



## Electric Power Board Meeting

Feb 25, 2026 8:00 AM - 9:30 AM CST

NES Board Room 121

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1. Call to Order
2. Safety Moment - Vaughan Charles
3. Committee Reports
  - 3.1. Legal Committee
4. Consent Agenda
  - 4.1. Recommendation for approval of minutes from the regular meeting held January 28, 2026, and the special-called meeting held February 9, 2026
5. Discussion Items
  - 5.1. Winter Storm Fern Update - Teresa Broyles-Aplin
    - 5.1.1. Independent Review Update - Anne Davis
    - 5.1.2. Recommendation for approval of a consultant for implementation of a Storm Recovery PMO - Brent Baker
    - 5.1.3. Recommendation for approval of a consultant for implementation of a LIDAR Storm Damage Review and Storm Response Plan - Brent Baker
    - 5.1.4. Winter Storm Fern Financial Status and Recommendation for approval of a \$140 Million Reimbursement Resolution for Severe Ice Storm - January 2026 - David Frankenberg
      - 5.1.4.1. Reimbursement Resolution
  - 5.2. Recommendation for approval of Utility Bill Assistance Funding - David Frankenberg
  - 5.3. Recommendation for approval of Purchases - Amanda Cochran
6. Referenced Items Included in Board Materials (Information Only - No Presentations)
  - 6.1. Financial Report
  - 6.2. Quarterly Community Involvement and Economic Development Report
  - 6.3. Quarterly Asset Manager's Report
  - 6.4. Quarterly Home Uplift and Power of Change Update
  - 6.5. Quarterly Operations Report
  - 6.6. Identity Theft Prevention Policy Update
  - 6.7. President's Report

7. Public Comment Period - David Frankenberg
8. Miscellaneous
9. Recess to Civil Service Board Meeting
10. Consent Agenda
  - 10.1. Recommendation for approval of minutes from the meeting held January 28, 2026
11. Miscellaneous
12. Adjournment of Civil Service Meeting
13. Reconvene to ratify actions taken by Civil Service Board
14. Adjournment of Electric Power Board Meeting

Call to Order

## **Safety Moment: Importance of Standards and Consistency within a Safety Culture**

Standards and consistency are the backbone of a safe workplace. Standards create a shared understanding of what “safe” looks like, so everyone from new hires to senior staff, follows the same expectations. When people perform tasks the same way every time, it reduces errors, prevents shortcuts, and keeps critical steps from being missed.

Consistency also makes the environment predictable. That predictability helps teams anticipate hazards, coordinate smoothly, and intervene before something goes wrong. It strengthens training, because employees learn one clear method instead of multiple versions. And it allows organizations to measure performance accurately, spot trends, and improve over time.

Ultimately, standards define the right way to work, and consistency ensures it happens every day. Together, they build a strong safety culture where people can trust the process and go home safe.

## Committee Reports

## Legal Committee

## Consent Agenda

**MINUTES OF THE  
ONE THOUSANDTH THREE HUNDREDTH AND SEVENTY SECOND MEETING  
ELECTRIC POWER BOARD OF THE METROPOLITAN  
GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY  
HELD JANUARY 28, 2026**

The regular meeting of the Electric Power Board was held on Wednesday, January 28, 2026.

Members present: Board Chair Anne Davis, 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 8:10 a.m.

**RECOMMENDATION FOR APPROVAL OF MINUTES FROM THE REGULAR MEETING HELD DECEMBER 10, 2026**

Upon motion by Member Santos and seconded by Member Harris, the Board approved the minutes from the Electric Power Board meeting held December 10, 2025, with four ayes and zero nays.

**STORM UPDATE**

Teresa Broyles-Aplin and Brent Baker shared an update on restoration efforts following Winter Storm Fern. Ms. Broyles-Aplin explained that the storm was historic in scale, coating the entire NES service territory in ice. She added that strong winds followed the ice, bringing down a significant number of trees. Together, these conditions led to the highest percentage of customer outages from a single weather event in NES history. She emphasized the difficult conditions crews continue to face, explaining that newly fallen trees can undo restoration work as quickly as it is completed.

She expressed appreciation to the Mayor's office, NDOT, the City of Brentwood, and the City of Forest Hills for their assistance in clearing roads to allow NES crews access to downed power lines. She also thanked the council members, Office of Emergency Management (OEM), and the Fire and Police departments. Ms. Broyles-Aplin further noted her appreciation for Vice Chair Santos' engagement during the storm and her suggestions that were incorporated into response efforts.

Mr. Baker emphasized that NES remains fully committed to restoring power safely and as quickly as possible. He explained that the storm created challenges rarely seen before and highlighted the extensive advance planning with mutual aid partners, which allowed 200 crews to be staged ahead of the storm. He noted that restoration efforts have increased the number of lineworkers by more than 430%, with approximately 900 lineworkers and 215 vegetation crew members currently deployed. Mr. Baker reaffirmed that NES will remain focused on restoring service safely, responsibly, and as efficiently as possible until all customers' power is restored.

Chair Davis expressed her gratitude to NES customers, noting that she understands how difficult it is to be without power in such cold conditions. She thanked them for their patience and understanding while NES does everything possible to fully restore service.

Vice Chair Santos acknowledged the seriousness of the storm and the urgency of restoration efforts, and asked about adding crews, their arrival timelines, and their skill sets.

Mr. Baker stated that the execution of signed contracts and the mobilization of crews have been key components of the process. He indicated that NES is onboarding an unprecedented number of contractors today, with mutual aid partners and neighboring utilities offering support as efforts continue to safely scale operations.

Vice Chair Santos asked if NES is working collaboratively with agencies at all levels, including state and federal levels. Mr. Baker replied yes and shared that TEMA has offered support and resources, and NES is also working with TVA as well as federal agencies.

Chair Davis asked whether financial constraints could impact the work as NES increases operations. Ms. Broyles-Aplin replied that finances have not been a concern and explained that NES will be eligible for partial reimbursement through FEMA following the federal disaster declaration.

Vice Chair Santos asked about TVA assistance. Ms. Broyles-Aplin reported that TVA has offered resources and volunteered engineers to assist scout teams with damage assessments.

Vice Chair Santos asked for more information on why NES is unique in comparison to neighboring utility companies of similar size that have fewer outages. Mr. Baker explained that NES's urban environment results in significant circuit overlap, and the spacing required to safely de-energize and perform work adds complexity to restoration efforts. As well, he stated that it is imperative that the crews are paired up safely, but with less supervision from NES in order to make progress quickly.

Vice Chair Santos asked if an NES crew accompanies all incoming crews to help them understand the complexity of the system. Mr. Baker confirmed that it does. She then asked whether this was also required for other utilities. Mr. Baker replied that in some areas, where there is a direct line of visibility and conditions allow, crews may work without direct oversight.

Vice Chair Santos asked whether NES is providing assistance to customers beyond restoration efforts. Mr. Baker responded that NES has partnered with Metro to offer warming shelters, including energy support and transportation to those locations.

Member Harris inquired whether the NES notification system issue, which incorrectly notified customers that power had been restored, has been resolved. Mr. Baker responded that the situation highlights the complexity of both the system and the restoration process. He explained that lines serving two to three thousand customers were, at times, partially isolated—removing approximately three hundred customers—to facilitate repairs and restore service to a greater

number of customers. This process resulted in inaccurate customer notifications. Mr. Baker stated that the practice has been halted to ensure customers no longer receive incorrect information.

### **RECOMMENDATION FOR APPROVAL OF PURCHASES**

David Frankenberg presented management’s recommendation for approval of \$24,089,267.84 in purchases and contracts exceeding \$50,000. This amount included \$4,431,635.12 in monthly purchases and contract additions between the \$50,000 and \$250,000 threshold that received prior management approval. He reported on twenty-three sole source items and ten sole brand items.

Upon motion by Member Prunty and seconded by Member Harris, the Board approved the list of purchases and contracts with four ayes and zero nays. This list consists of six pages and has been attested to on each page by the signature of the Secretary and is attached hereto as “Appendix A”<sup>1</sup> to these minutes. Total cost of purchases and contracts, as approved, amounts to \$24,089,267.84.

### **PUBLIC COMMENT PERIOD**

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

### **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 Santos and seconded by Member Harris, the Board ratified the actions taken during the Civil Service Board meeting with four ayes and zero nays.

### **ADJOURNMENT**

The meeting adjourned at 8:33 a.m.

