

**MINUTES OF THE
JOHNSON CITY ENERGY AUTHORITY
D/B/A
BRIGHTRIDGE**

February 21, 2023

PRESENT: Gary Mabrey
Jenny Brock
James
Haselsteiner
Ronald Hite
Kenneth Huffine
B. J. King
James Smith
Robert Thomas
Jeffrey R. Dykes, Chief Executive Officer
Brian Bolling, CPA, Chief Financial Officer and Chief Customer Officer
Connie Crouch, Chief Employee Relations Officer
Mark Eades, Chief Engineering and Facilities Officer
Eric Egan, Chief Data Officer
Stacy Evans, Chief Broadband and Technology
Officer
Donnie Hall, Safety & Security Manager
Rodney Metcalf, Chief Operations Officer
Tiphonie Watson, Customer Support Manager
Tim Whaley, Director of Public and Governmental
Affairs Stephen M. Darden, Hunter Smith Davis, LLP

ABSENT: Hal Knight
Bonnie Donnolly, Chief Development and Market Strategy Officer
Brian Ellis, Service Department Manager
David Spinnato, Physical Plant/Warehouse Manager
Melissa Taylor, Accounting Manager

Chairman Gary Mabrey called the meeting to order.

Upon motion of Mr. Smith, seconded by Mr. Haselsteiner, the Board voted to include Purchase Order 7473 in the Consent Agenda.

Mr. Chris Quillen, TVA Customer Relations Manager, delivered an update regarding the Winter Storm Elliott event which occurred December 23, 2022

through December 24, 2022. Winter Storm Elliott covered approximately 2,000 miles and affected the eastern 2/3 of the lower 48 states. The three key factors to the storm were the heavy precipitation in The Valley which occurred on December 23rd, temperatures dropping as much as 46° in five hours and wind gusts over 40 mph in some areas. Conditions created unanticipated impacts to generation, transmission, distribution and water systems. The biggest generation loss was with the coal units. Some market purchases were done to help with recovery, however some resources from other bordering agencies were unavailable due to their systems experiencing similar needs.

His presentation provided information regarding the Emergency Load Curtailment Program (ELCP) that include preventative reductions steps (10 through 30) and firm load curtailment steps (40 through 60). Mr. Quillen reported that the TVA went from Step 10 to Step 50 within a 2-hour period of time. This event was the first time the TVA has reach Step 50. The TVA directed LPCs to execute ELCP Step 50 demand response programs from 9:31am through 11:43am on Friday, December 23rd which provided an approximate 2,900 MW total demand reduction. A second ELCP Step 50 demand reduction occurred from 4:51am through 10:31am on Saturday, December 24th which provided an approximate 4,800 MV total demand reduction.

Mr. Quillen discussed the TVA After-Action Review that will focus on reviewing what occurred, gaps and actions to close gaps in regards to seasonal resource planning, operational resource planning, site resiliency current and future, real-time operations, customer and Stakeholder coordination and finally financial impacts. These multiple teams will work on improvements needed in the near-term and longer-term, which near-term plans expected to be completed by the end of March.

As of January 30th, the TVA identified over 200 near-term actions after the storm. Their review plan includes engaging industry experts and customers for input and feedback through: Blue Ribbon Panel consisting of Industry and Stakeholder Engagement, Customer Engagement Teams focusing on near-term actions to implement and engagement with the TVA's After-Action Review, as well as TVPPA Coordination with the Operations committee, Communications committee and Government Relations committee.

RESOLUTION ON BEHALF OF DR. B. J. KING

WHEREAS Dr. B. J. King was appointed to the Johnson City Power Board's Board of Directors by the City of Johnson City in September 2013 and served faithfully in that capacity for nine years, five months; and

WHEREAS on April 1, 2017, the Johnson City Power Board became the Johnson City Energy Authority; and October 3, 2017, Johnson City Energy Authority announced the d/b/a name of BrightRidge; and

WHEREAS during Dr. King's tenure, she served on the Business Development and Planning Committee and as Chairperson of the Finance & Audit Rates & Budget Committee, assisted the board through the transition to energy authority and rebranding, and supported the launch of the broadband division. Dr. King also served as Vice-Chairperson and Chairperson of the Board of Directors; and

WHEREAS the Board of Directors of BrightRidge wishes to recognize Dr. King for her outstanding service to the citizens, staff, and fellow Board members of BrightRidge by her dedication and loyalty.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Johnson City Energy Authority d/b/a BrightRidge meeting in regular session on the 21st day of February 2023 that Dr. B. J. King be, and hereby is, officially honored for her nine years, five months of service of the citizens of the BrightRidge service area.

