Electric Power Board Meeting

Oct 22, 2025 8:30 AM - 10:00 AM CDT

Board Chair Anne Davis

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18. Adjournment of Electric Power Board Meeting

Call to Order

Public Comment Period

Committee Reports

Legal Committee

Audit and Ethics Committee

Consent Agenda

MINUTES OF THE
ONE THOUSANDTH THREE HUNDREDTH AND SIXTY EIGHTH MEETING
ELECTRIC POWER BOARD OF THE METROPOLITAN
GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
HELD SEPTEMBER 24, 2025

The regular meeting of the Electric Power Board was held on Wednesday, September 24, 2025.

Members present: Board Chair Anne Davis, Rob McCabe, Ian Prunty, Clifton Harris and Casey Santos. Officers present: Teresa Broyles-Aplin, David Frankenberg, Laura Smith, Dr. Trish Holliday and Brent Baker.

Board Chair Anne Davis called the meeting to order at 8:22 a.m.

PUBLIC COMMENT PERIOD

David Frankenberg informed the Board that there were no public speaker requests for the month of September.

RECOMMENDATION FOR APPROVAL OF THE MINUTES FROM THE REGULAR MEETING HELD AUGUST 27, 2025

> Upon motion by Member McCabe and seconded by Member Santos, the Board approved the minutes from the Electric Power Board meeting held August 27, 2025, with five ayes and zero nays.

RECOMMENDATION FOR APPROVAL OF A RESOLUTION REGARDING CUSTOMER SERVICE WEEK, OCTOBER 6-10, 2025

Laura Smith, on behalf of management, requested approval of a resolution regarding Customer Service Week. She stated that in 1992, the U.S. Congress proclaimed National Customer Service Week a nationally recognized event celebrated annually during the first full week in October. This year's National Customer Service Week theme is, "Mission Possible."

> Upon motion by Member McCabe and seconded by Member Santos, the Board approved the Customer Service Week resolution with five ayes and zero nays.

RECOMMENDATION FOR APPROVAL OF A RESOLUTION REGARDING PUBLIC POWER WEEK, OCTOBER 5-11, 2025

Ms. Smith stated that the American Public Power Association has proclaimed the week of October 5-11, 2025, as Public Power Week to increase national recognition of the numerous benefits provided by public power distributors.

Ms. Smith asked that the Electric Power Board join other Tennessee municipal systems in celebration of 2025 Public Power Week and recommended approval of the Public Power Week resolution.

Upon motion by Member Santos and seconded by Member McCabe, the Board approved the Public Power Week resolution with five ayes and zero nays.

RECOMMENDATION FOR APPROVAL OF UTILITY BILL ASSISTANCE FUNDS

Barry Daniel reported that through a variety of funding and matching opportunities, NES and TVA donated approximately $13 million between fiscal years 2020 and 2025 to NeedLink Nashville to assist elderly, disabled, and low-income customers struggling to pay their electric utility bills. During the same period, customers have donated approximately $1 million to NeedLink through Project Help, NES's bill assistance program.

Recognizing the growing needs within the community, management recommended donating $1 million to NeedLink Nashville through the Utility Bill Assistance program. In addition, management requested increasing the Utility Bill Assistance contract amount to a new not to exceed amount of $3.5 million and extending the term through August 15, 2026. Mr. Daniel noted that the $1 million is included in the fiscal year 2026 budget plan.

Chair Davis asked how many customers are assisted on average each year. Mr. Daniel responded that NES allocates approximately $150,000 per month towards utility bill assistance. While he did not have the annual customer count on hand, he offered to gather and provide that information. Chair Davis remarked that this is a commendable service NES is providing.

Upon motion by Member Harris and seconded by Member McCabe, the Board approved the $1 million donation to NeedLink Nashville and the increased request Utility Bill Assistance contract of a not to exceed amount of $3.5 million with five ayes and zero nays.

RECOMMENDATION FOR APPROVAL OF A CONTRACT TO PROVIDE MEDICAL AND VISION ADMINISTRATIVE SERVICES TO BLUE CROSS/BLUE SHIELD OF TENNESSEE, DENTAL ADMINISTRATIVE SERVICES TO DELTA DENTAL OF TENNESSEE, AND TO MODIFY THE MEDICAL PLAN

Jeff Eck reported that UMR, Inc. currently provides third party administrative services for the NES medical, dental, and vision plans, and stated the contract expires December 31, 2026. He reported that a committee was formed in early 2025 and a request for proposal for healthcare third-party administrative services was issued in March of this year.

Management recommended the approval of a contract with Blue Cross/Blue Shield of Tennessee effective in 2026, for a three-year term with the option to renew for two one-year periods, at a not to exceed cost of $8,000,000. Management also recommended the approval of a contract with Delta Dental of Tennessee, effective in 2026, for a three-year term with the option to renew for two one-year periods, at a not to exceed cost of $2,000,000.

As well, Management recommended the following changes to the NES Medical Plan effective January 1, 2026:

- The addition of Teladoc Health Virtual Care
- Move dental implants from the medical plan to the dental plan
- Eliminate the $2,000,000 non-essential benefit lifetime maximum

- Add hospice care to plan benefits
- Eliminate the Quest/LabCorp program and instead make all lab work free
- Diabetes education: covered 85% after deductible
- Bariatric surgery: deductible will now count towards the out-of-pocket maximum
- Private room coverage: change coverage from semi-private room rate plus 50% of the difference between the private room and semi-private room rate to just the semi-private room rate.
- 2nd and 3rd opinions: change from 100% coverage to 85% after deductible for in-network and 65% for out of network.
- Routine newborn charges will be covered under the mother's room and board charges, not separately.

Dr. Trish Holliday commented that one of the largest responses in the employee engagement survey was how unhappy NES employees were with their healthcare benefits.

Member McCabe asked if the survey indicated that employees are unhappy with their benefits or with the service they are receiving while trying to access their benefits.

Teresa Broyles-Aplin explained that the issue centers more on the inadequate service employees are receiving. She noted that numerous NES employees have approached her with concerns about denied claims that should be eligible under the Plan.

> Upon motion by Member McCabe and seconded by Member Santos, the Board approved the contract to provide medical and vision administrative services to Blue Cross/Blue Shield of Tennessee, dental administrative services to Delta Dental of Tennessee, and to modify the medical plan with five ayes and zero nays.

RECOMMENDATION FOR APPROVAL OF PURCHASES

David Frankenberg presented management's recommendation for approval of $8,855,280.20 in purchases and contracts exceeding $50,000. This amount included $2,153,361.20 in monthly purchases and contract additions between the $50,000 and $250,000 threshold that received prior management approval.

> Upon motion by Member Santos and seconded by Member Prunty, the Board approved the list of purchases and contracts with five ayes and zero nays. This list consists of five pages and has been attested to on each page by the signature of the Secretary and is attached hereto as "Appendix A"[1] to these minutes. Total cost of purchases and contracts, as approved, amounts to $8,855,280.20.

FINANCIAL REPORT

Mr. Frankenberg reported that through the month of August, the second month into the new fiscal year, revenue was $325 million, purchased power was $232 million and the sales margin was approximately $93 million which was around $10 million favorable to budget. He stated that the

[1] Appendix A Electronically Filed

higher revenue was largely due to elevated temperatures in late July, with August bills running around six degrees warmer than expected.

He reported that on the expense side, total spending stands at $44 million which is about $6 million light to budget with the largest drivers being timing and the amounts around IT, customer service, staffing, maintenance, C2M support and overall labor. The net gain for the first two months totaled $30 million which is roughly $18 million favorable to budget.

Mr. Frankenberg stated that cash on hand is $523 million, which includes 133 days of operating expense. He noted that NES is in compliance with all ratios from a liquidity standpoint.

QUARTERLY C2M UPDATE

Aleisha Johnson provided a quarterly update om C2M explaining that as of September 2025, the organization has successfully transitioned into the Extended Warranty Support Phase. She stated that this phase reflects a stable operational environment, full support ownership and readiness for long-term sustainability. She said that support for the system has transitioned from EY to the Center of Excellence and internal IT team. Ms. Johnson presented key stabilization metrics which she said are supporting customer confidence and service operations.