Attest:

Approved,

Secretary

Board Chair

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<sup>1</sup> Appendix A Electronically Filed

January 28, 2026

**Appendix "A"**

**Approval of Purchases and Contracts  
at the Meeting on Wednesday January 28, 2026**

**Management recommends Board approval  
of the following purchases and contracts:**

<b>Total Materials and Supplies Purchases</b>	<b>\$13,719,388.80</b>
<b>Total Contracts and Services</b>	<b>\$725,000.00</b>
<b>Total Additions, Extensions, and Changes</b>	<b>\$5,213,243.92</b>
<b>Total Ratified Purchases and Contracts</b>	<b>\$4,431,635.12</b>
<b>TOTAL</b>	<b>\$24,089,267.84</b>

Signed by:

*David Frankenberg*

Attested by:

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David Frankenberg, Secretary

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

January 28, 2026

**MATERIALS AND SUPPLIES PURCHASES**

<u>Item Description</u>	<u>Vendor</u>	<u>Amount</u>	<u>Type Contract</u>	<u>Bids Received/Sent</u>
Aftermarket Repair Parts for Vehicles and Equipment	Ken Smith Auto Parts	\$300,000.00	Competitive (5 Years)	7/11
Aftermarket Repair Parts for Vehicles and Equipment	O'Reilly Auto Parts	400,000.00	Competitive (5 Years)	7/11
Chevrolet, Truck, Silverado, EV, 2026, New (8)	Wilson County Motors	336,628.00	TN State Contract	N/A
Hydraulic Pumps, Hoses, Fittings, PTO's, Winches, and Other Parts for Hydraulic Powered Equipment	Ram Corporation, Inc.	400,000.00	Competitive (5 Years)	7/8
<b>Non-Warranty Repair Parts and Service for Aerial Device and Mounted Equipment</b>	<b>Altec Industries</b>	<b>3,000,000.00</b>	<b>Sole Source (5 Years)</b>	<b>N/A</b>
<b>Non-Warranty Repair Parts and Service for Aerial Device and Mounted Equipment</b>	<b>Terex Utilities South</b>	<b>600,000.00</b>	<b>Sole Source (5 Years)</b>	<b>N/A</b>
<b>Non-Warranty Repair Parts and Service for Trucks</b>	<b>Clarke Power Services</b>	<b>300,000.00</b>	<b>Sole Source (5 Years)</b>	<b>N/A</b>
<b>Non-Warranty Repair Parts and Service for Trucks</b>	<b>Cumberland International Trucks</b>	<b>400,000.00</b>	<b>Sole Source (5 Years)</b>	<b>N/A</b>
<b>Non-Warranty Repair Parts and Service for Trucks</b>	<b>Freightliner of Arizona</b>	<b>2,000,000.00</b>	<b>Sole Source (5 Years)</b>	<b>N/A</b>
OEM Repair Parts for Vehicles and Equipment	Mid-Tenn Ford	500,000.00	Competitive (5 Years)	8/9
OEM Repair Parts for Vehicles and Equipment	Town & Country Ford	400,000.00	Competitive (5 Years)	8/9
Pole, Steel, Galvanized, H1, 55' (144)	MD Henry Co., Inc.	564,192.00	Competitive (1 Year) <b>Blanket</b>	7/8
Pole, Steel, Self-Weathering, H1, 50' (144)	Valmont Industries	394,704.00	Competitive (1 Year) <b>Blanket</b>	7/8
Pole, Steel, Self-Weathering, H1, 55' (108)	MD Henry Co., Inc.	392,688.00	Competitive (1 Year) <b>Blanket</b>	7/8
<b>Switch, Pad Mount, Live Front, PMH-9, 25KV, 125BIL, (2)</b>	<b>Stuart C. Irby</b>	<b>266,240.00</b>	<b>Competitive Sole Brand</b>	<b>2/3</b>

Signed by:   
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 David Frankenberg, Secretary

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January 28, 2026

Switch, Pad Mount, Live Front, PMH-11, 25KV, 125BIL, 600A, (13)	Stuart C. Irby	441,584.00	Competitive	3/4
<b>Underground Distribution Switchgear, Model 633 (4)</b>	<b>Stuart C. Irby</b>	835,920.80	<b>Competitive Sole Brand</b>	2/2
<b>Underground Distribution Switchgear, Vista 422, Undercover Style, 25KV, 12.5KA, 125BIL RS (12); Vista 6Way Cabinet, SW UG (1)</b>	<b>Stuart C. Irby</b>	253,852.00	<b>Competitive Sole Brand</b>	2/3
<b>Underground Distribution Switchgear, Vista 624, 25KV 12.5kA, 125BIL (2)</b>	<b>Stuart C. Irby</b>	386,220.00	<b>Competitive Sole Brand</b>	2/2
<b>Underground Distribution Switchgear, Vista 624, 25KV, 12.5kA, 125BIL RS (8)</b>	<b>Stuart C. Irby</b>	1,547,360.00	<b>Competitive Sole Brand</b>	2/3
<b>TOTAL</b>		<b>\$13,719,388.80</b>		

**CONTRACTS AND SERVICES**

<u>Item Description</u>	<u>Vendor</u>	<u>Amount</u>	<u>Type Contract</u>	<u>Bids Received/Sent</u>
Customer Insights and Segmentation Platform	BlastPoint, Inc.	\$725,000.00	Competitive (3 Years)	5/5
Home Warranty Services Program	Homeserve USA Corp.	N/A	Competitive (5 Years)	2/9
<b>TOTAL</b>		<b>\$725,000.00</b>		

**ADDITIONS, EXTENSIONS, AND CHANGES**

<u>Item Description</u>	<u>Contractor</u>	<u>Additional Amount</u>	<u>Change Requested</u>
Consulting for DEI Projects and Initiatives	Tony Williams	N/A	Extension (6 Months)
Customer Parking Deck Renovation	Williams Restoration & Waterproofing	N/A	Extension (5 Months)
Epoch Software Cloud Implementation and Maintenance	Epoch Solutions Group	\$63,243.92	Addition (New NTE \$299,633.92)

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Lineworker Battery Powered Hand Tools	Border States Industries	150,000.00	Addition (New NTE \$375,000.00)
On-Site Information Technology Staffing Services	BGSF Professional, LLC	5,000,000.00	Addition (New NTE \$174,500,000.00) *Extension (6 Months)
<b>TOTAL</b>		<b>\$5,213,243.92</b>	

\*Total contract term is eleven (11) years.

**RATIFIED PURCHASES AND CONTRACTS**

<u>Item Description</u>	<u>Vendor</u>	<u>Amount</u>	<u>Type Contract</u>	<u>Bids Received/Sent</u>
Aftermarket Repair Parts for Vehicles and Equipment	A&B Auto & Truck Repair	\$150,000.00	Competitive (5 Year)	7/11
Aftermarket Repair Parts for Vehicles and Equipment	Fleetpride, Inc.	245,000.00	Competitive (5 Years)	7/11
Aftermarket Repair Parts for Vehicles and Equipment	Rush Truck Centers of Tennessee	200,000.00	Competitive (5 Years)	7/11
Asphalt Repair	Pavement Restorations	200,000.00	Competitive (3 Years)	3/13
AutoCad Electrical Support and Training	Ampirical Solutions, LLC	125,000.00	Professional Service (1 Year)	N/A
Cable, Aluminum, 600V, XLP 350 4/0 TPXD LR (18,000 ft.)	Cape Electric	67,176.00	Competitive (1 Year) <b>Blanket</b>	4/8
Cable Aluminum, 600V, XLP 4/0-2/ON TPXD (36,000)	Wesco Distribution	**103,248.00	Competitive (1 Year) <b>Blanket</b>	3/8
Cable, Copper, BSD 2 7S (49,500 ft.)	Gresco	68,310.00	Competitive (1 Year) <b>Blanket</b>	7/30
Chevrolet SUV, Blazer, EV, 2026, New (3)	Wilson County Motors	117,295.88	TN State Contract	N/A
<b>Conduit Ventilating Cable Support, 4" Galvanized (6); Terminator, 3" Galvanized (400)</b>	<b>Border States Industries</b>	78,356.16	Competitive <b>Sole Brand</b>	3/36
<b>Connector, Str Recept BUS H CU 25KV (120)</b>	<b>Gresco</b>	91,500.00	Competitive <b>Sole Brand</b>	4/5

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Crossarm, Wood, 3-1/2X4-1/2X8 (650)	Stuart C. Irby	53,365.00	Competitive	6/6
<b>Distribution Transformer, Submersible, 50 KVA, 1P Solid Insulation, 20 13.8 120/240 (4)</b>	<b>Cheryong Electric Co.</b>	69,920.00	Competitive <b>Sole Brand</b>	1/3
Fasteners and Drill Bits	Fastenal Company	60,000.00	Competitive (5 Years)	60,000.00
Ford, E-Transit 350, Cargo Van, 2026, New (3)	Lonnie Cobb Ford	156,333.00	TN State Contract	N/A
FuelMaster FMLive Upgrade: Software and Hardware and Implementation Project	Nashville Equipment Service	*136,910.29	Competitive	3/11
Hydraulic Pumps, Hoses, Fittings, PTO's, Winches, and Other Parts for Hydraulic Powered Equipment	Volunteer Hose & Gasket	200,000.00	Competitive (5 Years)	7/8
<b>Insulation for Impact Grant</b>	<b>CLEARResult Consulting</b>	75,000.00	(13 Months, 1 Day) <b>Sole Source</b>	N/A
ITIL Training	New Horizons	35,922.00	Addition (New NTE \$64,861.00) Extension (3 Months)	N/A
Legal Services	Littler Mendelson, PC	N/A	Extension (1Year)	N/A
<b>Load Break Switch, 1200 amp (4)</b>	<b>Stuart C. Irby</b>	79,320.80	Competitive <b>Sole Brand</b>	3/10
<b>Luminaire, LED, 8,000 Lumens, Acorn Granville FC (75)</b>	<b>Border States Industries</b>	78,741.00	Competitive <b>Sole Brand</b>	4/14
<b>Luminaire, LED, 10,000 Lumens, Acorn Granville (48)</b>	<b>Border States Industries</b>	50,501.28	Competitive <b>Sole Brand</b>	3/14
<b>Maintain Water Treatment System</b>	<b>Flozone Services, Inc.</b>	193,494.00	<b>Sole Source</b> (5 Years)	N/A
<b>Non-Warranty Repair Parts and Service for Aerial Device and Mounted Equipment</b>	<b>Palfinger USA, LLC</b>	80,000.00	<b>Sole Source</b> (5 Years)	N/A
<b>Non-Warranty Repair Parts and Service for Aerial Device and Mounted Equipment</b>	<b>UTV International</b>	200,000.00	<b>Sole Source</b> (5 Years)	N/A

