

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

May 26, 2026

PRESENT: James Haselsteiner  
Ronald Hite  
Gary Mabrey  
Andrew Morse  
James Smith  
Richard Tucker  
Joe Wise  
Jeffrey R. Dykes, Chief Executive Officer  
Brian Bolling, CPA, Chief Financial Officer and Supply Chain Officer  
Connie Crouch, Chief Employee Relations Officer  
Eric Egan, Chief Data Officer  
Stacy Evans, Chief Broadband Officer  
Lori Farmer, Supervisor, General Accounting  
Sam Ford, Chief Engineering and Facilities Officer  
Tiphonie Watson; Chief Customer Officer  
Tim Whaley, Director of Public and Governmental Affairs  
Stephen Darden, Hunter Smith & Davis, LLP

ABSENT: Andy Dietrich  
Kimberly McCorkle  
Rob Arnold, Chief Operations Officer  
Bonnie Donnolly, Chief Development and Market Strategy Officer  
Donnie Hall, Safety/Environmental Manager

Chairman Jim Haselsteiner called the meeting to order.

Chairman Haselsteiner welcomed the team from Seven States Power Corp. and introduced Betsey McCall, President and CEO, to address the board. Mrs. McCall provided the board with an overview of Seven States, its mission and their current projects. Mrs. McCall introduced Clint Wilson, SVP Engineering and Marketing Innovation, who provided an overview of the Energy Express Project, a clean energy initiative from Seven States Power Corporation, developed in partnership with local power companies across the Tennessee Valley, to deliver a more reliable, abundant, and affordable energy future for the region. The project is funded through a partnership with the USDA New Empowering Rural America (New ERA) program to design, develop, and deploy solutions that advance American energy dominance across the Tennessee Valley.

Seven States is offering a 20 megawatt (MW) battery energy storage system (BESS) in partnership with BrightRidge to continue its ongoing effort to strengthen the regional electric grid, improve reliability and prepare for future growth. On average, the system would be deployed about 250 days a year, and will support the electric needs of approximately 5,000 homes. There is no upfront capital expense and the batteries themselves will be owned and maintained by Seven States. However, BrightRidge will be in control of monitoring and operating them 24/7 through the BrightRidge control room.

BESS stores electricity during lower cost energy pricing periods, typically overnight, and delivers electricity back to the grid during higher energy demand. BESS can also provide electricity during rolling grid interruptions, such as those required by the TVA during Winter Storm Elliott in December 2022.

Mr. Wilson answered all questions from the board, including a proposed timeline moving forward. Seven States estimates that if BrightRidge elects to move forward with the battery energy storage system, construction would begin in July 2027 and be operational by December 2028.

Upon motion of Mr. Morse, seconded by Mr. Mabrey, the monthly power distributor's reports submitted to the Tennessee Valley Authority for April 2026 were approved. The motion carried unanimously by roll call. Year-to-date income was \$2,743,825.73 more than last year's year-to-date figure and year-to-date actual net income was \$236,696.00 more than the budgeted figure. The general fund balance stands at \$9,153,831.27, the reserve fund balance stands at \$13,079,797.67, the special reserve fund balance stands at \$2,283,805.07, the tax equivalent fund balance stands at \$5,252,883.27, the economic development fund balance stands at \$2,217,288.91, the 2017 and 2021 bond and interest sinking fund balance stands at \$3,940,927.64, the renewal and replacement fund balance stands at \$9,055,936.77, the miscellaneous proceeds fund balance stands at \$2,738.21; and the self-insurance fund balance stands at \$2,001,837.68. BrightRidge is currently serving 85,953 customers, which is an increase of 1,470 customers since the same time last year, which represents a 1.74% growth rate.

Upon motion of Mr. Morse, seconded by Mr. Mabrey, the monthly financial statements for April 2026 for the Broadband Division were approved. The year-to-date income was \$5,622,645.69 more than last year's year-to-date figure, and year-to-date actual net income was \$-495,172.75 less than the budgeted figure. The broadband debt service fund balance stands at \$3,137,776.27, the reserve fund balance stands at \$220,904.48, the broadband checking account balance stands at \$1,117,152.36, the broadband tax equivalent account balance stands at \$432,056.51, the voice service balance stands at \$20,571.14, and the video service balance stands at \$6,085.63.

Mr. Bolling concluded his report by adding that the current year-to-date Operating Revenues are up \$9.3 million. The year-to-date Operating Expenses, excluding Power Cost, are down \$653,672 compared to last year and under budget by 9.59%. The year-to-date Average Load Factor is 56.21% and the year-to-date Net Income is \$2.7 million, an increase over the last year. The FCA is up 22.01% from April 2025 to April 2026.

