

JANUARY 2023 BOARD MINUTES

The regular meeting of the Bristol Tennessee Essential Services Board of Directors was held on Wednesday, January 18, 2023 at noon at 2470 Volunteer Parkway, Bristol, Tennessee.

Call to Order

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

Board Members Present

Erin Downs, Vince Turner, 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 and Vice President of Finance Lola McVey

Minutes

Chairman Downs asked if there were any corrections to the minutes of the December board meeting which had been previously distributed. There were no corrections, and the minutes were approved by general consensus.

Safety Report

Ms. Ellis reported that BTES has completed 128,093.14 safe working hours from January 6, 2022 to December 31, 2022 without a lost time accident. The January safety meeting for all employees was on Underground Installation and Safety.

Reliability Report

Mr. Dowell and Mr. Hacker reported on BTES reliability data for 2022. They also reported annual outage minutes since 1994. The monthly outage data will be presented at each board meeting.

Financial Reporting

Electric Business Unit

Ms. McVey presented the December 2022 financial reports. She reported that the low temperatures on December 23 and 24 made the demand spike and not a lot of kWh sales since the cold temperatures were only those two days. Since that happened near the end of the month, most customers will not be billed for that usage until January. We are still ahead of YTD budgeted net income. We have 362 Prepay customers as of December 31, 2022.

\$(000)	YTD Actual	YTD Budget
Electric Sales	\$ 47,252.2	\$ 41,462.3
Other Electric Revenue	\$ 3,316.9	\$ 3,246.2
Other Income	\$ 476.0	\$ 117.3
Total Operating Expense	\$ 51,154.5	\$ 45,022.7
Non-Operating Expense	<u>\$ 316.8</u>	<u>\$ 484.2</u>
Electric Net Income (Loss)	\$ (426.2)	\$ (681.1)
Operating & Maintenance Expense	\$ 5,619.2	\$ 5,469.9
Broadband Net Income	\$ 2,651.7	\$ 2,613.8

Advanced Broadband Services Business Unit

Ms. McVey reported that in December 2022 the number of cable services decreased by seventy-six (76), the number of telephone services decreased by thirty-three (33) and the number of Internet services decreased by eleven (11). In December, we added sixty-six (66) 500 Mb customers and fourteen (14) 1 Gigabit customers.

TVA Monthly Fuel Cost

Mr. Dowell indicated that the February 2023 monthly fuel cost will increase to \$.03607 per kWh for residential (RS) customers.

	January 1, 2023	February 1, 2023
	Fuel Cost	Fuel Cost
500 kWh	\$15.24	\$18.04
1000 kWh	\$30.48	\$36.07
1500 kWh	\$45.72	\$54.11
2000 kWh	\$60.96	\$72.14

CEO Report

Vegetation Management

Mr. Dowell provided an update on the vegetation management project. Additional crews started in January. He reported that the Transmission and Distribution department commented the project was making a positive impact. In a recent storm, some areas that frequently had outages did not have outages.

Transformers

Mr. Dowell and Mr. Hacker showed projections of transformer quantities given different delivery delays. Based on current projects, we should be able to meet current customer needs.

BTES TV+

Mr. Dowell reported that the BTES TV+ implementation is going well. We continue weekly calls with TiVo. Our internal team continues to work on branding, pricing and content.

Board Comments

No further Board comments.

Chairman Downs adjourned the meeting.

Respectfully Submitted,



David Akard III, Secretary