Member Santos asked if speed-of-answer times are better than prior to implementation. Ms. Johnson replied that it is comparable to what it was before. Brent Baker stated that the trend within the past couple of months has been slightly favorable to what it was previously with the old CIS.

Mr. Baker and Mr. Frankenberg conducted a review of the project's overall financial performance and highlighted areas where cost savings were made during implementation. It was noted that the project is expected to yield a net favorable variance of $22 million compared to the approved budget.

Member Santos commented that the results were impressive, especially for a complex project like this one, and noted it is the first time she has seen a ServiceNow project come in so far under budget.

QUARTERLY CORPORATE COMMUNICATIONS ACTIVITY REPORT

Kat Pohlman shared recent NES social media metrics, noting that the organization currently has around one million followers and achieves approximately 2.5 million quarterly reaches. Additionally, NES’s YouTube channel featured two videos celebrating NES’s 85th anniversary, which generated over 3,000 minutes of viewing time last month.

Brent Baker pointed to linemen and engineers posting about weekend work as a great example of how social media can be used to earn community support. He underscored the importance of all levels of the organization recognizing the value of sharing NES’s message. He added that a plan is in development to empower internal brand ambassadors to further expand the organization’s social media outreach.

QUARTERLY SUSTAINABILITY UPDATE

Ms. Pohlman outlined the progress of the Insulation for Impact Pilot Program, a grant-supported collaboration among NES, TVA, Metro, and NeedLink.

Chair Davis asked if this is similar to the HomeUplift program where customers receive insulation and other weatherization needs. Ms. Pohlman responded yes, and emphasized the importance of insulation, especially attic insulation, in improving energy efficiency and lowering energy costs.

Mr. Baker added that this program was developed as a result of federal grants that were nearing expiration; therefore, donors engaged Metro, leading to efforts focused on customers in the area whose needs, while not requiring a comprehensive HomeUplift investment, could be effectively met.

Member Harris inquired whether NES would document customer stories and the impact of the assistance provided. Ms. Pohlman responded yes.

Ms. Pohlman reported on the progress of the Magnolia Flexibility 2.0 project and stated that 160 megawatts of solar array is in development with partners at TVA and Silicon Ranch and is on track to go online in 2027. She stated that this is a power purchase agreement and will produce enough energy to serve approximately 25,000 homes.

Chair Davis asked how much customers will see in savings. Ms. Pohlman replied that approximately $300 million over the lifetime of the project. In addition, 500 craft labor jobs have been created for the duration of the build.

Ms. Pohlman announced that a new Community Impact Team has been organized which is comprised of employees across NES with the goal to drive the organizational strategies to achieve sustainability milestones. She stated that the Team’s priorities consist of driving economic vitality, advancing community solutions, and to protect Tennessee.

CUSTOMER SERVICE SURVEY SUMMARY OF RESULTS

Brent Baker and Tom Logue, a representative with Message Factors, reviewed the results of the 2025 NES Customer Satisfaction Survey results. Mr. Logue reported that overall, 86% of survey respondents were ‘very’ or ‘somewhat’ satisfied with NES with the survey showing a three point increase from the 83% reported in 2024. This rating exceeds comparable ratings for other utilities used by NES customers. Mr. Logue shared details about several high-scoring responses, noting that two were related to emergency responses.

Member Santos asked, regarding being prepared for storms and emergencies, if that number changes based on the number of storms and the severity of them. Mr. Logue responded that they do and explained that while survey results can be influenced by recent severe weather, overall trends show that when NES communicates more during outages, customer satisfaction tends to rise.

The survey revealed that the most common customer interaction involved reporting a power outage. Mr. Logue noted that customers claim high familiarity (83%) with NES’s text notifications during power outages which is a nine point increase from 2024.

Member McCabe commented that when he experiences a power outage, he reports it and receives a text message when restoration is complete. He added that billing calls may differ and that customers may prefer a live person in that instance and asked if there is a difference in preferences in certain situations. Mr. Logue responded yes, and stated that when it is a recording situation, a high level of confidence from customers is usually seen.

Teresa Broyles-Aplin noted that in addition to sending confirmation texts when customers report outages, NES now proactively notifies affected customers, assuring them the issue is known and that restoration efforts are underway.

Member Prunty noted that the universal sample size is 721 and asked whether the 10% of participants in solar programs and HomeUplift were being tracked. He inquired if this figure reflects typical participation rates or if it might include false positives.

In response, Mr. Logue stated that he does not believe there is any intentional inflation by respondents. He added that responses to such questions are often used in a comparative context if individuals who report higher satisfaction with NES are also more likely to participate in certain programs, and that correlation provides meaningful customer insights.

Chair Davis commented on the usage of NES offerings trending; Music City Solar has a rating of 24% this year and asked if this was surveyed in past years. Mr. Logue responded that the survey was reorganized this past year, and it was a question that was moved from a different data set. He stated that he could update those numbers and reissue this section.

PRESIDENT'S REPORT

Teresa Broyles-Aplin presented the President's Report and reported that 114 circuit miles were trimmed for the month of August. She formally recognized the Customer Relations employees for their strong performance and provided an overview of the company's community engagement and speaking initiatives.

MISCELLANEOUS

There were no miscellaneous items to report.

RECESS AND RECONVENE

At this point, the Board recessed and reconvened to ratify the actions taken by the Civil Service Board.

> Upon motion by Member McCabe and seconded by Member Santos, the Board ratified the actions taken during the Civil Service Board meeting with five ayes and zero nays.

ADJOURNMENT

The meeting adjourned at 9:37 a.m.

Approved,

Attest:

Board Chair

Secretary

September 24, 2025

Appendix "A"

Approval of Purchases and Contracts
at the Meeting on Wednesday September 24, 2025

Management recommends Board approval
of the following purchases and contracts:

Total Materials and Supplies Purchases	**$2,001,919.00**
Total Contracts and Services	**$750,000.00**
Total Additions, Extensions, and Changes	**$2,950,000.00**
Total Ratified Purchases and Contracts	**$2,153,361.20**
TOTAL	**$7,855,280.20**

Total Sales	**$3,545.34**
Total Line Items	**$11,000,000.00**

Signed by:
David Frankenberg
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Attested By: ______________________________
David Frankenberg, Secretary

All above items have been processed in accordance with Board approved policy and applicable rules and regulations.

September 24, 2025

MATERIALS AND SUPPLIES PURCHASES

Item Description	Vendor	Amount	Type Contract	Bids Received/Sent
Cable, ACSR, Bare 795 36/1 (172,800 ft.)	Wesco Distribution	*$476,928.00	Competitive (1 Year) **Blanket**	6/8
Cable, Copper, BSD 4/0, 19 Strand (144,000 ft.)	Border States Industries	588,960.00	Competitive (1 Year) **Blanket**	4/8
Pole, Steel, H1, 55' (67)	TransAmerican Power Poles	306,391.00	Competitive	5/7
Underground Distribution Switchgear, Undercover Style, 15kV, 25kA, Vista Model 633 (3)	**Stuart C. Irby**	629,640.00	Competitive **Sole Brand**	1/3
TOTAL		**$2,001,919.00**		

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*Price includes a 20% contingency.

