

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

March 24, 2026

PRESENT: James Haselsteiner
Andy Dietrich
Ronald Hite
Gary Mabrey
Kimberly McCorkle
Andrew Morse
Richard Tucker
Joe Wise
Jeffrey R. Dykes, Chief Executive Officer
Rob Arnold, Chief Operations Officer
Connie Crouch, Chief Employee Relations Officer
Bonnie Donnolly, Chief Development and Market Strategy Officer
Eric Egan, Chief Data Officer
Stacy Evans, Chief Broadband Officer
Lori Farmer, Supervisor, General Accounting
Sam Ford, Chief Engineering and Facilities Officer
Donnie Hall, Safety/Environmental Manager
Tiphonie Watson; Chief Customer Officer
Tim Whaley, Director of Public and Governmental Affairs
Stephen Darden, Hunter Smith & Davis, LLP

ABSENT: James Smith
Brian Bolling, CPA, Chief Financial Officer and Supply Chain Officer

Chairman Jim Haselsteiner called the meeting to order.

Donnie Hall, Safety and Environmental Manager, presented the Annual Safety Report to the board. He reported that in 2025, there were 406,573 man-hours worked with only 13 injuries reported (two resulting in lost time). He also reported that in 2025, there were 125 BrightRidge fleet vehicles on the road and only 11 accidents reported (7 at fault / 4 no fault). Three were backing accidents, which account for 27% of all vehicle accidents, and occur approximately every 393,000 miles. The majority of these accidents involved cracked windshields and broken side mirrors; and these 11 accidents combined for a total of \$7,140 in expenses but with no insurance pay-outs.

Mr. Hall also reported that BrightRidge employees completed 3,454 hours of safety training in 2025 covering topics such as Hazcom, SEAP, first aid, CPR, flagging, roadside set-up, forklifts and others.

Mr. Hall ended his report by discussing the building security, which is handled by Harrell Group Security Solutions. These guards assist with helping visitors and contractors in securing badges, patrolling facilities, and maintaining gates and cameras. The Envoy system logged approximately 2,817 visitors during 2025, taking each visitor's photo and helping to identify the current location of each visitor within our facility should an emergency arise.

Mrs. Lori Farmer, Supervisor, General Accounting, presented the January and February 2026 financial reports on behalf of Mr. Bolling who was unable to attend. Mrs. Farmer advised that the current year-to-date kWh usage is up \$15.9 million. The year-to-date Operating Revenues are up \$9.8 million. The year-to-date Operating Expenses, excluding Power Cost, are up \$3.24 million compared to last year and under budget by 9.96%. The year-to-date Average Load Factor is 55.87% and the year-to-date Net Income is \$2.9 million, an increase over the last year. The FCA is up 4.13% from February 2025 to February 2026. Mrs. Farmer also reported that Broadband customers are up 1,942 year-to-date, current Operating Revenues are up \$15.1 million (64.92% of budget), and has a current Net Income of \$1,115,623, excluding impact of grants.

Upon motion of Mr. Mabrey, seconded by Dr. McCorkle, the monthly power distributor's reports submitted to the Tennessee Valley Authority for January and February 2026 were approved. The motion carried unanimously by roll call. Year-to-date income was \$2,929,583.80 more than last year's year-to-date figure and year-to-date actual net income was \$1,101,322.72 more than the budgeted figure. The general fund balance stands at \$30,892,707.76, the reserve fund balance stands at \$8,382,088.42, the special reserve fund balance stands at \$2,269,711.05, the tax equivalent fund balance stands at \$4,212,936.58, the economic development fund balance stands at \$2,137,450.75, the 2017 and 2021 bond and interest sinking fund balance stands at \$3,203,211.22, the renewal and replacement fund balance stands at \$9,000,049.97, the miscellaneous proceeds fund balance stands at \$2,721.31; and the self-insurance fund balance stands at \$2,004,553.86. BrightRidge is currently serving 85,739 customers, which is an increase of 1,395 customers since the same time last year, which represents a 1.65% growth rate.

Upon motion of Mr. Mabrey, seconded by Dr. McCorkle, the monthly financial statements for January and February 2026 for the Broadband Division were approved. The year-to-date income was \$4,098,710.00 more than last year's year-to-date figure, and year-to-date actual net income was \$-387,942.80 less than the budgeted figure. The broadband debt service fund balance stands at \$1,671,035.89, the reserve fund balance stands at \$219,541.21, the broadband checking account balance stands at \$694,904.49, the broadband tax equivalent account balance stands at \$197,838.70, the voice service balance stands at \$14,796.45, and the video service balance stands at \$6,048.07.

Upon motion of Mr. Dietrich, seconded by Dr. McCorkle, the Board approved the following item on the Consent Agenda:

- (a.) The minutes of the Board meeting on February 17, 2026;

The motion carried unanimously by roll call vote.

