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

June 23, 2026

PRESENT: James Haselsteiner
Andy Dietrich
Ronald Hite
Gary Mabrey
James Smith
Joe Wise
Jeffrey R. Dykes, Chief Executive Officer
Rob Arnold, Chief Operations Officer
Brian Bolling, CPA, Chief Financial Officer and Supply Chain 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
Tiphanie Watson; Chief Customer Officer
Tim Whaley, Director of Public and Governmental Affairs
Stephen Darden, Hunter Smith & Davis, LLP

ABSENT: Richard Tucker
Kimberly McCorkle
Andrew Morse
Donnie Hall, Safety/Environmental Manager

Chairman Jim Haselsteiner called the meeting to order.

Chairman Jim Haselsteiner opened the meeting for public comments and recognized Mr. Joe Franklin. Mr. Franklin began by thanking the Board for supporting BrightRidge’s efforts in the area of solar power. He provided information on Fair Export-Credit Pilot focusing on customer solar participation. Mr. Dykes thanked Mr. Franklin for his comments and the provided information.

Upon motion of Mr. Mabrey, seconded by Mr. Dietrich, the monthly power distributor's reports submitted to the Tennessee Valley Authority for May 2026 were approved. The motion carried unanimously by roll call. Year-to-date income was $3,887,083.82 more than last year's year-to-date figure and year-to-date actual net income was $1,134,688.70 more than the budgeted figure. The general fund balance stands at

$25,483,356.35, the reserve fund balance stands at $13,117,729.08, the special reserve fund balance stands at $2,290,428.10, the tax equivalent fund balance stands at $5,774,351.19, the economic development fund balance stands at $2,257,986.24, the 2017 and 2021 bond and interest sinking fund balance stands at $718,244.43, the renewal and replacement fund balance stands at $9,082,198.99, the miscellaneous proceeds fund balance stands at $2,746.15; and the self-insurance fund balance stands at $2,001,837.68. BrightRidge is currently serving 86,080 customers, which is an increase of 1,527 customers since the same time last year, which represents a 1.81% growth rate.

Upon motion of Mr. Mabrey, seconded by Mr. Dietrich, the monthly financial statements for May 2026 for the Broadband Division were approved. The year-to-date income was $5,695,967.01 more than last year's year-to-date figure, and year-to-date actual net income was $-292,788.47 less than the budgeted figure. The broadband debt service fund balance stands at $3,874,750.88, the reserve fund balance stands at $221,545.10, the broadband checking account balance stands at $508,329.00, the broadband tax equivalent account balance stands at $558,659.47, the voice service balance stands at $21,955.03, and the video service balance stands at $6,103.28.

Mr. Bolling concluded his report by adding that the current year-to-date Operating Revenues are up $10.8 million. The year-to-date Operating Expenses, excluding Power Cost, are down $698,080 compared to last year and under budget by 9.59%. The year-to-date Average Load Factor is 56.08% and the FCA is up 11.91% from May 2025 to May 2026.

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

(a.) The minutes of the Board meeting on May 26, 2026;

(b.) The purchase of a 30/40/50 MVA substation power transformer in the amount of $2,409,307.00 from Virginia Transformer;

(c.) The renewal of our final year pole inspection contract in the amount of $250,000 through Osmose Utility Services;

(d.) The acceptance of a bid from Kendall for vegetation management line mild bid in the amount of $1,913,785.40.

The motion carried unanimously by roll call vote.

The Audit, Budget & Finance Committee met to consider the proposed FY 2027 Electric Operating and Capital Budget. The committee recommends that the Board of Directors approve the Budget as presented. Upon motion of Mr. Hite, and seconded by Mr. Mabrey, the Board approved the FY 2027 Electric Operating and Capital Budget by unanimous roll call vote.

The Audit, Budget & Finance Committee also reviewed the FY 2027 Broadband Operating and Capital Budget. The committee recommends that the Board of Directors approve the Broadband Budget as present. Upon motion by the committee, the Board approved the FY 2027 Broadband Operating and Capital Budget by unanimous roll call vote.

RESOLUTION ON BEHALF OF MR. JAMES SMITH

WHEREAS Mr. James Smith was appointed to be the BrightRidge Board of Directors by the City of Johnson City in February 2019 and served faithfully in that capacity for seven years, four mouths; and

WHEREAS during Mr. Smith’s tenure, he served on the Economic Development Council and also served as Chairman of the HR/Insurance Committee. Mr. Smith served diligently as Chairman of the Board of Directors. He is a valued board member with an inexhaustibly positive outlook. During his tenure, the BrightRidge Broadband division was launched with Mr. Smith being an unfailing proponent. With an eye toward the future of renewable energy, Mr. Smith has been a champion for the Gray Solar Farm, the BrightRidge Solar Lab and future endeavors regarding battery energy storage; and

WHEREAS the Board of Directors of BrightRidge wishes to recognize Mr. Smith for his outstanding service to the citizens of Johnson City, the customers, staff, employees and fellow Board members of BrightRidge by his 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 23rd day of June 2026, that Mr. James Smith be, and hereby is, officially honored for his seven years, four months of service to the citizens of the BrightRidge service area.

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

Upon motion of Mr. Mabrey, 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.

Mr. Smith thanked the members of the board and Mr. Dykes for their kind words. He shared his gratitude to the team here at BrightRidge, from the employees to directors, for their diligence in bring items and issues to the board in a manner that allowed the board to confidently make decisions that serve the best interest of the BrightRidge and our community. Mr. Smith stated that a great team needs a great leader, and BrightRidge has a great leader in Mr. Dykes. Mr. Smith also added his appreciation to the legal team at Hunter Smith & Davis for always guiding the Board and BrightRidge.