CONTRACTS AND SERVICES

Item Description	Vendor	Amount	Type Contract	Bids Received/Sent
CCTV Material and Labor	TriStar Digital Connections	$750,000.00	Competitive (5 Years)	1/5
TOTAL		**$750,000.00**		

ADDITIONS, EXTENSIONS, AND CHANGES

Item Description	Contractor	Additional Amount	Change Requested
Construction Aggregate Crushed Stone	Reostone, LLC/Rogers Group	$450,000.00	Addition (New NTE $500,000.00)
Engineering, Procurement, and Construction Services for EV Charging Infrastructure	Stansell Electric Company	400,000.00	Addition (New NTE $1,300,000.00)
GIS Maintenance Programming Services	Ferguson and Associates	N/A	**Extension (6 Months)

Signed by:

Attested By: David Frankenberg

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David Frankenberg, Secretary

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Temporary Services for Customer Advisors, Tellers, and Administrative Support	Express Employment	1,600,000.00	Addition (New NTE $3,100,000.00)
Used Wood Pole Disposal	Waste Management of Tennessee	500,000.00	Addition (New NTE $1,000,000.00)
TOTAL		**$2,950,000.00**	

**Total contract term is five (5) years and six (6) months.

RATIFIED PURCHASES AND CONTRACTS

Item Description	Vendor	Amount	Type Contract	Bids Received/Sent
Cable, Aluminum, 4/0, 600 Volt (72,000 ft.)	Stuart C. Irby	$154,800.00	Competitive (1 Year) **Blanket**	4/8
Cable, Aluminum, "Pelican", 477 MCM ASCR (32,124 ft.)	Wesco Distribution	*57,437.71	Competitive	4/15
Cascade Annual Software Maintenance	**DNV Energy Insights USA, Inc.**	$51,328.21	**Sole Source** (1 Year)	N/A
Ground Connector (4,040)	Gresco	141,400.00	Competitive (1 Year) **Blanket**	4/8
Insulator, Suspension, 25KV, Polymer (5,280)	Wesco Distribution	75,451.20	Competitive	3/8
Lease Accounting Software	FinQuery, LLC	30,000.00	Addition (New NTE $168,200.00) Extension (1 Year)	N/A
McQuay Chiller Maintenance	Daikin Applied	5,000.00	Addition (New NTE $156,700.00)	N/A
McQuay Chiller Maintenance	Daiken Applied	150,000.00	Omnia Cooperative Contract (2 Years)	N/A
On-Call Right-of-Way and Easement Acquisition Services	Croft and Associates, LLC	200,000.00	Metro Contract (3 Years)	N/A

Signed by:
Attested By: David Frankenberg
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David Frankenberg, Secretary

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Performance and Professional Development Training	ReGenerations, LLC	15,000.00	Addition (New NTE $55,000.00) Extension (1 Year)	N/A
Plumbing Supplies	Sunago Supply Corp.	10,000.00	Addition (New NTE $60,000.00)	N/A
Pole, Steel, H1, 50' (50)	Valmont Industries	157,350.00	Competitive	5/8
Pole, Steel, H4, 85' (18)	Rohn Products	169,200.00	Competitive	6/7
Pole, Steel, H4, 90' (24)	Rohn Products	242,400.00	Competitive	6/7
Pole, Steel, Self-Weathering, H1, 50' (72)	Valmont Industries	224,928.00	Competitive	5/7
Pole, Steel, Self-Weathering, H1, 55' (50); H3, 50' (15)	MD Henry Co., Inc.	241,925.00	Competitive	6/7
Pole, Wood, C2, 45' (146)	Thomasson Company	63,218.00	Competitive	5/7
Standoff Bracket (3,456)	Border States Industries	83,635.20	Competitive	3/8
UPS Capacitor, Fan and Battery Replacement	Mission Critical Services	65,287.88	Competitive	2/14
Window Cleaning	General Window Cleaning	15,000.00	Addition (New NTE $63,800.00) Extension (1 Year)	N/A
TOTAL		**$2,153,361.20**		

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*Price includes a 20% contingency.

SALES

Item Description	**Vendor**	**Amount**	**Type Sale**	**Bids Received/Sent**
Obsolete Items	LSO dba GovDeals	$3,545.34	Competitive	N/A
TOTAL		**$3,545.34**		

Attested By: Signed by: David Frankenberg
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David Frankenberg, Secretary

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September 24, 2025

LINE ITEMS

Item Description	Vendor	Amount	Type Contract	Bids Received/Sent
Health Care Third Party Administrative Services for Dental Plan	Delta Dental of Tennessee	$2,000,000.00	Competitive (3 Years)	4/14
Health Care Third Party Administrative Services for Medical and Vision Plans	BlueCross BlueShield of TN	8,000,000.00	Competitive (3 Years)	3/14
Utility Bill Assistance	NeedLink Nashville	1,000,000.00	Addition (New NTE $3,500,000.00) Extension (1 Year)	N/A
TOTAL		**$11,000,000.00**		

Attested By: Signed by: David Frankenberg
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David Frankenberg, Secretary

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Discussion Items

RECOMMENDATION FOR APPROVAL OF INSURANCE COVERAGE
BEGINNING NOVEMBER 1, 2025

Nashville Electric Service ("NES") is exposed to various risks of loss related to torts, theft, damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. As an agency of the Metropolitan Government of Nashville and Davidson County, NES is covered under the Tennessee Governmental Tort Liability Act, TCA 29-20-101, et seq. and is self-insured under the Act.

NES is immune from any award of judgment for death, bodily injury, and/or property damage in excess of the limits of the Act. Therefore, NES has not secured insurance coverage in excess of those limits.

The attached document represents a summary of commercial insurance coverage and fees of the program starting November 1, 2025. Annual costs, including broker's compensation, are approximately $2,763,000 as compared to $2,606,000 as of November 1, 2024. Below is a summary of the significant changes by line of coverage:

Policy / Fee	Change ($)	Change (%)	Factors
Property	$157,900	10.6%	Increase in insurable assets.
Auto Liability	6,600	6.6%	Continued commercial auto market losses.
Flood	-4,800	-10.4%	Decrease due to expired lease at Massman Drive.
All Other Coverage	-3,200	-0.4%	Various based on lines of coverage.
Total Premium Increase	**$156,500**	**6.0%**	

Occasionally, there are modifications to the policies and the associated premiums. To avoid bringing small changes to the Board each time, Management requests that an additional buffer of $150,000 be allowed for these adjustments. If changes exceeded that amount, a separate recommendation would be presented to the Board. The total request for the commercial insurance renewal including an allowance for modifications is $2,913,000.

Management recommends approval of the insurance coverage beginning November 1, 2025.

Branden Miller, Area Executive Vice President
Quay Stallworth, Area Executive Vice President
Emily Embry, Account Executive

Description of Coverage	**2024 -2025**		**2025 -2026**	
	Liberty		Liberty	
Excess Workers' Compensation	Statutory Limit		Statutory Limit	
	1m EL		1m EL	
	$400,000 Retention		$400,000 Retention	
	Premium	**$217,832**	**Premium**	**$220,879**
	Travelers		Travelers	
Self-Insurer Bond	$1,500,000 Bond Premium		$1,500,000 Bond Premium	
	Premium	**$12,000**	**Premium**	**$12,000**
	Liberty		Liberty	
Automobile Liability & Physical Damage for Specified Vehicles	$2,000,000 Limit		$3,000,000 Limit	
	$1,000,000 Uninsured Motorist		$1,000,000 Uninsured Motorist	
	$2,500 Comp/Collision Deductible		$2,500 Comp/Collision Deductible	
	$250,000 Hired Car Physical Damage Limit		$250,000 Hired Car Physical Damage Limit	
	$10,000 Comp/Collision Deductible GVW > 20,000		$10,000 Comp/Collision Deductible GVW > 20,000	
	(32 units)		(33 units)	
	Symbol 1		Symbol 7	
	Premium	**$60,128**	**Premium**	**$82,064**
	Liberty		General Star Indemnity Company	
Excess Automobile Liability	$4,000,000 Limit		$3,000,000 Limit	
	(excess of $2,000,000)		(excess of $3,000,000)	
	Premium	**$39,888**	**Premium**	**$24,500**
	Chubb		Chubb	
Business Travel Accident	$400,000 Per Person/Accident		$400,000 Per Person/Accident	
	Premium	**$1,275**	**Premium**	**$1,275**
	Chubb		Chubb	
Environmental Liability	$2,000,000 Limit		$2,000,000 Limit	
	$2,000,000 Aggregate		$2,000,000 Aggregate	
	$25,000 Deductible		$25,000 Deductible	
	Premium	**$18,383**	**Premium**	**$19,710**
	Starr Technical (51%)		Starr Technical (60%)	
Property Quota share	$1,242,825,507 Total Insured Value		$1,373,930,175 Total Insured Value	
	$150,000,000 Any One Occurrence		$150,000,000 Any One Occurrence	
	$76,500,000 Participation Limit		$90,000,000 Participation Limit	
	$500,000 Property Deductible, 2% of Total Insured Values at location(s) involved in a loss with $1,000,000 minimum per occurrence W/H		$500,000 Property Deductible, 2% of Total Insured Values at location(s) involved in a loss with $1,000,000 minimum per occurrence W/H	
	$1.50/KVA minimum $250,000 Transformer Deductible		$1.50/KVA minimum $250,000 Transformer Deductible	
	All property on replacement cost		All property on replacement cost	
	$500,000 / $500,000 High Hazard Flood Deductible		$500,000 / $500,000 High Hazard Flood Deductible	
	Premium	**$766,947**	**Premium**	**$997,474**
	Engineering Fee	**$ 9,450**	**Engineering Fee**	**$ 7,720**
	AEGIS (25%)		AEGIS (25%)	
Property Quota share	$1,242,825,507 Total Insured Value		$1,373,930,175 Total Insured Value	
	$150,000,000 Any One Occurrence		$150,000,000 Any One Occurrence	
	$37,500,000 Participation Limit		$37,500,000 Participation Limit	
	$500,000 Property Deductible, 2% of Total Insured Values at location(s) involved in a loss with $1,000,000 minimum per occurrence (wind/hail)		$500,000 Property Deductible, 2% of Total Insured Values at location(s) involved in a loss with $1,000,000 minimum per occurrence W/H	
	$1.50/KVA minimum $250,000 Transformer Deductible		$1.50/KVA minimum $250,000 Transformer Deductible	
	All property replacement cost		All property replacement cost	
	$1,000,000 High Hazard Flood (Expanded) Deductible		$500,000 / $500,000 High Hazard Flood Deductible	
	Premium	**$378,114**	**Premium**	**$418,018**
	Property Member Credit	**-$ 12,715**	**Property Member Credit**	**-$ 16,561**
	Munich Re (16%)		Munich Re (0%)	
Property Quota share	$1,242,825,507 Total Insured Value			
	$150,000,000 Any One Occurrence			
	$24,000,000 Participation Limit			
	$500,000 Property Deductible, 2% of Total Insured Values at location(s) involved in a loss with $1,000,000 minimum per occurrence			
	$1.50/KVA minimum $250,000 Transformer Deductible			
	All property replacement cost			
	$500,000 / $500,000 High Hazard Flood Deductible			
	Premium	**$234,957**	**Premium**	**$0**