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

(a.) The minutes of the Board meeting on April 28, 2026; and

(b.) The extension of our Transformer Rebuild Contract with Sunbelt Solomon Corporation for one (1) year, ending August 1, 2027.

The motion carried unanimously by roll call vote.

Mr. Smith spoke on behalf of the HR and Insurance Committee that met today, to consider the Workers Compensation Insurance renewal with Distributors Insurance Company (DIC) which is a wholly owned subsidiary of TVPPA. The level of service received from DIC continues to be good, and therefore management recommends renewal of this policy. Upon motion of the Committee, the board voted to renew the workers compensation policy with DIC. The motion carried unanimously by roll call vote.

Mr. Smith spoke on behalf of the HR and Insurance Committee that met today, to consider the Pollution Liability Insurance renewal with Distributors Insurance Company (DIC) which is a wholly owned subsidiary of TVPPA. Upon motion of the Committee, the board voted to renew the pollution liability policy with DIC. The motion carried unanimously by roll call vote.

The Business Development and Planning Committee that met today to hear a presentation from Seven States Power Corp. regarding BrightRidge's consideration of its Battery Energy Storage System. Upon motion of Mr. Mabrey, seconded by Mr. Hite, the Board voted to begin next steps in the process of implementing the battery energy storage system with 7States. The motion carried unanimously by roll call vote.

#### RETIREMENT RESOLUTION – DOUG LITTEN

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 Doug Litten was employed by BrightRidge on February 17, 2020, until retiring from BrightRidge on Friday, June 26, 2026; and

WHEREAS during his six years and four months of service with BrightRidge, he served as an Order Management Specialist.

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

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of BrightRidge meeting in regular session on the 26<sup>th</sup> day of May 2026, that Doug Litten be, and

hereby is, officially commended for his six years and four months of service to the customers of BrightRidge.

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

Upon motion of Mr. Wise, seconded by Mr. Smith, 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.

RESOLUTION TO REQUEST UNCLAIMED BALANCE OF ACCOUNTS  
REMITTED TO STATE TREASURER UNDER UNCLAIMED PROPERTY ACT

WHEREAS, *Tennessee Code Annotated Section 66-29-146(c)* provide that a municipality or county in Tennessee may request payment for the unclaimed balance of funds reported and remitted by or on behalf of the local government and its agencies if it exceeds \$100, less a proportionate share of the cost of administering the program; and

WHEREAS, the Johnson City Energy Authority d/b/a BrightRidge and/or its agencies have remitted unclaimed accounts to the State Treasurer in accordance with the *Uniform Disposition of Unclaimed Property Act*; and

WHEREAS, the Johnson City Energy Authority d/b/a BrightRidge agrees to meet all of the requirements of *Tennessee Code Annotated Section 66-29-101*, et seq. and to accept liability for future claims against accounts represented in funds paid to it and

WHEREAS, it is agreed that this local government will retain a sufficient amount to ensure prompt payment of allowed claims and that the balance of funds will be deposited in this local government's general fund;

THEREFORE, BE IT RESOLVED that the Johnson City Energy Authority d/b/a BrightRidge requests the State Treasurer to pay the unclaimed balance of funds to it in accordance with the provisions of *Tennessee Code Annotated Section 66-29-146(c)*. A list of remittances made by or on behalf of the local government and its agencies is attached.

Upon motion of Mr. Hite, seconded by Mr. Mabrey, 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. Morse, seconded by Mr. Tucker, the Board approved the renewal of the Utility Board Agreement, updating BrightRidge's Occupational Safety and Health Program Plan. The motion carried unanimously by roll call vote.

Stacy Evans, Chief Broadband Officer, presented the board with an overview of the Information Technology Department and its team members. The IT department manages the installation of all servers, all computer software and programs and the network infrastructure throughout all of BrightRidge. They currently maintain 130 servers, 308 computers, 119 network switches and 250 security cameras and software. Over the last year,

they have handled 552 user support tickets and requests, handled 150 average failed intrusion attempts per day, blocked 2,000 monthly phishing emails and blocked 10,000 monthly spam emails.

Our IT Systems Manager is Matt Elb, who started with BrightRidge in 1999. He oversees the team, our vendors and budget. We currently have three IT Systems Engineers, which are Mark Winning, Marc O'Connor and Darrin Leonard. In addition, we have two Enterprise System Administrators, who are responsible for NISC, reports, partnering with departments for their system needs, maintaining workflow, projects and schedules. Our System Administrators are Mike Weatherford and Kingsley Fasesin. Currently, Owen Loeb serves as an intern in the IT department through a new internship program we have established with TCAT.

Mr. Dykes thanked all the members for being present at today's meeting. He provided further details on the BESS system and Seven States concerning their hopes for further grants through the USDA in the future.

There being no further business, the meeting was adjourned.