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<b>Non-Warranty Repair Parts and Service for Construction Equipment</b>	<b>Parman Tractor &amp; Equipment</b>	80,000.00	<b>Sole Source (5 Years)</b>	N/A
<b>Non-Warranty Repair Parts and Service for Construction Equipment</b>	<b>Sherman Reilly, Inc.</b>	60,000.00	<b>Sole Source (5 Years)</b>	N/A
OEM Repair Parts for Vehicles and Equipment	Sansom Equipment Co.	105,000.00	Competitive (5 Years)	8/9
<b>Outage Map- Cloud Subscription and Maintenance</b>	<b>DataCapable</b>	221,004.00	<b>Sole Source (3 Years)</b>	N/A
Pole, Steel, Galvanized, H7, 90' (6)	TransAmerican Power Poles, Inc.	74,478.00	Competitive	6/8
Pole, Steel, Self-Weathering, H3, 50' (28)	Stuart C. Irby	98,140.00	Competitive	5/8
Pole, Steel, Self-Weathering, H3, 60' (48)	TransAmerican Power Poles, Inc.	234,672.00	Competitive	6/8
Pole, Wood, Class 1, 50' (92)	Cox Industries	57,960.00	Competitive	7/10
Pole, Wood, Class 4, 40' (200)	Cox Industries	55,600.00	Competitive	7/10
<b>Safegrid Intelligent Grid System</b>	<b>Safegrid USA LLC</b>	207,300.00	<b>Sole Source (7 Months)</b>	N/A
Stop Loss Insurance-January 2026	International Assurance of TN	53,012.71	Invoice	N/A
Strandwise Guy 3/8" (4,800)	Stuart C. Irby	95,424.00	Competitive (1 Year) <b>Blanket</b>	6/16
Strategic Planning Advisory Services	Toffler Associates, Inc.	100,000.00	Professional Service (1 Year)	N/A
Toyota, RAV 4, Hybrid, 2025, New (1); Sienna, Hybrid, 2026, New (1)	Roberts Motor Co., Inc.	73,651.00	TN State Contract	N/A
<b>TOTAL</b>		<b>\$4,431,635.12</b>		

\*Price includes a 10% contingency.

\*\*Price includes a 20% contingency.

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**MINUTES OF THE  
ONE THOUSANDTH THREE HUNDREDTH AND SEVENTY THIRD MEETING  
ELECTRIC POWER BOARD OF THE METROPOLITAN  
GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY**

**SPECIAL CALLED BOARD MEETING HELD FEBRUARY 9, 2026**

A special meeting of the Electric Power Board was held at Nashville Electric Service on February 9, 2026.

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 8:32 a.m. She stated that, in response to the extraordinary storm and resulting public interest, the public comment period was rescheduled to the end of the agenda, and the number of speakers was increased from five to ten.

She thanked the dedicated NES employees who worked around the clock for the past two weeks under very difficult and extreme conditions. She explained that, now that the recovery effort has concluded, the Board would turn its attention to supporting the community's recovery and beginning the process of evaluating the response in order to strengthen future efforts.

**COMMITTEE REPORTS**

Legal Committee

Chair Davis reported that the Legal Committee met on Friday, February 6, 2026, and discussed litigation and risks.

**BOARD DISCUSSION - WINTER STORM FERN RESPONSE**

Ahead of the Board's discussion on NES's response to Winter Storm Fern, Teresa Broyles-Aplin and Brent Baker made brief comments. Ms. Broyles-Aplin thanked Mayor Freddie O'Connell's office and Metro agencies for their support during the storm and expressed gratitude to Governor Bill Lee, the State, and the federal delegation for providing critical resources and advocacy to aid response and recovery efforts.

She stated that while full restoration occurred on February 6<sup>th</sup>, the affects will linger within the community. She reported that more than 230,000 customers were without power which covered 294 square miles. She remarked that the severity of the ice storm, as well as the sustained cold temperatures made the storm an anomaly that challenged both the standard storm response procedures and long held industry standards. Ms. Broyles-Aplin stated that NES recognizes the hardship that Winter Storm Fern placed on customers and the areas where NES failed to help customers make informed decisions. NES understand the burden this storm has placed upon them.

She explained that regulatory requirements do not allow NES to discount bills but noted that management is implementing measures to ease customers' financial burdens. These include suspending disconnects and late fees through June, offering unlimited payment arrangements for all customers through December 2026 with enhanced online and Call Center support, and, pending Board approval, donating \$1 million to the Winter Storm Recovery Fund, which would make NES the fund's largest donor to date.

Ms. Broyles-Aplin stated that the following four pillars are the areas which NES will immediately address to improve performance:

1. Enhance emergency management and leadership.
2. Address communications, outage information and outage map errors.
3. Revisit estimated time of restoration practices.
4. Strengthening system resiliency, including grid hardening and increasing vegetation management.

Mr. Baker presented a technical report outlining the quantitative aspects of system restoration. He stated that since May, dedicated teams have been engaged in developing a ten-year comprehensive storm plan that integrates LiDAR technology, described as an x-ray of the system, along with satellite analysis, integrated vegetation management, and drone-based damage assessment to enhance estimated restoration timelines.

He stated that vegetation management would be a primary area of focus, as it is a major driver of outages, particularly during ice storm events. He reported an annual trimming target of 1,200 miles of trees and vegetation and noted that the associated budget has increased to \$21 million over the past four years. He further stated that NES is undertaking a formal after-action review, the results of which will be shared and used to identify opportunities for ongoing improvement.

According to Mr. Baker, the storm resulted in approximately 800 damaged poles, with the current recovery phase expected to take several weeks. This phase will also address street light outages. He expressed gratitude that, despite several falls, there were no fatalities or major injuries during restoration efforts.

Chair Davis opened the floor to Board discussion.

Member Prunty requested additional clarification regarding the technical components of the communications process and the ghost notifications. Mr. Baker responded that communications has been identified as an area for improvement. He explained that during major restoration events, nested outages may occur, resulting in certain customers being unable to be restored as part of a larger restoration effort. He stated that lessons learned from this event emphasize the need to enhance how these nested outages are addressed in the future.

Member Prunty remarked that the sheer scale of the outages would strain any system and asked whether the volume of concurrent outages had an impact. Mr. Baker confirmed that it did and said NES will increase both texting and calling capacity, noting that both systems reached their limits until Thursday, when service returned closer to normal and customers were better able to get through.

Member McCabe expressed appreciation for the information provided regarding the operational response, noting that while many figures will require evaluation, the material presented was both substantive and impressive. He apologized to ratepayers for the inconvenience and uncertainty, as well as to NES's elected official partners. He emphasized the importance of communication and inquired about where responsibility for communication with elected officials resides within NES.

Ms. Broyles-Aplin replied that NES has a Communications team and a separate team responsible for outreach to elected officials. She said the outreach team performed effectively, though the delay in receiving information affected communications. She stated that engineers and drones were deployed to assess damage and identify broken poles and downed lines, and that the assessment process required significant time to complete, which delayed the development of restoration estimates. Ms. Broyles-Aplin added that NES is evaluating how utilities that routinely experience damage of this magnitude conduct damage assessments, and how those practices might be applied to improve NES's processes. She stated that there was a gap and noted that customers needed clearer, timelier guidance and more information on whether to remain at home or seek lodging.

Member McCabe said that NES did an excellent job operationally and remarked that the storm was far worse than the prior derecho, tornadoes, and flood due to its impact on the entire community. He asked whether there was an opportunity to communicate the potential scale of the damage earlier, even before completion of the assessment, and to do so in coordination with the Mayor.

Mr. Baker responded that the team recognized early on the need to stabilize operations in order to understand the scale of the damage. He stated that a key lesson learned from this storm was that ice storms require more time to assess, and that NES will develop longer-range estimates in the future. He stated that Detroit Edison helped NES learn from some of their history and now has a better model to predict how to enact in the future. He said that NES owes it to everyone to know more about the restoration time quickly and this storm pushed everyone to modernize on all fronts.

Member McCabe praised NES employees and the Union for their heroism, emphasizing that they were also personally affected, with their homes and families suffering from the devastation. He added that earlier detection of the potential impact might have helped set more realistic expectations.

Member Harris noted that customers contacted him after receiving texts stating their power was restored, only to find that service was still unavailable. He asked about opportunities to enhance and improve the texting system.

Mr. Baker responded that the magnitude of the storm tested all existing systems. He added that immediate work has begun to ensure that technology and field information are available to quickly communicate updates to customers.

Member Harris asked why some neighbors had power while others did not. Mr. Baker explained that crews in the field are making real-time decisions to restore power to the greatest number of customers as quickly as possible. For example, if 700 out of 1,000 customers can be restored immediately, but the remaining 300 would take longer, crews may move on to restore power to another 1,000 customers first.

