

FEBRUARY 2026 BOARD MINUTES

The regular meeting of the Bristol Tennessee Essential Services Board of Directors was held on Wednesday, February 18, 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 People Operations Tara Ellis, Vice President of Engineering David Hacker, and Supervisor of Accounting Heather Jenkins.

Adoption of Meeting Agenda

Chairperson Downs asked if there were any amendments to the agenda. There were none. Mr. Vann made a motion to adopt the agenda for the February board meeting. Mr. Turner 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 January 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

Ms. Ellis reported 317,192.96 safe working hours from January 12, 2024, to January 31, 2026. The February safety meeting for all employees took place on February 10, 2026. The topics were “Avoiding Slips, Trips, and Falls” and “OSHA Updates”.

Reliability Report

Mr. Hacker presented the outage data for January 2026. He reported 4.575 average customer outage minutes through January 31, 2026.

Financial Report

Electric Business Unit

Ms. Jenkins presented the financial reports for January. She reported Electric Sales for January were 96 MWh. A load factor of 53.79% was experienced in January. She also provided an update on projects represented in the Balance of Allocated funds.

Advanced Broadband Services Business Unit

Staff continue to fine-tune the Broadband statistical information following the recent implementation of the enterprise software. This information is expected to be available at the next board meeting.

	January 2026	
\$(000)	YTD Actual	YTD Budget
Electric Sales	\$ 58,001.3	\$ 53,439.5
Other Electric Revenue	4,227.5	4,076.5
Other Income	1,336.1	1,489.5
Total Operating Expense	61,740.5	58,062.7
Non-Operating Expense	<u>337.8</u>	<u>224.0</u>
Electric Net Income (Loss)	\$ 1,486.6	\$ 718.8
Operating & Maintenance Expense	\$ 8,490.6	\$ 8,638.1
Broadband Net Income	\$ 3,418.2	\$ 1,757.9

TVA Monthly Fuel Cost

Mr. Dowell reported that the March 2026 monthly fuel cost would increase to \$0.04156 per kWh for residential (RS) customers.

	January 1, 2026	February 1, 2026	March 1, 2026
	Fuel Cost	Fuel Cost	Fuel Cost
500 kWh	\$12.30	\$12.85	\$20.78
1000 kWh	\$24.60	\$25.70	\$41.56
1500 kWh	\$36.90	\$38.55	\$62.34
2000 kWh	\$49.20	\$51.40	\$83.12

Approval of Subdivision Conduit Installation by Directional Boring

Mr. Dowell reported that underground conductors will need to be replaced in Middlebrook and Peaceful Harbor subdivisions to improve electric reliability. He recommended we accept the proposal from On Trac Communications, LLC for a total cost of \$255,395. Mr. Booher made a motion to accept the proposal. Mr. Harmon seconded, and the motion passed unanimously.

2025 Year End Review

Mr. Dowell provided a brief year-end review of 2025's highlights.

CEO Report

Mr. Dowell reported BTES has been awarded a grant from the State of Tennessee for the Bristol Industrial pad-ready site project. He also reported BTES participated in Junior Achievement Biz Town Mobile, an event held at Tennessee Middle School where students learned about careers

and financial responsibilities. The event was made possible through a TVA Workforce Invest grant and other local funding. Mr. Dowell shared information on Winter Storm Fern and the impacts to power companies in the Middle Tennessee area. After discussion, the May board meeting was rescheduled to May 13, 2026.

Board Comments

Chairperson Downs invited comments from the Board. Mr. Turner inquired about BTES' guidelines on facilities in low-lying areas prone to flooding. There was discussion about TV+ channel issues.

Chairperson Downs adjourned the meeting.

Respectfully Submitted,

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

Doug Harmon, Secretary