A RESOLUTION OF JOHNSON CITY ENERGY AUTHORITY DBA BRIGHTRIDGE ADOPTING THE ANNUAL BUDGET FOR THE ELECTRIC DIVISION FOR THE FISCAL YEAR BEGINNING JULY 1, 2026 AND ENDING JUNE 30, 2027

WHEREAS, the Johnson City Energy Authority is a municipal energy authority as defined in Tenn. Code Ann. § 7-36-101 through § 7-36-132 and as such is a political subdivision of the State of Tennessee located in Johnson City, Tennessee; and

WHEREAS, the Johnson City Energy Authority operates under the assumed name of BrightRidge as registered with the Tennessee Secretary of State; and

WHEREAS, Tenn. Code Ann. § 7-36-113 states that prior to the beginning of the fiscal year, an authority shall adopt a balanced annual operating budget that identifies the authority's anticipated revenues by source and anticipated expenses by type of expense, and that the budget must be created in conformity with General Accepted Accounting Principles (GAAP); and

WHEREAS, pursuant to Tenn. Code Ann. § 7-36-113, requires that the budget as adopted must be submitted to the Comptroller of the Treasury for review and approval; and

NOW, THEREFORE, be it resolved by the Board of Directors that it hereby adopts the attached budget as the Electric Division Annual Budget, for the fiscal year ending June 30, 2027.

Duly passed and adopted by the Board of Directors on 23rd day of June 2026. Upon motion by Mr. Hite, seconded by Mr. Mabrey, the Board approved the Electric Division Annual Budget by unanimous roll call vote.

A RESOLUTION OF JOHNSON CITY ENERGY AUTHORITY DBA BRIGHTRIDGE ADOPTING THE ANNUAL BUDGET FOR THE BROADBAND DIVISION FOR THE FISCAL YEAR BEGINNING JULY 1, 2026 AND ENDING JUNE 30, 2027

WHEREAS, the Johnson City Energy Authority is a municipal energy authority as defined in Tenn. Code Ann. § 7-36-101 through § 7-36-132 and as such is a political subdivision of the State of Tennessee located in Johnson City, Tennessee; and

WHEREAS, the Johnson City Energy Authority operates under the assumed name of BrightRidge as registered with the Tennessee Secretary of State; and

WHEREAS, Tenn. Code Ann. § 7-36-113 states that prior to the beginning of the fiscal year, an authority shall adopt a balanced annual operating budget that identifies the authority's anticipated revenues by source and anticipated expenses by type of expense, and that the budget must be created in conformity with General Accepted Accounting Principles (GAAP); and

WHEREAS, pursuant to Tenn. Code Ann. § 7-36-113, requires that the budget as adopted must be submitted to the Comptroller of the Treasury for review and approval; and

NOW, THEREFORE, be it resolved by the Board of Directors that it hereby adopts the attached budget as the Broadband Division Annual Budget, for the fiscal year ending June 30, 2027.

Duly passed and adopted by the Board of Directors on 23rd day of June 2026. Upon motion by Mr. Dietrich, seconded by Mr. Mabrey, the Board approved the Broadband Division Annual Budget by unanimous roll call vote.

Mr. Dykes advised the Board of the TVA's announcement of its plans for a seventh round of the Community Care Funds. Upon motion by Mr. Smith, seconded by Mr. Dietrich, the board approved matching 1:1 the TVA funding of $34,000, for a combined total of $68,000. Motion carried by unanimous roll call vote.

Mr. Dykes presented the board with the final Purchase and Sale Agreement for the 35 acres adjacent to BrightRidge's main campus property, which is needed for expansion due to growth and needs. The property will be developed in the future for new operations and warehousing facility. Upon motion by Mr. Mabrey, seconded by Mr. Dietrich, the board approved the signing of this Purchase and Sale Agreement, by unanimous roll call vote.

Tiphanie Watson, Chief Customer Officer, presented the board with an overview of the Customer Service department. They handle walk-in services, the contact center, cashiering, account services and collections. This year the contact center handled 107,806 calls, 5,151 chats and sent out 9,901 emails. Of the calls received, 47% of them are answered in under 30 seconds. With callers having the option to select a call back instead of being placed on hold. The average wait time for a call back is less than three and half minutes. Ms. Watson stressed that calls are reviewed and customers reviews are recorded, and she was happy to report that the call quality average remains at 99%.

The Customer Service department received 6,148 online applications for service and generated 18,000 change of service orders this year. They continue to promote and offer electric customers the opportunity to switch to Broadband during all service calls. This year, they had 4,183 successful sales and made an additional 22,895 outbound sales calls to electric customers advising of Broadband availably in their areas.

Mr. Dykes addressed the comments regarding the Fair Act brought by Mr. Franklins at the begin of the meeting. He advised that Huntsville is currently using this as part of their flexibility with the TVA. However, BrightRidge has already utilized all of our flexibility, so this would not be something available to us at this time.

Mr. Dykes thanked all the members for being present at today's meeting. He reminded the Board members that the July Board meeting will begin at 5:00 p.m..

Mr. Dykes relayed his thanks to Mr. Smith for his time on the Board, as well as his calm attitude and level headedness in his decision making. Mr. Smith was a part of several new initiatives during his tenure and he will be missed. Finally, he thanked Mr. Smith for his friendship and the support he has always offered the staff and team at BrightRidge.

There being no further business, the meeting was adjourned.