzio that they would follow up.

### **Minutes**

Chairperson Downs asked if there were any corrections to the minutes of the August board meeting which had been previously distributed. There were none. Mr. Harmon motioned to approve the minutes as distributed. Mr. Turner seconded, and the minutes were approved unanimously.

### **Safety Report**

Mr. Craddock reported that BTES completed 92,225.71 safe working hours from January 12, 2024 to August 31, 2024. The September safety meeting for outside crews was held September 3, 2024. The topic was "Holding an Effective Job Briefing".

### **Reliability Report**

Mr. Hacker presented the outage data for August 2024. He reported 7.142 average customer outage minutes for the month of August and 70.956 average customer outage minutes year-to-date through August 31, 2024.

**Financial Reporting**  
**Electric Business Unit**

Ms. Jenkins presented the July and August 2024 financial reports. She reported that July and August were warmer than the same months in 2023 and warmer than normal. Revenue less Power Cost totaled \$3.27 million through August. She also reported Maintenance is under budget due to the timing difference between when Vegetation Management expenses were budgeted versus the amounts that have been incurred.

\$(000)	YTD Actual	YTD Budget
Electric Sales	\$16,447.2	\$15,790.1
Other Electric Revenue	\$1,254.8	\$1,200.3
Other Income	\$441.8	\$401.4
Total Operating Expense	\$16,776.8	\$17,123.3
Non-Operating Expense	<u>\$101.7</u>	<u>\$67.8</u>
<b>Electric Net Income (Loss)</b>	<b>\$1,265.3</b>	<b>\$200.7</b>
Operating & Maintenance Expense	<b>\$2,146.9</b>	<b>\$2,612.3</b>
Broadband Net Income	<b>\$785.9</b>	<b>\$(290.7)</b>

**Advanced Broadband Services Business Unit**

Ms. Jenkins reported the change in services for the respective months of July and August: cable services decreased by 155 and 105, Internet services decreased by 70 and 39, and the number of telephone services decreased by 67 and 51. Year-to-date Net Revenues were \$1.8 million.

**TVA Monthly Fuel Cost**

Mr. Dowell indicated that the October 2024 monthly fuel cost will decrease to \$.01995 per kWh for residential (RS) customers.

	August 1, 2024	September 1, 2024	October 1, 2024
	Fuel Cost	Fuel Cost	Fuel Cost
<b>500 kWh</b>	\$11.44	\$11.26	\$9.98
<b>1000 kWh</b>	\$22.87	\$22.52	\$19.95
<b>1500 kWh</b>	\$34.31	\$33.78	\$29.93
<b>2000 kWh</b>	\$45.74	\$45.04	\$39.90

**Approval of BTES Rate Schedules**

Mr. Dowell presented rate schedules for approval. TVA implemented a 5.25 % wholesale rate increase effective October 1, 2024, which is passed through to our customers. The rate schedules also reflected the increased BTES delivery charge as discussed when the budget was approved at the May 2024 board meeting. Mr. Vann motioned to approve the rate schedules as presented. Mr. Harmon seconded. The rate schedules were approved unanimously.

### **Approval of Legal Services**

Mr. Dowell led a discussion about Ms. Bowen providing legal services in accordance with an engagement letter which has been previously distributed. Ms. Bowen and Mr. Davenport would work closely together and with staff as necessary. Mr. Turner motioned to accept the terms of the engagement. Mr. Vann seconded. The motion was approved unanimously.

### **CEO Report**

Mr. Dowell provided information on an issue that is service-impacting to some fiber customers. It was suspected the issue is related to a piece of equipment at customers' premises. Staff have been working closely with the manufacturer to resolve the issue.

Mr. Dowell advised that auditors from Coulter and Justus will be presenting the Annual Comprehensive Financial Report at the October board meeting and Chris Mitchell, BTES' electric rate consultant, is planning to attend the November board meeting.

### **Board Comments**

Chairperson Downs sought confirmation from the Board that the date set for the November board meeting was still acceptable. It was agreed the meeting will remain scheduled for November 20, 2024.

Chairperson Downs adjourned the meeting.

Respectfully Submitted,



Doug Harmon, Secretary