

## APRIL 2022 BOARD MINUTES

The regular meeting of the Bristol Tennessee Essential Services Board of Directors was held on Monday, April 18, 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

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

### Minutes

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

### Safety Report

Ms. Ellis reported that BTES has completed 32,033.2 safe working hours from January 6, 2022 to March 31, 2022 without a lost time accident. The safety meeting for April has been re-scheduled.

### Financial Reporting

#### Electric Business Unit

Ms. McVey presented the March 2022 financial reports. She reported that for fiscal year 2022, we have bought more kWh than the previous year resulting in Electric Revenue and Purchased Power above budget. There are 264 PrePay customers as of March 31, 2022.

<b>\$(000)</b>	<b>YTD Actual</b>	<b>YTD Budget</b>
Electric Sales	\$ 66,109.3	\$ 63,648.1
Other Electric Revenue	\$ 4,742.8	\$ 4,970.0
Other Income	\$ 158.9	\$ 190.7
Total Operating Expense	\$ 68,685.3	\$ 67,043.8
Non-Operating Expense	<u>\$ 1,155.6</u>	<u>\$ 796.6</u>
<b>Electric Net Income (Loss)</b>	<b>\$ 1,170.1</b>	<b>\$ 968.4</b>
Operating & Maintenance Expense	\$ 8,245.9	\$ 8,692.4
Broadband Net Income	\$ 3,872.5	\$ 1,282.0

#### Advanced Broadband Services Business Unit

Ms. McVey reported that in March 2022 the number of cable services decreased by 125 and the number of telephone services decreased by 63. The number of Internet services increased by 21.

### TVA Monthly Fuel Cost

Dr. Browder indicated that the May 2022 monthly fuel cost will decrease slightly to \$.02465 per kWh for residential (RS) customers.

	April 1, 2022	May 1, 2022
	Fuel Cost	Fuel Cost
500 kWh	\$12.46	\$12.33
1000 kWh	\$24.92	\$24.65
1500 kWh	\$37.38	\$36.98
2000 kWh	\$49.84	\$49.30

### Approval of Resolution for Tennessee Unclaimed Property Refund

Dr. Browder presented a Resolution for Tennessee Unclaimed Property. When Unclaimed Property Funds have been sent to the State of Tennessee and unclaimed after eighteen months, BTES can file for a refund of those funds. To process our request, the State of Tennessee requires a Resolution to be passed by the BTES Board of Directors. Mr. Clarke made a motion to approve the resolution. Mr. Akard seconded the motion and the Board voted unanimously to approve the Resolution.

### Pending Items

#### Internet Reliability

Mr. Dowell reported that the two 50 gig circuits from Atlanta and Charlotte are still in progress with lines being laid down Volunteer Parkway to get to our building.

### CEO Report

Dr. Browder reported that there is a transformer shortage. There is currently a three-year lead time to get the units and the prices have doubled twice. We have a plan in place to prioritize the use of our existing transformers to minimize the chance of running out. There are random times when transformers become available but decisions need to be made quickly to purchase those. Dr. Browder requested authority to purchase transformers if they become available in the quantities listed below with a cap of \$2,000,000.

Type	Size	QTY	Current \$ Est ea.	Current \$ Est
Pad Mount	25 kVA	30	\$4,400	\$132,000
Pad Mount	37.7 kVA	20	\$5,100	\$102,000
Pad Mount	50 kVA	25	\$5,800	\$145,000
Pad Mount	75 kVA	15	\$7,000	\$105,000
Pole Mount	25 kVA	75	\$3,400	\$255,000
Pole Mount	37.7 kVA	35	\$4,250	\$148,750
Pole Mount	75 kVA	15	\$4,930	\$73,950

Total Estimated (as of April 2022): \$961,700

Mr. Clarke made a motion to authorize Dr. Browder to order transformers in the quantities listed above as they become available up to a \$2,000,000 limit. Mr. Harmon seconded and the motion was passed unanimously.

Dr. Browder also reported that our current IPTV cable head end and analog system are nearing the end of life, less reliable and it is hard to buy replacement parts. We are evaluating a system to replace IPTV called TiVo. It is a Managed IPTV solution that does not require a large capital outlay. We will provide additional information as it is available.

Dr. Browder also stated that we have a couple of Crypto currency prospects. The electric load on those businesses is very profitable.

### **Board Comments**

There were no further Board comments.

Chairman Downs adjourned the meeting.

Respectfully Submitted,

A handwritten signature in blue ink that reads "David Akard III" with a stylized flourish at the end.

David Akard III, Secretary