Description of Coverage	2024 -2025		2025 -2026	
	Allianz (8%)		Allianz (15%)	
Property Quota share	$1,242,825,507 Total Insured Value		$1,373,930,175 Total Insured Value	
	$150,000,000 Any One Occurrence		$150,000,000 Any One Occurrence	
	$12,000,000 Participation Limit		$22,500,000 Participation Limit	
	$500,000 Property Deductible, 2% of Total Insured Values at location(s) involved in a loss with $1,000,000 minimum per occurrence W/H		$500,000 Property Deductible, 2% of Total Insured Values at location(s) involved in a loss with $1,000,000 minimum per occurrence W/H	
	$1.50/KVA minimum $250,000 Transformer Deductible		$1.50/KVA minimum $250,000 Transformer Deductible	
	All property on replacement cost		All property on replacement cost	
	$500,000 / $500,000 High Hazard Flood Deductible		$500,000 / $500,000 High Hazard Flood Deductible	
	Premium	**$119,311**	**Premium**	**$247,309**
	Lloyd's of London		Lloyd's of London	
Terrorism	$124,000,000 Limit - 1st Party Property Damage		$124,000,000 Limit - 1st Party Property Damage	
	$10,000,000 Liability every occurrence and aggregate		$10,000,000 Liability every occurrence and aggregate	
	$25,000 Deductible		$25,000 Deductible	
	Premium	**$26,106**	**Premium**	**$27,672**
	Mount Vernon		Mount Vernon	
Inland Marine	$43,500 scheduled equip / $7500 unsch.		$43,500 scheduled equip / $7500 unsch.	
	Premium (3/23/2025 - 11/1/2025)	**$785**	**Premium (Annual Term)**	**$1,285**
	Philadelphia		Philadelphia	
Flood	$500,000 Building		$500,000 Building	
911 63rd Ave N	$500,000 Contents		$500,000 Contents	
West Building Maintenance	$50,000 Deductible		$50,000 Deductible	
	Premium	**$14,069**	**Premium**	**$12,722**
	Philadelphia		Philadelphia	
Flood	$500,000 Building		$500,000 Building	
911 63rd Ave N	$500,000 Contents		$500,000 Contents	
West Garage Maintenance	$50,000 Deductible		$50,000 Deductible	
	Premium	**$10,266**	**Premium**	**$10,224**
	Philadelphia		Philadelphia	
Flood	$68,000 Building		$75,000 Building	
410 Brick Church Pike	$500,000 Contents		$500,000 Contents	
	$10,000 Deductible		$10,000 Deductible	
	Premium	**$7,912**	**Premium**	**$7,719**
	Philadelphia		Philadelphia	
Flood	$68,000 Building		$75,000 Building	
781 Berry Rd	$500,000 Contents		$500,000 Contents	
	$50,000 Deductible		$50,000 Deductible	
	Premium	**$2,376**	**Premium**	**$2,773**
	Philadelphia		Philadelphia	
Flood	$68,000 Building		$75,000 Building	
737 Lebanon Pike	$59,000 Contents		$62,000 Contents	
	$1,000 Deductible		$1,000 Deductible	
	Premium	**$1,814**	**Premium**	**$1,882**
	Philadelphia		Philadelphia	
Flood	$68,000 Building		$75,000 Building	
911 63rd Ave N	$500,000 Contents		$500,000 Contents	
Tool Building	$10,000 Deductible		$10,000 Deductible	
	Premium	**$6,001**	**Premium**	**$6,066**
	Philadelphia 3/15/25 - 3/15/26			
Flood	$0 Building			
749 Massman Drive	$500,000 Contents			
Leased	$50,000 Deductible			
Cancelled Effective 6/1/2025	**Premium Projected**	**$3,750**	**Premium**	**$0**
	AEGIS		AEGIS	
Directors and Officers Liability & Employment Practices Liability	$35,000,000 D&O / $10,000,000 EPLI		$35,000,000 D&O / $10,000,000 EPLI	
	Silent Anti Trust Sublimit		Silent Anti Trust Sublimit	
	$35,000,000 Aggregate		$35,000,000 Aggregate	
	Retention:		Retention:	
	$250,000 Directors & Officers		$250,000 Directors & Officers	
	$250,000 All Anti-Trust Claims (Silent)		$250,000 All Anti-Trust Claims (Silent)	
	$300,000 Employment Practices		$300,000 Employment Practices	
	Premium	**$310,000**	**Premium**	**$310,000**
	D&O Member Credit	**-$10,318**	**D&O Member Credit**	**-$13,416**
	Liberty		Liberty	
Excess Directors & Officers Liability	$10,000,000 Limit (excess of $35,000,000)		$10,000,000 Limit (excess of $35,000,000)	
	Premium	**$40,299**	**Premium**	**$40,299**
	AIG		AIG	
Excess Directors & Officers Liability	$5,000,000 Limit (excess of $45,000,000)		$5,000,000 Limit (excess of $45,000,000)	
	Premium	**$15,000**	**Premium**	**$15,000**
	AEGIS		AEGIS	
Fiduciary Liability	$25,000,000 Limit		$25,000,000 Limit	
	$150,000 Deductible / $350,000 exc. fee ret.		$200,000 Deductible / $350,000 exc. fee ret.	
	Premium	**$80,000**	**Premium**	**$82,500**
	Hiscox		Hiscox	
Kidnap & Ransom (Extortion)	$3,000,000 LimitPremium		$3,000,000 LimitPremium	
	Premium (3 year Prepaid, expires 11/1/26)	**$0**	**Premium (3 year Prepaid, expires 11/1/26)**	**$0**

Description of Coverage	2024 -2025		2025 -2026	
	AIG		AIG	
Crime Coverage	$5,000,000 Limit $25,000 Deductible **Premium**	**$15,964**	$5,000,000 Limit $25,000 Deductible **Premium**	**$15,964**
	Beazley		Beazley	
Cyber & Privacy Liability	$5,000,000 Policy Aggregate $5,000,000 Privacy Liability Limit $5,000,000 Regulatory Defense $5,000,000 Network Interruption 1,500,000 Maximum Individuals Notification $500,000 Retention Liability 250 Individuals Minimum-Notification **Premium**	**$174,000**	$5,000,000 Policy Aggregate $5,000,000 Privacy Liability Limit $5,000,000 Regulatory Defense $5,000,000 Network Interruption 1,500,000 Maximum Individuals Notification $500,000 Retention Liability 250 Individuals Minimum-Notification **Premium**	**$165,000**
PREMIUM/TAX/FEE TOTAL		**$2,543,595**		**$2,700,078**
	Gallagher		Gallagher	
Broker Compensation		**$62,500**		**$62,500**
Grand Total		**$2,606,095**		**$2,762,578**

Recommendation of Purchases and Contracts
at the Meeting on Wednesday October 22, 2025

Management recommends Board approval
of the following purchases and contracts:

Total Materials and Supplies Purchases	**$2,503,465.60**
Total Contracts and Services	**$5,940,000.00**
Total Additions, Extensions, and Changes	**$343,788.17**
Total Ratified Purchases and Contracts	**$2,926,069.17**
TOTAL	**$11,713,322.94**

All above items have been processed in accordance with Board approved policy and applicable rules and regulations.

