

JUNE 2026 BOARD MINUTES

The regular meeting of the Bristol Tennessee Essential Services Board of Directors was held on Wednesday, June 17, 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, Vice President of Operations and Safety Steve Craddock, and Director of Accounting and Finance Heather Jenkins.

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 June board meeting. Mr. Harmon seconded the motion and the motion passed unanimously. Mr. Booher made a motion to adopt the revised agenda. Mr. Turner seconded the motion, and it 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 May 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 367,083.56 safe working hours from January 12, 2024, to May 31, 2026. The June safety meeting for all employees took place on June 9, 2026. The topic was "Summer Heat and Hazards."

Reliability Report

Mr. Hacker presented the outage data for May 2026. He reported an average of 2.269 customer outage minutes for the month. The year-to-date average, through May 31, 2026, was 17.328 customer outage minutes.

Financial Report

Electric Business Unit

Ms. Jenkins presented the financial reports for May. She reported Electric Sales were 56.7 MWh for the month, slightly below May 2025. Year-to-date Revenue Less Power Cost was \$15.99 million.

Advanced Broadband Services Business Unit

Ms. Jenkins reported total Fiber customers at the end of May to be 17,604 with 16,908 Internet services, 4,605 cable services, and 4,390 telephone services. Ms. Jenkins reported that some residential speeds were increased during the month of May. Customers with 4 Mbps, 6 Mbps, and 30 Mbps Internet were upgraded to 60 Mbps at no additional cost. There was discussion about marketing initiatives for Internet services.

	May 2026	
	\$(000)	
	YTD Actual	YTD Budget
Electric Sales	\$ 92,409.8	\$ 83,326.0
Other Electric Revenue	6,833.5	6,121.0
Other Income	2,064.7	2,323.5
Total Operating Expense	97,348.4	89,166.7
Non-Operating Expense	<u>579.9</u>	<u>352.0</u>
Electric Net Income (Loss)	\$ 3,379.7	\$ 2,251.8
Operating & Maintenance Expense	\$ 20,935.4	\$ 21,788.3
Broadband Net Income	\$ 5,259.6	\$ 2,609.0

TVA Monthly Fuel Cost

Mr. Dowell reported that the July 2026 monthly fuel cost would increase to \$0.02873 per kWh for residential (RS) customers.

	May 1, 2026	June 1, 2026	July 1, 2026
	Fuel Cost	Fuel Cost	Fuel Cost
500 kWh	\$15.36	\$14.21	\$14.37
1000 kWh	\$30.72	\$28.41	\$28.73
1500 kWh	\$46.08	\$42.62	\$43.10
2000 kWh	\$61.44	\$56.82	\$57.46

Approval of Alianza Annual Support and Extended Warranty

Mr. Dowell presented a proposal for the annual support and extended hardware warranty with Alianza, who in 2025 acquired Metaswitch, the manufacturer of our Class 5 telephone switch. Mr. Turner moved to approve the proposal for a five-year term for \$73,696 annually for the

software support and the extended hardware support for \$62,140 for one year. Mr. Harmon seconded the motion. It was approved unanimously.

Approval of Purchase of Meter Collars

Mr. Dowell presented a proposal to purchase 2,000 CPMD meter collars from Carina Technology at \$249.00 per unit, for a total cost of \$498,000. Mr. Turner made a motion to approve the purchase. Mr. Vann seconded the motion, and it was unanimously approved.

CEO Report

Mr. Dowell reported that the BTES Engage Mobile App will be updated by the end of June 2026. This is a result of NISC migrating to a new payment gateway. Customers will need to update their mobile app to be able to make payments.

Mr. Dowell also reported a contract has been received by the Tennessee Emergency Management Agency related to reimbursement for Tropical Storm Helene expenses. The contract is currently under review.

Mr. Dowell provided information on two recent meetings with TVA. He also presented a commercial that has been developed to promote Internet services and provided information on an Internet outage that occurred June 9, 2026.

Board Comments

Chairperson Downs called for comments from the Board. Mr. Booher provided information on a data center moratorium from a recent meeting. There was also discussion about BTES Power 7 filming community events.

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 printed name.

Doug Harmon, Secretary