

NOVEMBER 2022 BOARD MINUTES

The regular meeting of the Bristol Tennessee Essential Services Board of Directors was held on Wednesday, November 16, 2022 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, Larry Clarke and Doug Harmon

Staff Present

Interim CEO Clayton Dowell, Vice President of People Operations Tara Ellis and Vice President of Finance Lola McVey

Others Present

Attorney C. Thomas Davenport

Legal Update

Mr. Davenport updated the Board on legal matters concerning BTES and J. A. Street & Associates. Mr. Clarke recused himself for this part of the meeting. Mr. Davenport also reviewed the benefits of the retiring CEO.

Minutes

Chairman Downs asked if there were any corrections to the minutes of the October 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 107,453.94 safe working hours from January 6, 2022 to October 31, 2022 without a lost time accident. The November safety meeting for all employees was on Avoiding slips, trips, falls and sprains.

Financial Reporting

Electric Business Unit

Ms. McVey presented the October 2022 financial reports. She reported that kWh sales were less than last October and that there is some unbilled revenue that was paid for in October and will be billed in November. Even though we had negative net income in October, we are still ahead of budget by about \$0.5 million. We have 329 Prepay customers as of October 31, 2022.

\$(000)	YTD Actual	YTD Budget
Electric Sales	\$ 32,545.4	\$ 27,579.0
Other Electric Revenue	\$ 2,313.1	\$ 2,330.6
Other Income	\$ 232.5	\$ 78.1
Total Operating Expense	\$ 33,367.3	\$ 28,658.5
Non-Operating Expense	<u>\$ 240.1</u>	<u>\$ 322.8</u>
Electric Net Income (Loss)	\$ 1,483.6	\$ 1,006.4
Operating & Maintenance Expense	\$ 2,236.7	\$ 2,192.2
Broadband Net Income	\$ 1,877.1	\$ 1,724.3

Advanced Broadband Services Business Unit

Ms. McVey reported that in October 2022 the number of cable services decreased by 108, the number of telephone services decreased by 46 and the number of Internet services decreased by 55. The number of Internet Only customers increased by 47. She also reported that all 1 Gigabit customers will be upgraded to 1 Gigabit symmetrical and that we are adding a symmetrical 500 Mb product to be sold.

TVA Monthly Fuel Cost

Mr. Dowell indicated that the December 2022 monthly fuel cost will decrease to \$.02848 per kWh for residential (RS) customers.

	November 1, 2022	December 1, 2022
	Fuel Cost	Fuel Cost
500 kWh	\$15.79	\$14.24
1000 kWh	\$31.57	\$28.48
1500 kWh	\$47.36	\$42.72
2000 kWh	\$63.14	\$56.96

Approval of 2023 Board Meeting Dates

The Board reviewed the tentative schedule of meeting dates for 2023 with meetings on the third Wednesday of every month and noted that the June meeting is scheduled during the annual meeting of the American Public Power Association. The Board discussed rescheduling the June meeting to Wednesday, June 28 at noon. Mr. Akard moved for approval of the meeting schedule as revised. Mr. Turner seconded the motion, and it was approved unanimously.

Pending Items

Internet Reliability

Mr. Dowell reported that the installation of the two 50 gig circuits from Atlanta and Charlotte are up and running and the project is complete.

Transformers

Mr. Dowell reported that we have not received any transformers in the last month and most likely will not for a while.

CEO Report

Vegetation Management

Mr. Dowell reported that the vegetation management project is underway. He demonstrated an interactive map on our website that details the areas where crews are or will be working and areas that are completed.

Mr. Dowell also reported on Board meeting format changes that he would like to implement such as staff updates on a regular basis. He also stated that David Hacker, Vice President of Engineering will be joining the Board meeting in January 2023.

Mr. Dowell updated the Board on the status of the TiVo implementation. We are having weekly calls with their implementation team. We have received some hardware for the project.

Board Comments

No further Board comments.

Chairman Downs adjourned the meeting.

Respectfully Submitted,

A handwritten signature in cursive script that reads "David Akard III". The signature is written in black ink and includes a stylized flourish at the end.

David Akard III, Secretary