MATERIALS AND SUPPLIES PURCHASES

Item Description	Vendor	Amount	Type Contract	Bids Received/Sent
Cable, Copper, 4/0 19 Strand, Soft Drawn Bare (144,000 ft.)	Gresco	$607,680.00	Competitive (1 Year) **Blanket**	5/7
Cutout, 100A 14.4/24.9KV LB (4,896)	Wesco Distribution	446,025.60	Competitive (1 Year) **Blanket**	7/7
Energy Limiting Fuse, 20-25A, D-Link (6,480)	Stuart C. Irby	416,664.00	Competitive (1 Year) **Blanket**	5/7
Extended Chassis Cab, 40K Single Axle, 55' Non-Over Center Extended Side Reach Aerial Device, New (2)	Altec Industries, Inc.	1,033,096.00	Competitive	2/12
TOTAL		**$2,503,465.60**		

CONTRACTS AND SERVICES

Item Description	Vendor	Amount	Type Contract	Bids Received/Sent
Cable Splicing	Owens Telecom Services	$3,000,000.00	Competitive (5 Years)	1/3
GIS Application Services and Support	HDR Engineering, Inc.	1,500,000.00	Competitive (3 Years)	12/38
GIS Application Services and Support	SSP Innovations, LLC	1,000,000.00	Competitive (3 Years)	12/38
Outage Map System Upgrade	**Hitachi Energy USA**	440,000.00	**Sole Source** (1 Year)	N/A
TOTAL		**$5,940,000.00**		

ADDITIONS, EXTENSIONS, AND CHANGES

Item Description	Contractor	Additional Amount	Change Requested
Extended Cab Chassis, 40K Single Axle, 55' Overcenter Aerial Device, Dual Capstans, New (1)	Altec Industries	$83,613.77	Addition (New NTE $397,037.77)

All above items have been processed in accordance with Board approved policy and applicable rules and regulations.

Extended Cab Chassis, 40K Single Axle, 55' Overcenter Aerial Device, New (3)	Altec Industries	260,174.40	Addition (New NTE $1,179,374.40)
Performance and Professional Development Training	YMG Enterprises, LLC	N/A	Extension (2 Years)
TOTAL		**$343,788.17**	

RATIFIED PURCHASES AND CONTRACTS

Item Description	Vendor	Amount	Type Contract	Bids Received/Sent
Boardvantage Software Subscription	**Nasdaq OMX Corp Solutions**	$63,720.00	**Sole Source** (3 Years, 1 Month)	N/A
Cable, Aluminum, 19-Strand, Triplex (120,000 ft.)	Cape Electric	189,600.00	Competitive (1 Year) **Blanket**	4/7
Cable, Copper, 69kV, EPR, 2000 KCMIL, 1/C (1,235 ft.)	**Vanderbilt University**	64,653.00	**Sole Source**	N/A
Cable Terminator (200); Termination Kit (300)	**Stuart C. Irby**	75,414.00	Competitive **Sole Brand**	6/61
Conductor, 1 FT. 4/0 Aluminum Triplex, 19 Strand (36,000 ft.)	Wesco Distribution	88,200.00	Competitive (1 Year) **Blanket**	4/7
Crossarm, 4"x4"x9'-4, Weathering Tubular Steel (120)	Stuart C. Irby	105,600.00	Competitive	3/6
Customer Service Trailer, 14K GVWR, Tandem Axle (1)	EZ Stak, LLC	159,000.00	Competitive	1/17
DocuSign Maintenance	**Carahsoft Technology**	59,570.00	**Sole Source (1 Year)**	N/A
Driver Safety Training	RightLane LLC	86,625.00	Professional Service (3 Years)	N/A
E Source Customer Experience and Marketing Research Package	**E Source Companies LLC**	90,000.00	**Sole Source** (1 Year)	N/A
Gartner Subscription and Advisory Services	Gartner	229,558.07	TN State (11 Months)	N/A
Health and Safety Consulting Services	Leidos Engineering, LLC	225,000.00	Professional Service (3 Years)	N/A

All above items have been processed in accordance with Board approved policy and applicable rules and regulations.

Line Winder, Four Drum, Single Axle, 12.5K, New (1)	Sherman Reilly	215,633.00	Competitive	2/17
Multifunction Devices, Copier/Printer, and Related Devices and Services	RJ Young Company	200,655.00	Addition (New NTE $250,000.00)	N/A
Oil Contaminated Solid Waste Disposal	Waste Management of Tennessee	100,000.00	Competitive (2 Years)	2/11
Overhead Door Replacement and Repairs	DH Pace-OHD Nashville	200,000.00	Competitive (5 Years)	1/5
Panel Filters, Disposable, Extended Area-as Needed	Bonded Filter Company	30,000.00	Addition (New NTE $75,000.00)	N/A
Plumbing Repair	SM Lawrence Company	20,000.00	Addition (New NTE $70,000.00)	N/A
Pole, Steel, H3, 50’ (18)	Stuart C. Irby	69,030.00	Competitive	6/7
Pole, Steel, Self-Weathering, H1, 50 ft. (72)	MD Henry Co., Inc.	206,064.00	Competitive	6/7
Pole, Steel, Self Weathering, H3, 60’ (30)	MD Henry Co., Inc.	150,090.00	Competitive	5/7
Pole, Wood, C1, 50’ (80)	Stuart C. Irby	50,800.00	Competitive	5/8
Strandvise Guy, 3/8 Long (6,000)	Cape Electric	135,000.00	Competitive (1 Year) **Blanket**	4/7
Syntech Fuelmaster Fuel Management System Stock Items	Nashville Equipment Service	111,857.10	Competitive	1/12
TOTAL		**$2,926,069.17**		

All above items have been processed in accordance with Board approved policy and applicable rules and regulations.

NASHVILLE ELECTRIC SERVICE
MONTHLY FINANCIAL OVERVIEW
YEAR TO DATE AS OF SEPTEMBER 30, 2025

FINANCIAL RESULTS

(millions)	YTD Actual	YTD Budget	Variance	%
Operating Revenues	$ 464.1	$ 441.1	$ 23.0	5.2%
Purchased Power	(323.8)	(310.3)	(13.5)	4.4%
Sales Margin	**$ 140.3**	**$ 130.8**	**$ 9.5**	7.3%
Operating Expenses	(63.5)	(73.3)	9.8	-13.4%
Other Revenues	7.6	7.0	0.6	8.6%
Depreciation	(26.9)	(29.1)	2.2	-7.6%
Taxes	(11.1)	(11.1)	-	0.0%
Interest Income	6.8	6.0	0.8	13.3%
Other Non-Operating Income	0.4	0.5	(0.1)	-20.0%
Interest/Other Expense	(5.2)	(5.2)	-	0.0%
Change in Net Position	**$ 48.4**	**$ 25.6**	**$ 22.8**	89.1%

Highlights

Margin - favorable primarily due to weather patterns/temperatures that were more extreme than forecasted
Operating Expenses - primarily due to favorability in labor, outside services, OPEB and IT shared services, offset by contract tree & grass and civic involvement
Other Revenues - favorable late fees and pole attachments, offset by lower turn on fees
Depreciation - timing of asset capitalization
Interest Income - investable balances and interest rates greater than planned