Ms. Broyles-Aplin added that in certain circumstances there may be a row of houses on one circuit and across the street from them may be neighbors that are on another circuit. The way that the circuits are designed may allow for some to be restored before others.

Member Prunty asked about the estimated restoration time feature in the current software and whether it was functioning as intended. Mr. Baker responded that the existing software does not include an estimated restoration time; it is still determined manually. He added that the next technology investment, focusing on field operations and asset management, will include this capability.

Vice Chair Santos praised the outstanding work of NES linemen during the Winter Storm Fern restoration efforts. She observed that future crises are unavoidable and stressed the importance of NES identifying areas for improvement and taking proactive measures. She moved to conduct a review of the actions taken, and not taken, by NES during the storm. She added that the review should be comprehensive and conducted independently by industry experts. She added that there is a need for an unbiased report that focuses on facts, and not politics, and brings concrete and actionable findings back throughout the assessment so that NES can be prepared for the next storm or emergency and improve recovery time and service time to customers.

Upon motion by Member Santos and seconded by Member Harris, the Board approved to conduct an independent assessment of NES's actions during Winter Storm Fern with five ayes and zero nays.

Chair Davis asked for an explanation regarding the complication of the system and why some customers in more rural areas were able to have their power restored quicker than others. Mr. Baker responded that in an urban area such as Nashville, there are circuits that are intermingled on the system and includes different voltages which prevents some speed to react because there is the need to make sure all circuits are safe. We have learned during this storm that there is a need to deenergize circuits in a way that each of the voltages and any other risks are mitigated.

Member McCabe said there will probably be many suggestions about underground utilities. He mentioned that he lives on limestone and asked if a study is planned, pointing out that it would be a very expensive project. Mr. Baker stated that NES has been conducting strategic underground exploration in recent years, with existing partnerships with Metro Water on certain projects. He noted that working through limestone and rock will be difficult, and that a thorough study will provide insight into the extent of the challenge and the expected expenses.

Member Prunty stated that he often looks at comparable events and asked what storms of this magnitude can be compared to. He also inquired how leadership is evaluating other utilities to benchmark NES's performance. Mr. Baker responded that benchmarking efforts had begun over the weekend, with a data team analyzing recent storms and the size of various utilities. This work is intended to support pre-staging plans and is becoming part of NES's long-term strategy.

Member Prunty noted that vegetation management is a critical issue for utilities as they plan for extreme weather. He referenced the November board meeting, during which a helpful update and discussion of innovative technologies to improve vegetation management efficiency were presented, and asked for management's current perspective.

Mr. Baker responded that in May, cross-functional teams were established to develop a comprehensive 10-year reliability plan, which includes integrated vegetation management. This approach focuses on applying best practices to every circuit to enhance system resiliency. The effort has already begun with LIDAR flights, which provide detailed insight into vegetation proximity to power lines. The first 500 miles of LIDAR flights were completed in August and are being used to assess vegetation risks. Additional tools and technologies are currently being evaluated, with plans to expand their use over time. Modernization remains a core commitment, and while progress has been made, further work is needed to achieve desired outcomes.

Vice Chair Santos asked, regarding vegetation management, if there is grid hardening and inquired if there will be a reassessment of the grid given this particular storm. Mr. Baker replied that as part of the comprehensive 10-year plan, the focus extends beyond vegetation management to system design and construction standards. We are currently operating within a National Electric Safety Code ice-loading zone and are evaluating whether that level remains appropriate. This includes assessing whether adjustments are needed in how we construct our lines—both overhead and underground—to further strengthen and harden the system. In addition, over the past year we have begun developing a digital twin of our system, which will help identify resiliency risks. From a hardening perspective, all modernization technologies are being evaluated.

Ms. Broyles-Aplin stated that, in addition to the after-action review, NES will focus on grid hardening, including ice-storm-rated materials, pole resilience, and isolation equipment to reduce outage impacts.

Member Prunty emphasized the Board’s responsibility to a diverse constituency across Davidson County and the surrounding areas. In light of NES’s investments in these communities, he asked for further clarification.

Ms. Broyles-Aplin said that NES serves Davidson County and six surrounding counties with consistent service and equal crew deployment. She noted that differing community needs require close coordination with local officials before moving projects forward.

Member Harris inquired about how NES intends to hear directly from customers. Ms. Broyles-Aplin explained that customers may address the Board during meetings and that discussions are underway to add a website-based tool to collect written feedback and review it in a structured way.

**RECOMMENDATION FOR APPROVAL TO INCREASE THE EMERGENCY SPENDING AUTHORITY OF THE PRESIDENT AND CHIEF EXECUTIVE OFFICER AND EXECUTIVE VICE PRESIDENT FOR OPERATIONAL EXPENDITURES RELATED TO POWER RESTORATION AS A RESULT OF WINTER STORM FERN**

Laura Smith reported that there is a provision in the NES bylaws which states that in the event of an emergency or a natural disaster, the President and Chief Executive Officer, together with the Executive Vice President, are jointly authorized to make emergency expenditures up to \$500,000 each. She stated that with the breadth of this storm and the volume of support personnel that was brought in that \$500,000 is inadequate, therefore, Management seeks the Board’s approval today for a resolution authorizing an increase of those emergency expenditures up to \$5 million per

transaction. She stated, to clarify, this is only for pre-existing contracts that have already been authorized and that are necessary to respond and recover from Winter Storm Fern.

Vice Chair Santos asked if the funds are for restoration efforts that have already occurred and NES has had to pay. Ms. Smith stated yes, by the requirements of the bylaws, there will be follow-up reports to the board until all contracts are closed out.

Upon motion by Member McCabe and seconded by Member Santos, the Board approved to increase the emergency spending authority of the President and Chief Executive Officer and the Executive Vice President for operational expenditures related to power restoration as a result of Winter Storm Fern with five ayes and zero nays.

### **RECOMMENDATION FOR APPROVAL TO DONATE TO THE WINTER STORM RECOVERY FUND**

Teresa Broyles-Aplin reported that Winter Storm Fern was the most devastating weather event in Nashville's history, causing widespread damage across the NES service territory and leaving more than 230,000 customers without power.

The storm's impact reached far beyond NES infrastructure. Extensive tree damage destroyed customer-owned electrical equipment, with service masts and meter bases torn from many homes. These losses resulted in unexpected out-of-pocket expenses and ongoing financial strain for affected families. As a result, Winter Storm Fern continues to create lasting hardships throughout the community.

To address the unprecedented level of destruction, the Metropolitan Government of Nashville and Davidson County established the Winter Storm Recovery Fund in partnership with community organizations and philanthropic supporters. The Fund provides direct financial assistance to residents facing repair costs, property damage, and other storm-related challenges. Management recommended approving a \$1,000,000 contribution from NES's non-electric revenues to support these vital recovery efforts.

Upon motion by Member Harris and seconded by Member McCabe, the Board approved to donate \$1,000,000 to the Winter Storm Recovery Fund with five ayes and zero nays.

### **PUBLIC COMMENT PERIOD**

Six individuals offered public comments related to Winter Storm Fern and are listed below.

1. Emily Benedict
2. Maura Lee Albert
3. Emma May Bradley
4. Doug Roberts
5. BJ Heath
6. Jacob Kupin

**ADJOURNMENT**

The meeting adjourned at approximately 9:41 a.m.

Approved,

Attest:

Chair

Secretary

## Discussion Items

## Winter Storm Fern Update

## Independent Review Update

## **RECOMMENDATION FOR APPROVAL OF A CONTRACT TO THE SELECT GROUP TO PROVIDE OPERATIONAL SUPPORT FOR NASHVILLE ELECTRIC SERVICE IMPROVEMENT AND RECOVERY INITIATIVES FROM WINTER STORM FERN**

Winter Storm Fern was the most devastating weather event in Nashville's history, causing unprecedented and widespread damage across the NES service territory. At its peak, the storm left more than 230,000 NES customers without power. Assessments indicate 787 broken poles, numerous downed wires, and extensive damage from fallen trees, including multiple customers' electrical infrastructure.

Nashville Electric Service (NES) has identified the need to stand up and operate a temporary Program Management Office (PMO) to coordinate execution across the four Immediate Action pillars established following winter storm Fern; including: strengthening emergency management leadership, modernizing communications and outage information, refining estimated time of restoration (ETOR) practices, and assessing resiliency, undergrounding and vegetation management. NES requires experienced personnel who will actively lead and manage the PMO function, providing both strategic oversight and day-to-day operational support.

TSG's Utilities Industry division possesses expertise supporting electric, gas, and multi-utility clients across the United States including long-term partnerships with some of the largest utilities in the US including San Diego Gas & Electric, Southern California Gas Company, Pacific Gas & Electric, Duke Energy, Georgia Power, Florida Power & Light, CenterPoint Energy, DTE Energy, and AEP. TSG has demonstrated ability to support large-scale capital programs and deliver sustained improvement in dynamic utility environments. TSG's approach factors in these realities, providing PMO support that strengthens governance and accelerates project execution.

TSG will deploy operational PMO leadership to establish governance, centralize initiative tracking, manage risk and dependencies, and drive disciplined execution across all pillars. A centralized portfolio management environment will be used to ensure immediate visibility and structured reporting. TSG will provide

- An operational PMO structure with governance and reporting cadence
- A centralized initiative portfolio with all initiatives inventoried and tracked
- Active milestone, risk, and dependency management processes operational
- Clear escalation pathways and decision-making authority defined
- Executive dashboards providing real-time visibility across all four pillars

Management recommends the approval of a contract with TSG effective 2/26/26 for a one-year term with the option for two one-year renewals at a not-to-exceed cost of \$2 million.