BE IT FURTHER RESOLVED that a copy of this Resolution be presented to Dr. King and be spread in full on the minutes of the proceedings of this meeting.

Upon motion of Ms. Brock, seconded by Mr. Thomas, the Resolution was approved and signed by Chairman Mabrey.

Upon motion of Mr. Hite, seconded by Mr. Haselsteiner, the Board approved following items on the Consent Agenda:

- (a.) The minutes of the Board meeting January 24, 2023.
- (b.) The steel poles bid of Stuart C Irby Company in the amount of \$54,020.25 for the project described in Bid Tab #7458.
- (c.) The marketing package by Creative Energy in the amount of \$153,764.00 for the project described in the January 27, 2023 BrightRidge BrightSpots Campaign Contract.
- (d.) The replacement of fleet vehicle #94 quote in the amount of \$45,411.00 from Ford of Murfreesboro dated January 30, 2023.
- (e.) The Kubota mini excavator quote in the amount of \$92,352.00 from Johnson City Kubota and Equipment Company dated January 20, 2023.

(f.) The west distribution substation transformer bid of Transformer Maintenance & Services in the amount of \$169,575.00 for the project described in Bid Tab #7473.

The motion carried unanimously by roll call vote.

Mr. Thomas delivered the report of the Human Resources/Insurance Committee, which had met on February 21, 2023 to consider the 2022 performance evaluation and the 2023 performance objectives and compensation/benefits package for CEO Jeff Dykes. Upon motion of Mr. Thomas on behalf of the Committee, the Board approved these items as presented to the Committee.

The motion carried unanimously by roll call vote.

RETIREMENT RESOLUTION FOR ANDY ROWE

WHEREAS Andy Rowe was employed by Johnson City Power Board on May 27, 2003, until retiring from BrightRidge on March 6, 2023.

WHEREAS during his nineteen years and nine months of service with the Johnson City Power Board, Johnson City Energy Authority and BrightRidge, he served as a Warehouse Worker and Groundman.

WHEREAS the Board of Directors of BrightRidge wishes to recognize Mr. Rose for his outstanding service to the customers and staff of BrightRidge by his many years of dedication and loyalty.

NOW THEREFORE BE IT RESOLVED by the Board of Directors of BrightRidge meeting in regular session on the 21st day of February 2023 that Andy Rowe be, and hereby is, officially commended for his nineteen years and nine months of service to the customers of BrightRidge.

BE IT FURTHER RESOLVED that a copy of this Resolution be presented to Mr. Rowe and be spread in full on the minutes of the proceedings of this meeting.

Upon motion of Mr. Thomas, seconded by Mrs. Brock, the Resolution was approved and signed by Chairman Mabrey.

Mr. Sam Ford, Project Manager, delivered a presentation on Research & Development Project Updates. BrightRidge currently coordinates with Electrical Power Research Institution (EPRI), TVA and TVPPA on several research and development projects. The EPRI is an independent, nonprofit energy research and development organization working for the advancing safe, reliable, affordable, and

clean energy for society through global collaboration, science and technology innovation, and applied research.

The TVA non-nuclear research budget for 2023 is \$10.6 million and focuses on areas such as new business services, grid integration, distribution modernization, environmental and sustainability, generation modernization, consumer tech and transmission modernization. Direct LPC Projects with TVPPA include a \$320,000 discretionary fund provided by TVA annually. The remaining FY2023 budget which ends September 30, 2023 is \$206,242.