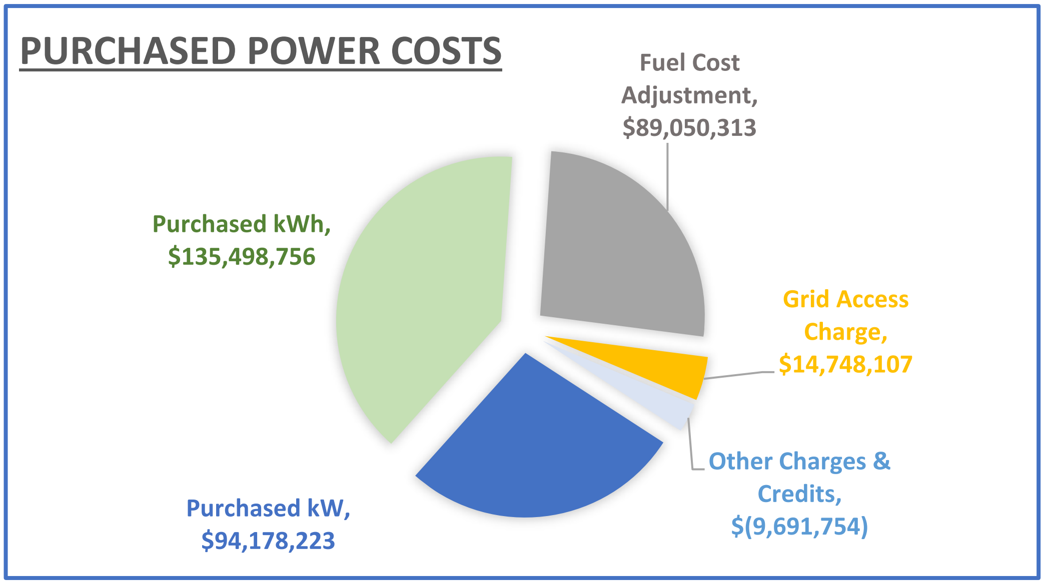
FINANCIAL GOALS

GOAL	TARGET	ACTUAL
Debt Service Coverage	2.0	3.6
Days Cash on Hand Value	$353.6M	$538.1M

NASHVILLE ELECTRIC SERVICE
MONTHLY FINANCIAL OVERVIEW
YEAR TO DATE AS OF SEPTEMBER 30, 2025

WHOLESALE UNITS AND CHARGES

Purchased kW	7,456,729	$	94,178,223	*29.1%*
Purchased kWh	3,616,661,420	$	135,498,756	*41.8%*
Fuel Cost Adjustment		$	89,050,313	*27.5%*
Grid Access Charge		$	14,748,107	*4.6%*
Other Charges & Credits		$	(9,691,754)	*-3.0%*
Total Purchased Power Costs		**$**	**323,783,645**	



Units & Charges: Retail Sales vs. Wholesale Purchased

Description		Retail		Wholesale
kWh		3,625,529,796		3,616,661,420
KW		4,826,441		7,456,729
Sales / Purchases	$	464,105,520	$	323,783,645
FCA	$	92,280,616	$	89,050,313
Degree Days		1,414		1,312
Temperature at Peak		Various		Various

NASHVILLE ELECTRIC SERVICE
MONTHLY FINANCIAL OVERVIEW
YEAR TO DATE AS OF SEPTEMBER 30, 2025

SALES VOLUME & CUSTOMER STATS

SALES VOLUME - MWH				
Sales Volume	**YTD Actual**	**YTD Budget**	**Variance**	**%**
Residential	1,581,148	1,476,498	104,650	7.1%
Small Commercial	251,666	245,971	5,695	2.3%
Large Commercial	1,765,847	1,721,755	44,092	2.6%
Street & Highway Lighting	26,868	28,401	(1,533)	-5.4%
Total MWH Sales	**3,625,529**	**3,472,625**	**152,904**	4.4%

NUMBER OF CUSTOMERS	
Residential	430,111
Small Commercial	37,625
Large Commercial	7,211
Large Commercial BCD	44
Street & Highway Lighting	208
Total Number of Customers	**475,199**

CAPITAL BUDGET RESULTS

(millions)	FY26 Budget	YTD Actuals	FY26 Balance	YTD % Budget
New Business	20,031	2,174	17,857	*11%*
System Construction - Capacity	22,641	3,961	18,680	*17%*
System Construction - Reliability	1,641	216	1,425	*13%*
System Construction - Asset Mgmt	31,074	6,457	24,617	*21%*
Unplanned Replacements	20,137	3,873	16,264	*19%*
Relocations	6,613	1,089	5,524	*16%*
Lighting Systems	20,651	4,136	16,515	*20%*
Meters	6,447	1,211	5,236	*19%*
Transformers	41,100	10,121	30,979	*25%*
Equipment & Facilities	48,756	2,787	45,969	*6%*
Total Capital Budget Results	**219,091**	**36,025**	**183,066**	***16%***

FIRST QUARTER REPORT ON
COMMUNITY INVOLVEMENT AND ECONOMIC DEVELOPMENT

Total expenditures for the first quarter of Fiscal Year 2026 were:

DATE	DESCRIPTION	AMOUNT
	Community Involvement	
07/01/25	W.O. Smith Music School	$ 3,000.00
07/11/25	Lawyers' Association for Women	2,500.00
07/23/25	Women's Political Collaborative of Tennessee	3,000.00
07/23/25	Nashville Downtown Partnership	3,000.00
07/24/25	Habitat for Humanity of Greater Nashville	5,000.00
07/24/25	9/11 Day	5,000.00
07/24/25	Buchanan Arts	500.00
07/24/25	Hope Station, Inc.	500.00
07/24/25	Humanities Tennessee	5,000.00
07/25/25	Community Life Bridge, Inc.	1,500.00
07/25/25	Cheekwood Estate & Gardens	1,500.00
07/25/25	PENCIL	1,000.00
07/25/25	Goodwill Industries of Middle Tennessee, Inc.	2,500.00
07/29/25	Girl Scouts of Middle Tennessee	2,500.00
07/31/25	The Nashville Symphony	5,000.00
07/31/25	YWCA Nashville & Middle Tennessee	3,000.00
08/08/25	Harpeth Conservancy	2,000.00
08/12/25	Big Brothers Big Sisters of Middle Tennessee	5,000.00
08/12/25	Advancing Women in Nashville	650.00
08/13/25	Just the Beginning – A Pipeline Organization	2,500.00
08/22/25	Power Play Scholarship Association	1,350.00
09/03/25	Sister Cities of Nashville	5,000.00
09/08/25	Legal Aid Society of Middle Tennessee and the Cumberlands	2,500.00
09/11/25	Nashville Entrepreneur Center	2,000.00
09/23/25	Nashville State Community College Foundation	3,500.00
09/23/25	Young Leaders Council, Inc.	1,500.00
	Subtotal	**$70,500.00**

DATE	DESCRIPTION	AMOUNT
	Community Involvement (cont'd)	**$ 70,500.00**
09/25/25	Junior Achievement of Middle Tennessee	6,000.00
09/25/25	Dismas House	1,000.00
	Subtotal	**$ 77,500.00**
	Economic Development	
07/01/25	Nashville Chamber Partnership 2030 – Quarterly Payment	$ 54,918.00
09/30/25	Nashville Chamber Partnership 2030 – Quarterly Payment	54,918.00
	Subtotal	**$ 109,836.00**
	Other	
09/26/25	NeedLink Nashville – Utility Bill Assistance	**$1,000,000.00**
	1st Quarter Total	**$1,187,336.00**

10-22-25

2025 NES SUCCESSION PLAN REPORT

It is the policy of NES to project the future leadership needs of the organization and to strive to ensure the availability of qualified, diverse, and prepared individuals to provide leadership in achieving the organization's mission and goals. This report includes a list of senior management positions that were filled during the past fiscal year alone with a list of key positions that are likely to become vacant over the next several years due to retirements. Management continues to assess the organization's "bench-strength" and leadership potential for backfilling key positions should that become necessary because of retirements, promotions, reassignments, or actions that result in a key position vacancy.