Upon motion of Mr. Wise, seconded by Mr. Dietrich, the Board approved the following item on the Broadband Consent Agenda:

- (a.) The purchase of fiber for the BEAD project in the amount of \$406,400.00;

The motion carried unanimously by roll call vote.

RETIREMENT RESOLUTION – WENDY HELMS

On April 1, 2017 the Johnson City Power Board was renamed Johnson City Energy Authority; on October 3, 2017 Johnson City Energy Authority announced their DBA name as BrightRidge.

WHEREAS Wendy Helms was employed by BrightRidge on October 9, 2000, until retiring from BrightRidge on Friday, April 17, 2026; and

WHEREAS during her twenty-five years and six months of service with BrightRidge, she served as a Customer Service Representative, Cashier, Billing Clerk and Billing & Data Control Specialist.

WHEREAS the Board of Directors of BrightRidge wishes to recognize Mrs. Helms for her outstanding service to the customers and staff of BrightRidge by her years of dedication and loyalty;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of BrightRidge meeting in regular session on the 24th day of March 2026, that Wendy Helms be, and hereby is, officially commended for her twenty-five years and six months of service to the customers of BrightRidge.

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

Upon motion of Mr. Hite, seconded by Mr. Wise, the Board approved the Resolution by unanimous roll call vote. A copy of this Resolution now appears in full on the minutes of the proceedings of this meeting.

Upon motion of Mr. Wise, seconded by Mr. Mabrey, the Board voted to approve the transfer of \$90,000 from the Energy Services/Project Management Capital Budget to the Safety Department Capital Budget for the purchase of 34 new AEDs (automated external defibrillators). The motion carried unanimously by roll call vote.

TVA provided us with a Use of Funds Agreement for our \$10 million interdivision loan from Electric to Broadband. At the June 24, 2025, Board meeting, the FY2026 Broadband budget was approved, with approval for BrightRidge to request a \$10 million interdivisional loan from TVA. Upon motion from Mr. Dietrich, seconded by Mr. Hite, the Board voted to approve the authorization of Mr. Dykes to sign the TVA Use of Funds Agreement, which formalizes the loan. The motion carried unanimously by roll call vote.

Sam Ford, Chief Engineering and Facilities Officer, presented the board with a report on Field Engineering, Infrastructure Supporting Customer Growth. He outlines the importances of the field engineers' initial work for all new customer projects, stating that engineers 'live on the drawings'. They take customer ideas and put them into action, creating plans and drawings that incorporate all utilities and support the overall project.

Mr. Ford outlined the overall customer growth experienced by BrightRidge in recent years. From 2012 to 2020 (a 9-year period), there were 599 new residential customers and 150 new business customers. From 2021 to 2025 (a 5-year period), there were 1,056 new residential customers (76.3% increase) and 157 new business customers (4.7% increase). Currently in 2026, there are already 653 new meters in process; with an additional 1,323 new meter requests pending and expected over the next 18-24 months.

Another area showing the immense growth is in Aid to Construction. In 2024, BrightRidge received \$3.3 million in aid to construction payments. That number nearly doubled in 2025, totaling \$6.39 million.

Mr. Ford concluded his report by sharing photos and drone video of current engineering projects, including residential subdivisions and new businesses across the tri-cities. He updated the Board on system reliability, specifically conductor upgrades and pole testing currently being implemented; as well as infrastructure improvements, such as new circuits, rebuild projects and all capital projects in the last 18 months (which consisted of 6.3 miles designed).

Mr. Dykes thanked Mr. Ford for his presentation and highlighted the other essential uses for the drones. They not only monitor ongoing projects, but are used for maintenance inspections and the detection of problems specifically at the substations detecting hot spots. Their continued use helps further ensure employee safety as well.

Mr. Dykes announced a recent opportunity brought to them by the TVPPA regarding the June 2027 lineman's rodeo. Mr. Dykes advised that BrightRidge has been asked to host the event, and is currently exploring all of the logistics that would be involved. This includes possible locations for the event itself and its closing banquet, costs and expenses, as well as seeking support from both the Kingsport and Johnson City Chambers, as lodging accommodations and events may be spread across both cities. Mr. Dykes advised he would keep the board updated as a final determination is made and plans moved forward.

Mr. Dykes reminded the Board that Red Dog would be shutting down by Thursday or Friday of this week, triggering the end of all fines, and would then begin removing their equipment. BrightRidge will also go in and remove what remains, while keeping the fencing and concrete pad in place for any future equipment that might need to be stored at that location. Mr. Dykes also reminded the Board that Red Dog is just one of three significant load customers closing within the same month.

Mr. Dykes also briefly discussed the recent BWXT approval by the county commission which will grow our community by adding new employees. He also advised that the engineering department had been working closely with BWXT on the design and specs for this expansion and will see the project through completion.

There being no further business, the meeting was adjourned.