

MAY 2026 BOARD MINUTES

The regular meeting of the Bristol Tennessee Essential Services Board of Directors was held on Wednesday, May 13, 2026, 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, Jason Booher, Doug Harmon, Vince Turner, and John Vann.

Staff Present

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

Others in Attendance

Zane Vanover

Adoption of Meeting Agenda

Chairperson Downs asked if there were any amendments to the agenda. Mr. Vann made a motion to add Discussion of Employee Agreement to the end of the agenda for the May board meeting. Mr. Booher seconded and the motion passed unanimously.

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 April board meeting, which had been previously distributed. No corrections were noted. Mr. Booher made a motion to approve the minutes as distributed. Mr. Turner seconded. The motion passed unanimously.

Safety Report

Mr. Craddock reported 354,404.31 safe working hours from January 12, 2024, to April 30, 2026. The May safety meeting for outside employees took place on May 5, 2026. The topic was "Pole Top and Bucket Rescue."

Reliability Report

Mr. Hacker presented the outage data for April 2026. He reported an average of 5.412 customer outage minutes for the month. The year-to-date average, through April 30, 2026, was 15.014 customer outage minutes.

Financial Report

Electric Business Unit

Ms. Jenkins presented the financial reports for April. She reported Electric Sales were 66.2 MWh for the month. The mild weather provided a Load Factor of 69.47%, one of the highest experienced in five years.

Advanced Broadband Services Business Unit

Ms. Jenkins reported total Fiber customers at the end of April were 17,733 with 16,868 Internet services, 4,631 cable services, and 4,429 telephone services.

	April 2026	
\$(000)	YTD Actual	YTD Budget
Electric Sales	\$ 85,827.7	\$ 77,299.2
Other Electric Revenue	6,319.7	5,703.5
Other Income	1,882.7	2,115.0
Total Operating Expense	89,364.7	82,190.7
Non-Operating Expense	<u>513.7</u>	<u>320.0</u>
Electric Net Income (Loss)	\$ 4,151.7	\$ 2,607.0
Operating & Maintenance Expense	\$ 18,960.6	\$ 19,725.2
Broadband Net Income	\$ 4,915.7	\$ 2,416.6

TVA Monthly Fuel Cost

The June 2026 monthly fuel cost was not received from TVA in time for the Board meeting.

Approval of 2026-2027 Business Plan

Mr. Dowell led a discussion on the 2026-2027 Business Plan highlighting planned projects. He also presented an electric retail rate comparison. Ms. Jenkins provided an overview of the methodology used in budgeting for the Electric, Advanced Broadband, and Telephone business units. Mr. Turner made a motion to approve the 2026–2027 Business Plan, which was seconded by Mr. Booher and unanimously approved.

Approval of Tennessee Consolidated Retirement System (TCRS) Pension Funding

Mr. Dowell reported staff has been evaluating the opportunity to reduce the pension liability by making a lump sum contribution to the fund. He recommended the approval of a lump sum payment of \$1,000,000 to the TCRS pension fund. Mr. Turner made a motion to approve the contribution. Mr. Harmon seconded the motion, and it was unanimously approved.

CEO Report

Mr. Dowell provided information on TVA's Comprehensive Services Program. He also provided information on local high school graduation ceremonies which will be broadcast live by BTES Power 7 and made available for digital download.

Board Comments

Chairperson Downs inquired about a legal update. Mr. Dowell stated that Mr. Davenport is planning to attend the July Board meeting to provide a legal update. Chairperson Downs called for additional comments from the Board. There were none.

Discussion of Employment Agreement

Staff were excused from the meeting, and the Board entered into a discussion of an employment agreement.

Chairperson Downs adjourned the meeting.

Respectfully Submitted,

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

Doug Harmon, Secretary