**RECOMMENDATION FOR APPROVAL OF A CONSULTANT FOR  
IMPLEMENTATION OF A LIDAR STORM DAMAGE REVIEW AND STORM  
RESPONSE PLAN**

Due to the devastation caused by Winter Storm Fern, NES has recognized on-going system risks due to the potential for damaged vegetation that was not removed during initial restoration activities. During the storm restoration, NES reached out to peers and multiple vendors to provide a scope of work to address and support storm-related inspection, vegetation hazard identification, and other infrastructure damage. This will enable NES to verify system conditions, identify damaged limbs and trees that pose an imminent risk to the grid, and provide support documentation when applying for local, state and federal sources. After a thorough evaluation of proposals from multiple vendors, NES has determined that the partnership between Darius and Intelfuse offers the strongest overall solution for system-wide LiDAR data collection and the delivery of actionable vegetation risk assessments supported by a prioritized implementation plan.

In addition to this scope of work, these contracts will extend through June 30, 2027, to be able to provide emergency storm response in the event of another major storm event.

Management recommends approval of the Lidar collection contract in the amount of \$3,000,000 (\$2,037,435 for current scope) to Darius and the Post-Storm Hazard Analysis contract in the amount of \$2,300,000 (\$1,877,700 for current scope) to Intelfuse.

**RECOMMENDATION FOR APPROVAL OF A \$140.0 MILLION REIMBURSEMENT  
RESOLUTION FOR SEVERE ICE STORM JANUARY 2026**

A severe ice storm occurred on January 25, 2026, causing extensive and significant damage to the Electric System. After due investigation and consideration, Management determined that it is in the best interests of the System for the Metropolitan Government to issue revenue bonds, notes and/or other obligations in an amount not to exceed \$140.0 million, the proceeds thereof to be used for the payment of all or a portion of the capitalized costs incurred to repair damage to the System.

The reimbursement resolution allows NES to borrow tax-free funds to finance the past storm costs and only allows these costs to be “certified” for future tax-free borrowing. A debt issuance is not being requested at this time. NES will continue to follow the standard controls and approval processes for new bond issuances in the future.

Management recommends that the Board approve the attached Reimbursement Resolution.

A RESOLUTION REQUESTING THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY TO EXPRESS ITS OFFICIAL INTENT TO ISSUE NOT TO EXCEED \$140,000,000 AGGREGATE PRINCIPAL AMOUNT OF REVENUE BONDS, NOTES AND/OR OTHER OBLIGATIONS.

WHEREAS, the Electric Power Board of The Metropolitan Government of Nashville and Davidson County (the "Board") has control and jurisdiction over the electric light and power plant and distribution system (hereinafter sometimes referred to as the "System") of The Metropolitan Government of Nashville and Davidson County (the "Metropolitan Government"); and

WHEREAS, a severe ice storm occurred on January 25, 2026 (the "Storm"), causing extensive and significant damage to the System; and

WHEREAS, the Board, after due investigation and consideration, has found and determined that it is in the best interests of the System for the Metropolitan Government to issue revenue bonds, notes and/or other obligations in an amount not to exceed \$140,000,000, the proceeds thereof to be used for the payment of all or a portion of the costs incurred to repair such damage to the System; and

WHEREAS, the Board, after due investigation and consideration, has found and determined that it is in the best interest of the System for the Metropolitan Government to express its official intent to issue such revenue bonds, notes and/or other obligations issue pursuant to a resolution in substantially the form annexed hereto and made a part hereof, with such changes as shall be determined by the Metropolitan County Council of the Metropolitan Government (such resolution annexed hereto being hereinafter referred to as the "Proposed Resolution").

NOW, THEREFORE, BE IT RESOLVED BY THE ELECTRIC POWER BOARD OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY:

**SECTION 1.** That the Board hereby determines and finds that it is in the best interest of the System for the Metropolitan Government to adopt the Proposed Resolution to thereby express the present intention of the Metropolitan Government, pursuant to the provisions of Section 103 and Sections 141 through 150 of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations promulgated thereunder, including without limitation §1.150-2 of said regulations, (i) to finance all or a portion of the costs of designing, developing, acquiring, constructing, installing and equipping (including financing costs thereof) repairs to the System necessitated by the Storm (collectively, the "Repairs") through the issuance by the Metropolitan Government of one or more series of tax-exempt revenue bonds, notes and/or other obligations (collectively, the "Obligations"), expected to aggregate not more than \$140,000,000 in principal amount, and (ii) to allocate a portion of the proceeds from the sale of the Obligations to reimburse the Board for certain of the costs related to the Repairs incurred by the Board prior to the issuance of the Obligations.

**SECTION 2.** That the Board hereby determines and finds that it is in the best interest of the System for the Metropolitan Government to adopt the Proposed Resolution to thereby further declare the intention of the Metropolitan Government to allocate a portion of the proceeds of the Obligations to reimburse the Board for expenditures for the Repairs incurred after the date that is no more than sixty (60) days before the date of the adoption of the Proposed Resolution, but prior to the issuance of the Obligations.

**SECTION 3.** That the Board hereby determines and finds that it is in the best interest of the System for the Metropolitan Government to adopt the Proposed Resolution pursuant to, and to constitute to the Metropolitan Government's "official intent" within the meaning of, § 1.150-2(d) and § 1.150-2(e) of the aforesaid regulations promulgated under the Code.

**SECTION 4.** That this Resolution shall take effect immediately upon its adoption, the public welfare requiring it.

[signatures on following page]

Adopted this 25th day of February, 2026.

ELECTRIC POWER BOARD OF THE  
METROPOLITAN GOVERNMENT OF  
NASHVILLE AND DAVIDSON COUNTY

Attest:

By: \_\_\_\_\_  
Chair

By: \_\_\_\_\_  
Secretary

By: \_\_\_\_\_  
President and Chief Executive Officer

Approved as to Form and Legality:

By: \_\_\_\_\_  
General Counsel

## **RECOMMENDATION FOR APPROVAL OF UTILITY BILL ASSISTANCE FUNDS**

Through a variety of funding and matching opportunities, NES and TVA donated approximately \$14.0 million between fiscal years 2020 and 2026 to NeedLink Nashville to assist customers in need of bill assistance. During the same period, customers have donated more than \$1.0M to NeedLink through Project Help, NES's opt-in bill assistance program.

NeedLink is a social services agency that is uniquely qualified to screen a high volume of applicants for their participation qualifications, make and accept referrals, coordinate with other social agencies, and ensure compliance with the program standards. NeedLink has a long history with NES of administering the Project Help program as well as administering other bill assistance opportunities such as Community Care, the Pandemic Relief / Recovery Credit, and the December 2020 Bombing Victims Fund.

While bill assistance funding has been at elevated levels in recent years, so has the need. Customers have been impacted by the recent extreme weather patterns, including Winter Storm Fern. Funds already donated to NeedLink for Utility Bill Assistance are almost fully depleted.

Due to elevated community needs, management recommends donating \$1 million to NeedLink Nashville through the Utility Bill Assistance contract to aid elderly, disabled, and low-income customers with electric utility bill assistance. In addition, management requests increasing the Utility Bill Assistance contract amount to a new not-to-exceed amount of \$4.5 million. The \$1 million is to come from non-electric revenues.

**Recommendation of Purchases and Contracts  
at the Meeting on Wednesday February 25, 2026**

**Management recommends Board approval  
of the following purchases and contracts:**

<b>Total Materials and Supplies Purchases</b>	<b>\$2,122,805.00</b>
<b>Total Contracts and Services</b>	<b>\$21,800,000.00</b>
<b>Total Additions, Extensions, and Changes</b>	<b>\$55,121,500.00</b>
<b>Total Emergency Purchases</b>	<b>\$31,400,000.00</b>
<b>Total Ratified Purchases and Contracts</b>	<b>\$5,174,957.52</b>
<b>TOTAL</b>	<b>\$115,619,262.52</b>
<b>Total Sales</b>	<b>\$1,009,757.89</b>
<b>Total Line Items</b>	<b>\$8,300,000.00</b>

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

**MATERIALS AND SUPPLIES PURCHASES**

<u>Item Description</u>	<u>Vendor</u>	<u>Amount</u>	<u>Type Contract</u>	<u>Bids Received/Sent</u>
Cable, Copper, 25KV EPR 500 KMIL W/CN 1/C (15,000 ft.)	Border States Industries	\$401,250.00	Competitive	4/10
Network Transformers, Subway-Type, 750 KVA, 3P (9)	Pioneer Transformers	921,555.00	Competitive	2/6
<b>Non-Warranty Repair Parts and Service for Trucks</b>	<b>Cummins Crosspoint</b>	400,000.00	<b>Sole Source (5 Years)</b>	N/A
<b>Non-Warranty Repair Parts and Service for Trucks</b>	<b>Murphy-Hoffman Company</b>	400,000.00	<b>Sole Source (5 Years)</b>	N/A
<b>TOTAL</b>		<b>\$2,122,805.00</b>		