The below positions for Senior Management were filled between July 1, 2024 - June 30, 2025:

Executive Vice President and Chief Operating Officer– Brent Baker

VP of Operations – Transmission and Distribution – Brad Heck

We have one vacant position due to the retirement of Jack Baxter November 1, 2025. We are analyzing current operational needs and assessing the scalability of existing teams to ensure alignment with long-term strategic goals. While there is no indication of any Vice President considering retirement anytime soon, it is worth noting that there are three (3) VP's currently eligible to retire without a pension benefits reduction. Their positions are listed below:

<u>Vice President Operations – Transmission and Distribution</u>

<u>Vice President Operations – Grid Transformation and Project Management</u>

<u>Vice President Chief Legal Officer and General Counsel</u>

There are 10 NES managers across the organization who are currently eligible to retire with unreduced pension benefits. There are also employees within the organization who meet the current minimum qualifications for these positions.

<u>The 10 Managers who are eligible for Unreduced Retirement Benefits</u>

Operations Manager	Natalie Billingsby	OHD – Central
Operations Manager	Stephen Clark	Underground
Engineering Manager	Leonard Leech	Planning and Reliability
Engineering Manager	Tony Richman	Innovation, Projects, and Standards
Engineering Manager	Raymond Foster	Design and Project Management
Facilities & Security Manager	Tim Simons	Facilities & Security
Safety Engineer & Trans. Manager	Mark Booker	Safety & Transportation
Controls & Compliance Manager	Sandra Chapman	Controls and Compliance
Utility Compliance Manager	Kent Cochran	Utility Compliance
Customer Business Solutions Manager	Timothy Greenhalgh	Customer Applications - COE

EMERGENCY SUCCESSION POLICY

Management has developed the NES Management Succession Plan. The plan was developed to provide for contingencies due to the disability, death or departure of the President and Chief Executive Officer. The plan has been adopted by the Board and is included in the NES Policy Manual. The President and CEO reviews the details of the plan with the Board on an annual basis.

Policy Manual - Governance and Administration
6. Succession Planning and Emergency Succession

NES recognizes the need for contingencies due to the disability, death, or departure of the President and CEO. When NES is faced with an untimely vacancy, NES activates plans to facilitate the transition to both acting and longer-term leadership for the President and CEO position. Further, general succession planning identifies and prepares candidates for other upper-management positions that become vacant due to retirement, resignation, death, or new career opportunities within NES. If the organization is faced with the unlikely event of an untimely vacancy, NES has in place the following emergency succession plan to facilitate the transition to both acting and longer-term leadership. The Board has a clear understanding of the President and CEO's role in organizational leadership, program development, program administration, operations, Board relationships, financial operations, resource development and community presence.

6. D. 2 Emergency Succession Procedures

A temporary absence is one in which it is expected that the President and CEO will return to his/her position once the events precipitating the absence are resolved. An unplanned absence is one that arises unexpectedly, in contrast to a planned leave such as a vacation or sabbatical. The Board authorizes NES to implement the terms of this emergency plan in the event of the unplanned absence of the President and CEO.

In the event of an unplanned absence of the President and CEO, the Executive Vice President (EVP) is to immediately inform the Board Chairperson of the absence. As soon as it is feasible, the Chairperson should convene a meeting of the Board to affirm the procedures prescribed in this plan or to make modifications as the Board deems appropriate. At the time that the emergency plan is implemented, the position of Acting President and CEO will be filled by the EVP. Should the EVP be unable to serve, the back-up appointees for the position will be determined by the Board Chair. The appointees may be any of the following:

(i.) Chief Legal Officer & General Counsel
(ii.) Chief People Officer
(iii.) Chief Financial Officer
(iv.) VP Customer Relations and Innovation Officer
(v.) VP Operations Power Systems Operations
(vi.) VP Operations Engineering
(vii.) VP Operations Transmission and Distribution
(viii.) VP Operations Grid Transformation and Project Management

The above listing is not meant to dictate the order in which an appointee is selected. Other criteria such as time in a position, time with the company or overall operational knowledge of the company may be used as the deciding factor. The Board may also consider the option of splitting executive duties among multiple appointees.

PRESIDENT'S REPORT
October 2025

OPERATIONS

We trimmed 108 circuit miles for the month of September.

CUSTOMER RELATIONS

The Contract Advisor of the Month is Zaria Satterwhite. Seven achieved Pacesetter status by exceeding their productivity goals and 12 are members of the 100 Percenters Club for reaching 100 percent in all call monitoring categories in the month of September.

COMMUNITY INVOLVEMENT

On Thursday, September 25, Jack Baxter presented at the Tennessee Tech University IEEE monthly meeting. He talked with students about career opportunities in the electric utility industry and opportunities at NES.

On October 1, Kenny Boyd and Daniel Kimbell presented on ways to conserve energy at Oliver Middle School.

On October 3, NES provided a bucket truck for the Egg Drop event at Head Magnet Middle School and participated in the Hillsboro High School STEM Egg Drop on October 6.

On October 6, Dustin Simmons and Thomas Patt participated in Career Day at Hull-Jackson Montessori School.

On October 8, Emily Williams and Sheryl Haley joined Hunters Lane High School for Belmont's Bell Tower Scholarship mock interviews, helping students practice professional communication and interview skills.

On October 9, NES took part in Career Day at Amqui Global Communications School and participated in the Trunk or Treat event at Hillsboro Academy, which included students from J.T. Moore, West End Middle, and several local elementary schools.

On October 21, Rashed Fakruddin and Artetta West participated in the Hillsboro High School Freshman Academy Professionalism Fair, where students explored key workplace skills such as attendance, communication, and ethics.

On October 22, Rashed Fakruddin joins Cane Ridge High School for a Career Readiness event.

On October 23, Jose Fuentes and Kimberli Barber-Posey will attend the Lights On After School event at Casa Azafrán, highlighting before- and after-school learning programs and providing lightbulbs to families.

On October 25, NES participates in the Touch a Truck event at St. Bernard Academy, where students explore a bucket truck and learned about careers in the utility industry.

On October 29, Clay Hullett, Daniel Kimbell and Sheryl Haley participate in the Cane Ridge High School Professionalism Fair, continuing efforts to prepare students for future career opportunities.

MISCELLANEOUS

NES hosted several members of the Metro Council for a tour of the renovated System Operation Control Center on September 19 and 23. NES hosted Mayor Freddie O'Connell and several members of the mayor's staff for the tour on September 26. In addition to the tour, these Metro leaders were able to learn how we manage the grid during inclement weather and the resiliency built into NES operations. NES staff participating in hosting the tours were Teresa Broyles Aplin, Brent Baker, Laura Smith, Kevin Phelps, Kat Pohlman, and Antonio Carroll.

On September 22, Joey Streisel co-presented with PATH Company on Triple Bottom Line at the Street and Area Lighting Conference.

On September 24, 2025, Mark Booker attended a joint Safety Workshop with the LPPC and AEIC safety work groups.

On September 29, NES hosted the Big 9 Engineering & Operations Roundtable meeting at the NES Training Center at North Service Center. Nineteen representatives from seven other utilities and TVA joined five Vice Presidents from NES.

On September 29, Kevin Phelps, Johnny Brown, Chris Hulsey, and Dray Moultrie gave a tour of Central Substation to 35 TMEPA Conference attendees.

On September 30, Tony Richman, Carla Nelson, Daniel Hanks and Ben Corlew presented at the TMEPA E&O Conference.

On October 1, Carla Nelson and Chris Harvieux presented on NES Electric Transportation Initiatives at the Drive Electric TN Virtual Fleet Learning Session.

On October 2, Laura Smith, Dr. Trish Holliday, Daniel Johnson and Kat Pohlman attended the Goodwill Impact Awards.

Miscellaneous

Recess to Civil Service Board Meeting

Consent Agenda

**THE MINUTES OF THE ONE THOUSAND NINTH
MEETING OF THE ELECTRIC EMPLOYEES'
CIVIL SERVICE AND PENSION BOARD
HELD SEPTEMBER 24, 2025**

The regular meeting of The Electric Employees' Civil Service and Pension Board was held September 24, 2025.

Board Members Present: Anne Davis, Chair, Rob McCabe, Clifton Harris, Ian Prunty, and Casey Santos. Officers Present: Teresa Broyles-Aplin, David Frankenberg, Laura Smith, Brent Baker, and Dr. Trish Holliday.

Chair Davis called the meeting to order at 9:27 a.m. and stated that the matters on the consent agenda have been provided to the Board in advance. The consent agenda included the recommendation for approval of the Civil Service Minutes from the meeting held August 27, 2025.