Mr. Ford identified several research projects currently being coordination with EPRI, TVA, TVPPA and BrightRidge. In the SenSanna Overhead Line Sensor project, LPC's facilitate field demos while the EPRI will perform a lab test and reports. The benefits include fault location detection, operation with no line current, and synchronous current and voltage collection from all three phases. BrightRidge is performing field studies for the project. The Transformer Dissolved Gas Analysis project focuses on real-time health monitoring of transformers. Hydrogen is the key gas in transformer oil. Several combustible gases are generated as a result of different transformer fault types; however, hydrogen is generated over the entire fault spectrum.

The Dispatchable Voltage Reduction project helps determine the estimated costs and benefits of CVR/DVR asset deployment. EPRI will analyze current distribution planning models with up to 5 substation buses to identify asset deployments to gain voltage reduction benefits based upon current CVR/DVR factors. The Optimizing Vegetation Management project focuses on detecting and monitoring tree health, mitigate current and future risk, inspect transmission line right-of-way, identify threats inside and outside the right-of-way, as well as automate audits, tree removal and herbicide efficacy. EPRI and BrightRidge will evaluate vendor reports for accuracy but comparing with field visits. Additionally, BrightRidge is participating TVA's push to expand understanding of industry DER interconnection standards, the application of these standards to Distribution interconnections and develop more consistent practices across the Tennessee Valley.

Finally, BrightRidge is participating in EPRI projects, some of which include the assessment and mitigation of High-Altitude Electromagnetic Pulse impact on distribution systems, Co-Located DER adoption forecasting, distribution impacts of electric vehicles, advanced distribution inspection methods, distribution recloser life-cycle management, assessment of vehicle fleet electrification, alternative wood pole treatments, arc flash testing 480V meter sockers and CT Cabinets and recloser backup power.

Stacy Evans, Chief Broadband and Technology Officer, delivered an update regarding the broadband project. At the time of the Board meeting, the Broadband Division has a total of 10,343 active customers, 975 of which are business or commercial entities.

The current broadband customer base is as follows:

Jonesborough Fiber:	1,176
Johnson City Fiber:	5,464
Piney Flats Fiber:	10
Telford Fiber:	214
Limestone Fiber:	297
Gray Fiber:	2,789
Kingsport Fiber:	195
Fall Branch Fiber:	41
Fixed Wireless:	157
Managed Wi-Fi:	6,683 (72.1% average "take rate")
IPTV Video:	1,051
Telephone VoIP:	1,153

Broadband deployment areas are as follows:

Johnson City:	5,464
Gray/Kingsport:	2,986
Jonesborough:	1,176
Bowmantown:	511

Mr. Evans stated that the Broadband Division was scheduled to add 3,206 net customers for a target of 10,964 on June 30, 2023. An average of 61 net adds per week would be necessary to meet this goal. As of February 2023, the division is trending 488 customers ahead of the linear budget line. Current trend would be 700 above budget by end of fiscal year 2023, for 11,664 total customers. Customers moving to higher internet product types (1G and 10G services) have led to a \$1.49 million annual increase.

Residential fiber product numbers confirm 90% of current residential Broadband customers do not subscribe to our video (with only 10% video take-rate and 8% voice).

Work continues on the Phase 5 build-out, with 75% of the project completed and 6,070 addresses serviceable at this time. The Phase 5 joint project with Johnson City is 100% complete with fiber construction with ongoing cabinet and splicing work to be completed. Additional projects scheduled are the Phase 6 aerial fiberoptic construction, and additional builds in an extension of the Fall Branch area which passes 387 address (377 active for electric power), with the additional expansion areas (Bowmantown, New Salem, Ford Creek, Walkers Bend, Fall Branch) we added 926 fiber passings to the FY2023 budget. Initial construction began on January 24, 2023. As of February 17, 2023, 50% strand and 25% fiber complete.

Mr. Dykes discussed the upcoming marketing agenda for BrightSpot campaign and timing of rollout. Also made mention of potential bill in Nashville regarding water and wastewater, which are being watched closely for potential effects on BrightRidge as an 'energy authority'. Additionally, he noted that potential BrightRidge Broadband legislation is currently on hold due to similar legislation having been submitted by Speaker; will continue to monitor closely.

There being no further business, the meeting was adjourned.