**CONTRACTS AND SERVICES**

<u>Item Description</u>	<u>Vendor</u>	<u>Amount</u>	<u>Type Contract</u>	<u>Bids Received/Sent</u>
APPA Transmission & Distribution Storm Recovery Work	Alcoa Electric Athens Utilities Board Austin Energy Brownsville Energy Auth. CEMC Chattanooga EPB Clarksville, TN (CDE) Cleveland Utilities Board Cookeville Electric Dept. Glasgow Electric Plant Bd. Hartselle, AL Huntsville, AL Johnson City Energy Auth. Knoxville Utility Board Lewisburg Loudon Memphis Middle TN Electric Milan, TN Owensboro Municipal Util. Paducah Power System Pulaski Electric System Scottsboro EPB Sparta Electric System Springfield Tulahoma Weakly Couty MES	\$20,000,000.00	Mutual Aid Contract (3 Months)	N/A

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

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Cellular Telephone Service	Cellco dba Verizon Wireless	1,500,000.00	TN State Contract (3 Years)	N/A
Ready Mix Cement and Concrete- Mixed on Site	Mid-State Mobile Concrete	300,000.00	Competitive (5 Years)	2/12
<b>TOTAL</b>		<b>\$21,800,000.00</b>		

**ADDITIONS, EXTENSIONS, AND CHANGES**

<u>Item Description</u>	<u>Contractor</u>	<u>Additional Amount</u>	<u>Change Requested</u>
Emergency Storm Restoration Services	ABC Professional Tree Service, Inc.	\$3,000,000.00	Addition (New NTE \$8,000,000.00)
NESPower.com and Bid Center Website Hosting, Support, and Services	Svanaco, Inc.	N/A	Extension (3 Months)
Performance and Professional Development Training	Peak Learning, Inc.	21,500.00	Addition (New NTE \$318,500.00) Extension (1 Year)
Transmission & Distribution Construction and Emergency Services	Davis H. Elliot Construction	30,000,000.00	Addition (New NTE \$48,000,000.00)
Transmission & Distribution Construction and Emergency Services	MasTec North America	15,000,000.00	Addition (New NTE \$33,000,000.00)
Transmission and Distribution Storm Recovery	GMB Powerline Services, LLC	3,000,000.00	Addition (New NTE \$8,000,000.00)
Transmission and Distribution Storm Recovery	Quanta Infrastructure Solutions Group	2,000,000.00	Addition (New NTE \$7,000,000.00)
Transmission and Distribution Storm Recovery	Service Electric Company	2,100,000.00	Addition (New NTE \$7,100,000.00)
<b>TOTAL</b>		<b>\$55,121,500.00</b>	

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

**EMERGENCY PURCHASES**

<b><u>Item Description</u></b>	<b><u>Vendor</u></b>	<b><u>Amount</u></b>	<b><u>Type Contract</u></b>	<b><u>Bids Received/Sent</u></b>
Communications Consulting Services Related to Winter Storm Fern	Milepost Consulting, Inc.	\$500,000.00	Emergency Contract (3 Months)	N/A
Consulting Services in Connection with Emergency Response, Recovery, and Reimbursement Efforts Related to Winter Storm Fern	Accenture Infrastructure and Capital Projects, LLC	500,000.00	Emergency Contract (6 Months)	N/A
Electrical Services and Repairs – Storm Recovery	Stansell Electric Co., Inc.	500,000.00	Metro Contract (3 Months)	N/A
Emergency Storm Restoration Services	ABC Professional Tree Services, Inc.	5,000,000.00	Emergency Contract (3 Months)	N/A
Emergency Storm Restoration Services	Bird Electric Enterprises	500,000.00	Emergency Contract (3 Months)	N/A
Storm Recovery Advisory Services	Stowe Utility Group, LLC	500,000.00	Emergency Contract (1 Year)	N/A
Transmission and Distribution Storm Recovery	Delta Services	800,000.00	Emergency Contract (3 Months)	N/A
Transmission and Distribution Storm Recovery	GMB Powerline Services, LLC	5,000,000.00	Emergency Contract (3 Months)	N/A
Transmission and Distribution Storm Recovery	Lewis Tree Service	4,000,000.00	EPB Chattanooga (1 Year)	N/A
Transmission and Distribution Storm Recovery	PowerPros Powerline Solutions	3,000,000.00	Emergency Contract (3 Months)	N/A
Transmission and Distribution Storm Recovery	Quanta Infrastructure Solutions Group	5,000,000.00	Emergency Contract (3 Months)	N/A
Transmission and Distribution Storm Recovery	Service Electric Company	5,000,000.00	Emergency Contract (3 Months)	N/A
Transmission and Distribution Storm Recovery	Upper Cumberland Utility Solutions	550,000.00	Emergency Contract (3 Months)	N/A

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

February 25, 2026  
Transmission and  
Distribution Storm Recovery

Valley Power Services Corp.

550,000.00

Emergency  
Contract  
(3 Months)

N/A

**TOTAL**

**\$31,400,000.00**

**RATIFIED PURCHASES AND CONTRACTS**

<u>Item Description</u>	<u>Vendor</u>	<u>Amount</u>	<u>Type Contract</u>	<u>Bids Received/Sent</u>
Automatic Tension Sleeve (14,500)	Gresco	\$121,220.00	Competitive	2/5
Automatic Tension Sleeve (9,000)	Wesco Distribution	75,150.00	Competitive	2/5
Automatic Tension Sleeve (10,000)	Wesco Distribution	83,500.00	Competitive	1/6
Automatic Tension Sleeve (3,000); Splice, Automatic, #6 Solid (4,600); Splice, Automatic, #4 Solid (4,800); Splice, Steel Strand, 5/16", Automatic (550); Splice, Automatic, For 3/8" Steel Strand and 16MCM Copperweld (425)	Stuart C. Irby	107,027.50	Competitive	4/4
Bolt, Double Arming, 5/8x14 (8,000)	Wesco Distribution	50,240.00	Competitive	4/5
Bull Wheel Tensioner, 11K, Single Axle, New (1)	Sherman Reilly, Inc.	84,929.00	Competitive	6/13
Bull Wheel Tensioner, 15K Tandem Axle, New (1)	Sherman Reilly, Inc.	134,551.00	Competitive	3/12
Cable, ACSR Bare 2 6/1 Reel/Sparrow (582,000 ft.)	Cape Electric	174,018.00	Competitive (1 Year) <b>Blanket</b>	4/8
Cable, Copper, 4/0 SD INS Trans Lead (3,000 ft.); Cable, Copper, 600V XLP 6 1/C Black (29,000 ft.); Cable, Copper, 600V XLP #6 1/C Green (9,000 ft.)	Stuart C. Irby	58,640.00	Competitive	9/29
Conductor, 1 ft. #1/0 AL Triplex (50,000 ft.)	Wesco Distribution	79,500.00	Competitive	N/A
Conductor, 1 ft. #2 AL Triplex (147,000 ft.)	Stuart C. Irby	176,400.00	Competitive	4/5
<b>Connector Straight Receptacle BUS I CU 25KV</b>	<b>Wesco Distribution</b>	110,060.60	Competitive <b>Sole Brand</b>	2/5

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

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**(85); Cable Shield Grounding Kit (330)**

Connector, U-B 6 2/0 AL/CU-6 2/0 AL/CU (6,000)	Wesco Distribution	146,460.00	Competitive	4/17
Construction Lumber, as needed	Elder Building Supply	200,000.00	Competitive (2 Years)	1/10
Crossarm Brace, Wood (5,000)	Wesco Distribution	188,900.00	Competitive	2/5
Crossarm, Wood, 4x5x10 (1,054)	Cape Electric	115,360.30	Competitive	4/8
Crossarm Brace, Wood, 69KV (1,440)	Wesco Distribution	54,403.20	Competitive	5/19
Crossarm Pin, Steel, 1 W/3/4 x 6 1/2 Shank (4,000)	Cape Electric	55,874.04	Competitive	4/5
Crossarm, Wood, 3-1/2x4-1/2x8 (1,250)	Wesco Distribution	122,437.50	Competitive	N/A
Cutout, 100 Amp 14.4/24.9KV (500)	Wesco Distribution	56,420.00	Phone Quote	N/A
<b>Cutout, 200 Amp, 14.4/24.9KV Load Break (200)</b>	<b>Border States Industries</b>	59,686.00	<b>Competitive Sole Brand</b>	1/15
Engineering Design Services	Barge Design Solutions	135,100.00	Metro Contract (3 Years)	N/A
Executive Coaching	Donna Yurdin Consulting	17,000.00	Addition (New NTE \$59,000.00)	N/A
Executive Coaching	ECS Group. Inc.	17,000.00	Addition (New NTE \$59,000.00)	N/A
Executive Coaching	Janet J Walls dba Delta Blvd	17,000.00	Addition (New NTE \$59,000.00)	N/A
<b>Factory Authorized Warranty Repairs, Service, and Parts for Huskie Brand Battery Operated Tools</b>	<b>Huskie Tools</b>	100,000.00	<b>Sole Source (5 Years)</b>	N/A
Jumper Ground 4/0 C Clamp (100); Jumper Ground 4/0 Duck Bill (60); 2/0 Ground Set Duck Bill (210); Jumper Ground 2/0 C-Clamp (300); 1.25" Aluminum Duck Bill Clamp (150); Grounding Ferrule 2/0 Copper (600)	Safety Test Equipment	197,318.26	Competitive	1/3
Line Guard, 30 KV, Class 3; Rubber Gloves, 30 KV, 16"	Safety Test Equipment Co.	85,102.28	Competitive	1/2