> Upon motion by Member McCabe and seconded by Member Harris, the consent agenda was approved, which included the minutes from the meeting held August 27, 2025.

MANAGEMENT / NESEA MEETING

Dr. Holliday mentioned that Management and NESEA are continuing conversations with positive working relationships. No concern or issue is going unaddressed.

RECOMMENDAION FOR APPROVAL OF REVISIONS TO THE NES POLICY MANUAL FOR A CHANGE IN THE BREAK PERIOD POLICY

Emily Williams presented Management's proposal of revisions to the Policy manual regarding the unpaid meal period specified in the Break Periods Policy of the Policy Manual. The revisions provide management with the flexibility to allow an employee to have their unpaid meal period within the last hour of their workday, based on the operational needs of the department. The revisions align practice with Policy.

Management recommended approval of these revisions.

> Upon motion by Member Santos and seconded by Member McCabe, recommendation for approval of revisions to the NES Policy Manual for a change in the Break Period Policy was approved.

RECOMMENDATION FOR APPROVAL OF REVISIONS TO THE CIVIL SERVICE RULES FROM THE RESULT OF COLLABORATIVE CONFERENCING

Jeff Eck presented Managements recommendation for approval of revisions to the Civil Service Rules. The change to the rules is a result of Collaborative Conferencing and other recent changes. Management recommended the following revisions to the Civil Service Rules:

1. Modify Section 4.010 to allow for across the board increases based on CPI-U annual average plus one half-percent with a 3% minimum and a 5.5% maximum.
2. Modify section 10.09 to allow for post-tax (Roth) contributions into the 457 Deferred Compensation Plan.

   Upon motion by Member McCabe and seconded by Member Harris, recommendation for approval of revisions to the Civil Service Rules from the Result of Collaborative Conferencing was approved.

HUMAN RESOURCES - CORPORATE SERVICES WORKFORCE UPDATE

Dr. Holliday noted that the HR – Corporate Services Workforce Update is in the Board packet for review. Highlights from Training, Staffing and Employee Relations, Safety, Fleet, and Facilities and Security sections were shared to emphasize the significant activities within the department.

Dr. Holliday also presented the Annual Civil Service Report to the Board.

MISCELLANEOUS

There were no miscellaneous items to come before the Board.

A**DJOURNMENT**

The meeting adjourned at approximately 9:35 a.m.

Approved,

Chair

Attest:

Secretary
09-24-2025

HUMAN RESOURCES / CORPORATE SERVICES WORKFORCE UPDATE
October 22, 2025

Below are section updates within the HR and Corporate Services Department:

Training Section

Training Section has completed AQ Training for September and October. ELI session 1 was held on October 10th, we now have 24 participants. Advanced Lineman phase 3 training was completed this week as well.

Staffing and Employee Relations

As of October 14th, NES has 910 employees. This includes 147 female employees and 763 male employees. As of October 14th, there have been twelve new hires: Adam Jolley - Lineman Apprentice Advanced, Cody Jent - Lineman Apprentice Advanced, Christie Johnson - Accounting Supervisor, Jeffrey Petty - Accountant II, Caleb Aulidge - Lineman Apprentice Advanced, Landon Anderton - Lineman Apprentice Advanced, and Christopher Muller - Lineman Apprentice Advanced. The Operations Internship Program also ended its second year October 13th, by celebrating five interns that successfully completed the one-year internship. We welcomed them as full-time employees October 14th: Alan Ponce - Lineman Apprentice, Ronnie Maddox - Lineman Apprentice, Chance Phillips - Electrician Apprentice, Ladarion Ware - Electrician Apprentice, and Zachary Boyce - Electrician Apprentice.

Employees represented NES at several major events, including Tennessee Tech Engineering Career Fair, Vanderbilt University Commodore Week Experience Expo, and Middle Tennessee State University Big Career Fair and Tennessee State University Fall Career Fair. We conducted mock interviews at Hunter's Lane with students preparing to interview for the Bell Tower Scholarship with Belmont University.

Safety

Safety Section attended The Utility Expo, Recurring Gloving & Cover up Training, Advanced Lineman Training, Initial Gloving & Cover Up Training, TVPPA relay Training, and the Utility Safety Conference.

Fleet

Fleet Section attended The Utility Expo October 7th – 8th and Fleet Forward & Safety Conference October 21st – 23rd.

Compensation & Benefits

The Compensation and Benefits Section completed Open Enrollment for employees and retirees, educated employees at all locations about the 401(a) investment changes, and began the transition from UMR to Blue Cross and Delta Dental.

Facilities & Security

Facilities and Security is continuing work on the customer parking deck and elevator 4 renovations.

WORDS MATTER. WORK MATTERS. WE MATTER.

NES

2025 EMPLOYEE ENGAGEMENT SURVEY LAUNCH

How employee feedback drives our culture, customer service and future success

DR. TRISH HOLLIDAY, SPHR, SHRM-SCP, PSHRA-SCP, CPC

WORDS MATTER. WORK MATTERS. WE MATTER.

In 2024, more than 500 employees completed our annual, anonymous survey. In addition, many forums and conversations were held throughout the year to determine the most important topics expressed by our workforce.

On the following slides, you'll see highlights of the feedback we received along with the actions we are taking to continue NES' path as a best place to work. That, after all, is the most effective way to serve our employees, customers and our community at large.

NES

Employees asked us...

OUR ACTION...

to provide education of healthcare benefits and new retirement plan vs. pension

In 2024, we held 16 informational sessions on our healthcare and retirement plans. The clear need to form an RFP committee and begin a search for a new healthcare provider was a direct result of these sessions. Meanwhile, attendance for the ongoing retirement informational sessions has remained consistently strong.

to focus on improving performance appraisals

A new performance appraisal system was launched in 2025, featuring company-wide goals and competencies. This ensures complete alignment and focus on organizational strategy, as every employee, from the top down, shares the same core competencies.

to focus on professional development opportunities for the entire workforce

Our Emerging Leaders Institute for nonsupervisory employees continues to be highly successful, boasting 49 graduates and 7 internal promotions to supervisor within the last two years. Building on that success, we've also developed customized professional development programs specifically for our existing managers and supervisors. There has been a specific focus on technical training based on department needs.

NES

Employees asked us...

OUR ACTION...

to continue work on culture transformation

As part of our four-year cultural journey, we provided all employees with training on Increasing Belonging to Enhance the Customer Experience. This initiative successfully led to us earning a nationally recognized award.

to develop a consistent approach to hybrid work across the company with better defined expectations

NES established clear, standardized guidelines that outlined employee positions, responsibilities, work locations, and communication protocols.

NES

Employees asked us...

OUR ACTION...

to enhance how the organization actively supports employee professional development and training and provide sufficient opportunities for learning and growth toward employee career goals

We expanded our professional development with new leadership programs for managers and supervisors and increased technical training options like engineering and Certified Safety Coordinator certifications. We also launched UpSkillU for all employees, providing both an in-house three-tier Microsoft Office program and a soft-skill track covering topics from emotional intelligence to moving into a team leader role.

to identify areas where employees are encouraged to contribute their insights and perspectives to decisions that impact them in their roles

We created clear pathways for employees to join focus groups and influence decisions that directly impact them. A key example is the Healthcare RFP Committee, which was formed via this pipeline. With 16 employees, this was the largest committee for an RFP and was designed to ensure all perspectives from across the company were heard and resulted in the successful selection of a new healthcare provider.

NES

Employees asked us...

OUR ACTION...

to explore ways to increase employee recognition and develop initiatives that highlight employee success and achievements

To ensure employees are consistently recognized, we created the Employee Care Team, representing each department within the company. This includes several dedicated subcommittees such as Bereavement, Holiday celebrations, Sports, Employee Engagement activities, and Company-wide events. We successfully resumed the service anniversary awards program for the first time since the pandemic, recognizing and celebrating all employees at their 1-year mark and every 5-year increment thereafter.

2025 EMPLOYEE ENGAGEMENT SURVEY LAUNCH

Survey link goes to all employees on 11/5.
All responses are **100% anonymous!**

Miscellaneous

Adjournment of Civil Service Board Meeting

Reconvene to ratify actions taken by Civil Service Board

Adjournment of Electric Power Board Meeting