

MARCH 2021 BOARD MINUTES

The regular meeting of the Bristol Tennessee Essential Services Board of Directors was held on Wednesday, March 17, 2021 at noon. The meeting was held pursuant to Governor Bill Lee's Executive Order No. 16, which allows members of the governing body subject to the Tennessee Open Meetings Act to meet and conduct essential business by electronic means if the body determines meeting electronically is necessary to protect the health, safety and welfare of Tennesseans in light of the COVID-19 pandemic. The public could attend the meeting live via remote access from the BTES office and was notified of the process for joining remotely with detailed instructions on the BTES website, including the opportunity to address the Board on any matter of BTES business. The meeting continued electronically by general consensus.

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

CEO Dr. Mike Browder, Director of Engineering Clayton Dowell, Director of Management Services Tara Ellis and Director of Accounting and Finance Lola McVey

Others Present

TVA Representatives Chris Quillen, Mary Ellen Miller, Chris Saucier and Sam Vinson; BTES customer Tim Carter

TVA Boone Dam Update

TVA Representatives Chris Quillen, Mary Ellen Miller, Chris Saucier and Sam Vinson provided an update on the status of repairs to Boone Dam. The repairs are nearing completion and the lake level should be at full summer pool this year for testing.

Minutes

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

Safety Report

Ms. Ellis reported that BTES has completed 441,968.45 safe working hours as of February 28, 2021 without a lost time accident. A safety meeting was held on March 2 for outside employees on Material and Equipment Transport. She also reported that a bucket truck was involved in an accident. There were no injuries.

Financial Reporting
Electric Business Unit

Ms. McVey presented the February 2021 financial reports. She reported that electric revenue includes some unbilled revenue from previous months which is reflected in Net Income. The weather was colder than last year but not as cold as normal. The 2021 Right of Way Improvement Process will begin in late March which will bring the Operating and Maintenance expense closer to budget by the end of the fiscal year.

There are 165 PrePay customers as of February 28, 2021.

The financial highlights are as follows:

\$(000)	YTD Actual	YTD Budget
Electric Sales	\$ 55,222.2	\$ 57,246.7
Other Electric Revenue	\$ 4,410.9	\$ 4,534.3
Other Income	\$ 254.3	\$ 590.5
Total Operating Expense	\$ 56,333.6	\$ 60,457.1
Non-Operating Expense	<u>\$ 878.0</u>	<u>\$ 693.4</u>
Electric Net Income (Loss)	\$ 2,675.8	\$ 1,221.0
Operating & Maintenance Expense	\$ 6,666.5	\$ 7,420.8
Broadband Net Income	\$ 2,362.8	\$ 1,428.9

Advanced Broadband Services Business Unit

Ms. McVey reported that the number of customers in the Advanced Broadband Services (ABS) Business Unit increased by 74 in February 2021. The number of Internet only customers increased by 99 for the month of February.

TVA Monthly Fuel Cost

Dr. Browder indicated that the April 2021 monthly fuel cost will increase to \$.02183 per kWh for residential (RS) customers. This increase is due in large part to the weather in February and increased gas prices.

	March 1, 2021	April 1, 2021
	Fuel Cost	Fuel Cost
500 kWh	\$8.24	\$10.92
1000 kWh	\$16.47	\$21.83
1500 kWh	\$24.71	\$32.75
2000 kWh	\$32.94	\$43.66

Site Consultants, Inc./Raceday Campground

Chairman Downs recognized Tim Carter, BTES customer, who requested to address the Board about the contract for electric service for Raceday Campground. He requested the Board overturn the BTES staff decision about the need for the contract. There was no motion from the Board. Chairman Downs stated that the Board members had received the information from Mr. Carter only minutes before the meeting began and that there were complex legal issues. The BTES attorney would need to advise the Board.

CEO Report

Dr. Browder reported that work is continuing on the South Bristol Delivery Point.

Board Comments

There were 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 dark ink and includes a stylized flourish at the end.

David Akard III, Secretary