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

February 25, 2026				
Loadbreak Elbow Connector, LB 1 AL/CU 25KV (1,920)	Border States Industries	87,264.00	Competitive (1Year) <b>Blanket</b>	4/8
Machine Bolt, 5/8"x14" (3,600); Connector, #6-#1/0 Copper or #6-1/0 ACSR (4,000)	Stuart C. Irby	61,244.00	Competitive	4/5
Mini Skid Steer, New (4)	Parman Tractor & Equipment	174,000.00	Competitive	4/10
<b>Non-Warranty Repair Parts and Service for Aerial Devices and Mounted Equipment</b>	<b>Hiab, Inc.</b>	80,000.00	<b>Sole Source (5 Years)</b>	N/A
<b>Non-Warranty Repair Parts and Services for Construction Equipment</b>	<b>Tennant Sales Service</b>	80,000.00	<b>Sole Source (5 Years)</b>	N/A
<b>Non-Warranty Repair Parts and Services for Construction Equipment</b>	<b>Vermeer Heartland</b>	140,000.00	<b>Sole Source (5 Years)</b>	N/A
Pickup Truck, 16.5K, Enclosed Service Body, New (1)	Utility Equipment Service	122,031.00	Competitive	1/9
Pickup Truck, 16.5K, Flat Bed, New (2)	Utility Equipment Service	189,382.00	Competitive	2/9
Pin Top, Polymer Insulator, 25kV (6,000)	Wesco Distribution	64,800.00	Competitive	N/A
Pole Trailer, 40K, Tandem Axle, New (1)	Utility Equipment Service	50,853.00	Competitive	2/18
Pole, Wood, C1, 50' (190)	Cox Industries	122,550.00	Competitive	7/10
Pole, Wood, C1, 50 ft. (200)	Trans Canada Forest Products	98,106.00	Competitive	11/10
Pole, Wood, C2, 45 ft. (200)	Thomasson Company	85,900.00	Competitive	8/9
Pole, Wood, C2, 50 ft. (113)	Thomasson Company	60,455.00	Competitive	5/8
Pole, Wood, Treated, C2, 45 ft. (200)	Cox Industries	113,959.00	Competitive	2/2
<b>Remote System Upgrade for MX-90xi and MV-Web Systems</b>	<b>Itron, Inc.</b>	50,395.28	<b>Sole Source (3 Months)</b>	N/A
Repair Parts for Hydraulic Powered Equipment	IR-G	75,000.00	Competitive	7/8
Splice, Automatic #4 Solid or #6 Stranded (15,000)	Wesco Distribution	78,150.00	Competitive	2/5
Splice, Automatic #6 (15,000)	Gresco	75,000.00	Competitive	2/5
Strain Clamp, Aluminum, 6-6/1 Strand #2/0-6/1 Strand ACSR (6,000)	Wesco Distribution	125,280.00	Competitive	4/5

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

February 25, 2026				
Strategic Consulting and Government Services	Stones River Group	120,000.00	Professional Service (4 Months)	N/A
Surge Arrester, Heavy Duty, Distribution Class, 12KV, Gray (2,304)	Wesco Distribution	105,730.56	Competitive (1 year) <b>Blanket</b>	4/8
Suspension Insulator, 35KV Polymer (2,160)	MVA Power	61,560.00	Competitive	4/14
Vehicle Washing, Automated, Full Service	WBAW, LLC	60,000.00	Competitive (3 Years)	1/3
Wrecker Service	STR Towing and Recovery	70,000.00	Competitive (2 Year)	3/4
<b>TOTAL</b>		<b>\$5,174,957.52</b>		

### SALES

<u>Item Description</u>	<u>Vendor</u>	<u>Amount</u>	<u>Type Sale</u>	<u>Bids Received/Sent</u>
Scrap Wire	Thornton Iron & Metal	\$1,009,757.89	Competitive	1/6
<b>TOTAL</b>		<b>\$1,009,757.89</b>		

### LINE ITEMS

<u>Item Description</u>	<u>Vendor</u>	<u>Amount</u>	<u>Type Contract</u>	<u>Bids Received/Sent</u>
LiDAR Collection for NES Electrical Grid	Darius	\$3,000,000.00	Professional Service (1 Year)	N/A
LiDAR Collection for NES Electrical Grid	Intelfuse	2,300,000.00	Professional Service (1 Year)	N/A
PMO Activation & Execution Management	The Select Group US, LLC	2,000,000.00	Professional Service (1 Year)	N/A
Utility Bill Assistance	Needlink Nashville	1,000,000.00	Addition (New NTE \$4,500,000.00)	N/A
<b>TOTAL</b>		<b>\$8,300,000.00</b>		

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

Referenced Items Included in Board Materials (Information Only – No Presentations)

**NASHVILLE ELECTRIC SERVICE  
MONTHLY FINANCIAL OVERVIEW  
YEAR TO DATE AS OF JANUARY 31, 2026**

**FINANCIAL RESULTS**

<u>(millions)</u>	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Variance</u>	<u>%</u>
Operating Revenues	\$ 954.8	\$ 914.7	\$ 40.1	4.4%
Purchased Power	(671.0)	(650.6)	(20.4)	3.1%
<b>Sales Margin</b>	<b>\$ 283.8</b>	<b>\$ 264.1</b>	<b>\$ 19.7</b>	<b>7.5%</b>
Operating Expenses	(152.5)	(169.8)	17.3	-10.2%
Other Revenues	16.9	15.9	1.0	6.3%
Depreciation	(62.4)	(67.9)	5.5	-8.1%
Taxes	(26.7)	(25.9)	(0.8)	3.1%
Interest Income	14.1	14.0	0.1	0.7%
Other Non-Operating Income	1.0	1.1	(0.1)	-9.1%
Interest/Other Expense	(12.1)	(12.3)	0.2	-1.6%
<b>Change in Net Position</b>	<b>\$ 62.1</b>	<b>\$ 19.2</b>	<b>\$ 42.9</b>	<b>223.4%</b>

**Highlights**

Margin - due to timing of revenue and related billing, impacts of winter storm Fern will be reflected in February financial statements. Activity captured in January favorable primarily due to favorable weather patterns/temperatures.

Operating Expenses - due to timing of winter storm Fern in late January, expenses will be reflected in future financial statements. January favorability primarily due to OPEB, outside services, labor, contract tree & grass and IT shared services, offset by unfavorable uncollectible accounts, medical, retirement & survivors, transportation & work order transfers

Other Revenues - favorable late fees and pole attachments, offset by lower turn on fees

Depreciation - timing of asset capitalization

Taxes - unfavorable due to higher equalization factor impact than anticipated

Interest Income - investable balances greater than planned

Interest/Other Expense - greater AFUDC than projected

**FINANCIAL GOALS**

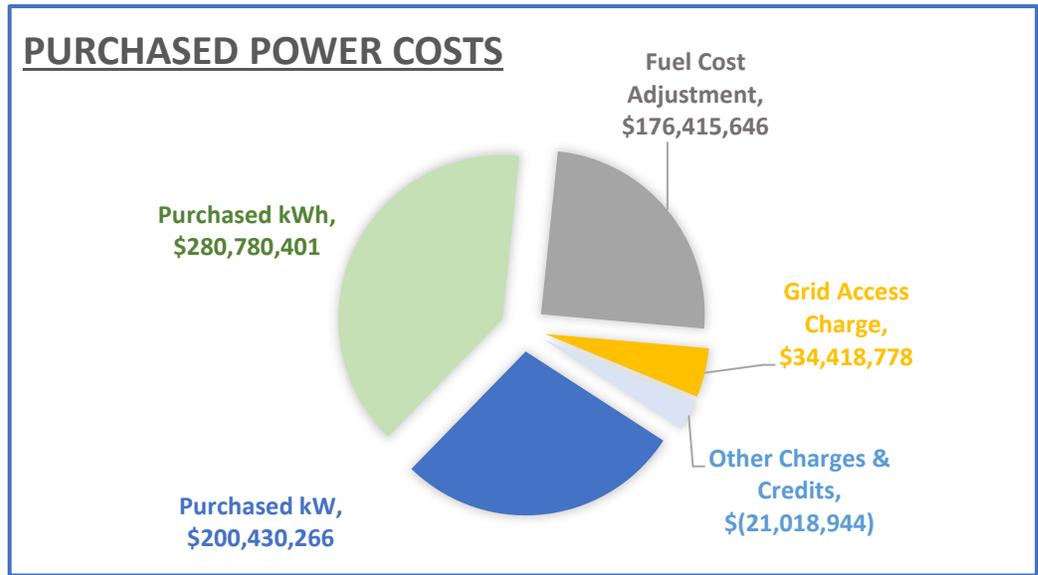
<u>GOAL</u>	<u>TARGET</u>	<u>ACTUAL</u>
Debt Service Coverage	2.0	3.6
Days Cash on Hand*	90	130

\*Due to timing of transactions, days cash on hand does not reflect cash impact of winter storm Fern.

