

AUGUST 2023 BOARD MINUTES

The regular meeting of the Bristol Tennessee Essential Services Board of Directors was held on Wednesday, August 16, 2023 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 Finance Lola McVey and Chris Sykes, Supervisor of Television Production

Television Production Overview

Chris Sykes presented information about BTES' television channel, Power 7, and its origination. He shared how Power 7 promotes and highlights the people and events within our community. He showed highlights from Gridiron Gameday, special live events and other shows and explained the work that goes into a live production.

Minutes

Chairperson Downs asked if there were any corrections to the minutes of the July board meeting which had been previously distributed. The minutes were approved by general consensus.

Safety Report

Ms. Ellis reported that BTES has completed 207,754.54 safe working hours from January 6, 2022 to July 31, 2023 without a lost time accident. The August safety meeting for outside crews was Digger Derrick Safety.

Reliability Report

Mr. Hacker presented the outage data for July 2023. He reported 40.26 average customer outage minutes for the month and 105 through July 31, 2023.

Financial Reporting

Electric Business Unit

Ms. McVey presented the June 2023 financial reports. She reported that we sold five percent less kWh than last year and bought around six percent less than last year due to losses. Year-end entries for the Other Post-Employment Benefits Trust, Tennessee Consolidated Retirement System and the Subscription Lease Obligation have been completed. Those entries are mainly reflected in Administrative and General expenses and on the Balance Sheet in Deferred Inflows and Outflows of Resources.

\$(000)	YTD Actual	YTD Budget
Electric Sales	\$ 90,883.6	\$ 85,133.7
Other Electric Revenue	\$ 6,656.7	\$ 6,472.0
Other Income	\$ 1,604.9	\$ 241.0
Total Operating Expense	\$ 98,247.0	\$ 90,023.9
Non-Operating Expense	<u>\$ 628.4</u>	<u>\$ 968.8</u>
Electric Net Income (Loss)	\$ 269.8	\$ 854.0
Operating & Maintenance Expense	\$ 14,317.3	\$ 10,813.9
Broadband Net Income	\$ (5,859.5)	\$ 5,096.5

Advanced Broadband Services Business Unit

Ms. McVey reported that in July 2023 the number of cable services decreased by two hundred fifty-one (251), the number of telephone services decreased by one hundred nineteen (119) and the number of Internet services decreased by eighty (80).

TVA Monthly Fuel Cost

Mr. Dowell indicated that the September 2023 monthly fuel cost will decrease to \$.02306 per kWh for residential (RS) customers.

	August 1, 2023	September 1, 2023
	Fuel Cost	Fuel Cost
500 kWh	\$13.10	\$11.53
1000 kWh	\$26.19	\$23.06
1500 kWh	\$39.29	\$34.59
2000 kWh	\$52.38	\$46.12

Approval of Purchase of Bucket Truck

Mr. Dowell presented a proposal for the purchase of a bucket truck. This truck is a rental we have been using since one of our bucket trucks was damaged. This rental was new when we began using it. We placed an ad in the Bristol Herald Courier and contacted known vendors. We received two proposals and Mr. Dowell is recommending the purchase of the truck from Global Rental Co., Inc. for the total price of \$213,601.00. Mr. Akard made a motion to purchase the truck. Mr. Harmon seconded, and the motion was approved unanimously.

Identity Theft Prevention Policy Annual Approval

Annual review of the Identity Theft Prevention Policy is required by the FACT Act of 2003. It requires the safeguarding of customer information to help prevent identify theft. The Identity Theft Prevention Committee has reviewed the policy and no changes are recommended. This policy requires Board approval annually. Mr. Turner moved for approval of the policy. Mr. Akard seconded the motion and it was approved unanimously.

CEO Report

Vegetation Management Update

Mr. Dowell reported that Asplundh has completed their work and the new vendors, Xylem and Kendall, will start their projects next week.

Contract Review

Mr. Dowell reported the Senior Leaders have reviewed the Desktop Co-op contract. The contract continues to serve BTES well and no changes are recommended.

Strategic Planning

Mr. Dowell stated that a questionnaire had been emailed to board members and is requested to be returned by Friday. He outlined the timeline for strategic planning and explained staff plans to bring a Strategy Statement to the Board in October for their review.

Transformer Inventory

Mr. Dowell stated that we have reached the emergency stock level for some types and sizes of transformers. We can still serve customers with a different size transformer and then change it out later. We are still waiting on shipments that should have already been delivered.

Teacher Industry Day

Teacher Industry Day for Sullivan County Schools is October 27, 2023.

Board Comments

Chairperson Downs reported on the Networks Board meeting.

Mr. Akard and Mr. Vann inquired about ways to increase marketing Power 7 to the community.

Mr. Vann also inquired about BTES' regular tree maintenance process.

Chairperson Downs adjourned the meeting.

Respectfully Submitted,



Doug Harmon, Secretary