**NASHVILLE ELECTRIC SERVICE  
MONTHLY FINANCIAL OVERVIEW  
YEAR TO DATE AS OF JANUARY 31, 2026**

**WHOLESALE UNITS AND CHARGES**

Purchased kW	16,663,381	\$	200,430,266	29.9%
Purchased kWh	7,750,064,271	\$	280,780,401	41.8%
Fuel Cost Adjustment		\$	176,415,646	26.3%
Grid Access Charge		\$	34,418,778	5.1%
Other Charges & Credits		\$	(21,018,944)	-3.1%
<b>Total Purchased Power Costs</b>		<b>\$</b>	<b>671,026,147</b>	



**Units & Charges: Retail Sales vs. Wholesale Purchased**

Description	Retail	Wholesale
kWh	7,510,220,406	7,750,064,271
KW	10,674,113	16,663,381
Sales / Purchases	\$ 954,764,025	\$ 671,026,147
FCA	\$ 177,191,649	\$ 176,415,646
Degree Days	3,191	3,462
Temperature at Peak	Various	Various

**NASHVILLE ELECTRIC SERVICE  
MONTHLY FINANCIAL OVERVIEW  
YEAR TO DATE AS OF JANUARY 31, 2026**

**SALES VOLUME & CUSTOMER STATS**

<b>SALES VOLUME - MWH</b>				
<b>Sales Volume</b>	<b>YTD Actual</b>	<b>YTD Budget</b>	<b>Variance</b>	<b>%</b>
Residential	3,254,419	3,036,974	217,445	7.2%
Small Commercial	510,141	496,988	13,153	2.6%
Large Commercial	3,684,348	3,581,167	103,181	2.9%
Street & Highway Lighting	61,312	64,862	(3,550)	-5.5%
<b>Total MWH Sales</b>	<b>7,510,220</b>	<b>7,179,991</b>	<b>330,229</b>	<b>4.6%</b>

<b>NUMBER OF CUSTOMERS</b>	
Residential	421,190
Small Commercial	36,745
Large Commercial	7,087
Large Commercial BCD	44
Street & Highway Lighting	197
<b>Total Number of Customers</b>	<b>465,263</b>

**CAPITAL BUDGET RESULTS**

<b>(millions)</b>	<b>FY26 Budget</b>	<b>YTD Actuals</b>	<b>FY26 Balance</b>	<b>YTD % Budget</b>
New Business	20,031	7,165	12,866	36%
System Construction - Capacity	22,641	9,463	13,178	42%
System Construction - Reliability	1,641	615	1,026	37%
System Construction - Asset Mgmt	31,074	15,806	15,268	51%
Unplanned Replacements	20,137	10,684	9,453	53%
Relocations	6,613	2,374	4,239	36%
Lighting Systems	20,651	9,601	11,050	46%
Meters	6,447	2,090	4,357	32%
Transformers	41,100	27,593	13,507	67%
Equipment & Facilities	48,756	10,532	38,224	22%
<b>Total Capital Budget Results</b>	<b>219,091</b>	<b>95,923</b>	<b>123,168</b>	<b>44%</b>



**NASHVILLE ELECTRIC SERVICE  
QUARTERLY ASSET MANAGER'S REPORT  
DECEMBER 31, 2025**

**Pension Results for the Quarter**

The NES Plan had a gain of 2.64 percent for the quarter as compared to a gain of 2.74 percent for the dynamic index. A summary of the results for the funds follows (benchmark indexes are italicized):

FUND DESCRIPTION	BALANCE	QUARTER ENDED 12/31/2025	12-MONTHS ENDED 12/31/2025	SINCE INCEPTION 7/31/2001
<b>Large Cap</b>				
S&P 500 Index Fund	\$170,754,830	2.64%	17.82%	13.52%
<i>S&amp;P 500 Index</i>		<i>2.66%</i>	<i>17.88%</i>	<i>13.57%</i>
US Equity Factor Allocation Fund	74,252,479	3.53%	17.99%	19.31%
<i>Russell 3000</i>		<i>2.40%</i>	<i>17.15%</i>	<i>18.27%</i>
SEI Extended Market Index Fund	29,564,297	0.47%	12.58%	10.32%
<i>Russell Small Cap Completeness Index</i>		<i>0.43%</i>	<i>12.67%</i>	<i>10.25%</i>
<b>Small-Mid Cap</b>				
SEI Small-Mid Cap Fund	14,765,993	0.00%	4.06%	10.90%
<i>Russell 2500</i>		<i>2.22%</i>	<i>11.91%</i>	<i>11.93%</i>
<b>International</b>				
SEI World Equity Ex-US Fund	196,777,029	4.56%	29.63%	7.93%
<i>Net MSCI All Country World Ex-US</i>		<i>5.05%</i>	<i>32.39%</i>	<i>6.91%</i>
<b>Bonds / Cash</b>				
SEI Core Fixed Income Fund	127,004,093	1.07%	7.62%	4.23%
<i>Bloomberg US Aggregate Bond</i>		<i>1.10%</i>	<i>7.30%</i>	<i>3.62%</i>
Limited Duration Fund *	59,870,865	1.20%	5.94%	5.26%
<i>ICE B of A ML 1-3 Year Treasury</i>		<i>1.12%</i>	<i>5.09%</i>	<i>4.31%</i>
SEI High Yield Bond Fund	37,466,115	0.99%	8.21%	7.19%
<i>SEI US HY Historical Blend</i>		<i>1.35%</i>	<i>8.50%</i>	<i>6.41%</i>
SEI Emerging Markets Debt Fund	37,887,301	4.35%	20.78%	5.33%
<i>Emerging Markets Debt Index</i>		<i>3.32%</i>	<i>16.80%</i>	<i>4.41%</i>
Cash/Cash Equivalents	3,498,989			
<b>Composite</b>	<b>\$751,841,991</b>	<b>2.64</b>	<b>16.94%</b>	<b>6.77%</b>
Net Dynamic Index		2.74	17.72%	7.01%

\*Fund established May 2023

**Individual Fund Performance**

US Equity Factor Allocation overperformed its index by 1.13 percent, aided by the unwind of the AI trade and exposure to cyclical stocks benefiting from easing Fed and policy uncertainty. Quality lagged as investors rotated away from defensiveness once downside macro risks failed to materialize.

SEI Small-Mid Cap Fund underperformed its index by 2.22 percent. The Fund experienced a continuation of the challenging factor environment from the 2<sup>nd</sup> and 3<sup>rd</sup> quarters which led to fund underperformance. Quality remained out of favor, however, there were significant returns for Biotech and Pharma within the Healthcare sector, which is a nearly universal headwind to active management not just our particular investment approach. All sub advisors underperformed with the exception of LSV who were just ahead of the core benchmark. Axiom was the leading

detractor which was a slight surprise to the downside, but their larger cap, higher quality bias kept them out the micro cap, higher col names which succeeded over the quarter.

SEI Emerging Markets Debt Fund overperformed its index by 1.03 percent. The Fund gained on overweighting to duration (local interest-rate rallies in Turkey and South Africa) and outperforming hard-currency high-yield debt (Venezuela and Argentina). Additionally, an off-benchmark allocation to corporate credit (funded out of sovereign hard-currency exposure) delivered positive absolute returns.

### Asset Allocation

The Plan's asset allocation for the quarter's end consists of 38 percent domestic equity, 36 percent fixed income, 26 percent foreign equity, and less than one percent cash. The investment strategy goal is to have no more than one percent of the funds in cash.

Manager	Benchmark Index	Market Value (Millions)	Goal %	Actual %
S&P 500 Index Fund	<i>S&amp;P 500</i>	\$170.8	23.00%	22.70%
US Equity Factor Allocation Fund	<i>Russell 3000</i>	\$74.3	10.00%	9.90%
SEI Extended Market Fund	<i>Russell Small Cap</i>	\$29.6	4.00%	3.90%
SEI Small-Mid Cap Fund	<i>Russell 2500</i>	\$14.8	2.00%	2.00%
SEI World Equity Ex-US Fund	<i>MSCI All Country World Ex-US</i>	\$196.5	26.00%	26.10%
Core Fixed Income Funds	<i>Bloomberg Aggregate</i>	\$127.0	17.00%	16.90%
Limited Duration Fund	<i>ICE B of A ML 1-3 Year Treasury</i>	\$59.9	8.00%	8.00%
SEI High Yield Bond Fund	<i>SEI US HY Historical Blend</i>	\$37.5	5.00%	5.00%
SEI Emerging Markets Debt Fund	<i>Emerging Markets Debt Index</i>	\$37.9	5.00%	5.00%
Cash/Cash Equivalents		\$3.5	0.00%	0.50%
<b>Total</b>		<b>\$751.8</b>	<b>100.00%</b>	<b>100.00%</b>

### Dynamic Index

The Pension Plan, OPEB Plan, and the 401(a) Plan use a dynamic benchmark index representing a fund currently consisting of 23 percent S&P 500 Index, 10 percent Russell 3000 Index, 4 percent Russell Small Cap Completeness Index securities, 2 percent Russell 2500 Index, 26 percent MSCI All Country World Ex-US Index, 17 percent Bloomberg US Aggregate Bond Index, 8 percent ICE Bank of America ML 1-3 year Treasury Index, 5 percent Historical Blend High Yield Bond Index and 5 percent Emerging Markets Debt Index.

### OPEB (Other Post-Employment Benefits) Trust Results for the Quarter

The composite result for the OPEB trust had a gain of 2.63 percent as compared to the dynamic index which had a gain of 2.74 percent. The OPEB trust held \$311.9 million of assets as of December 31, 2025. The asset mix mirrors the Pension Plan allocation.

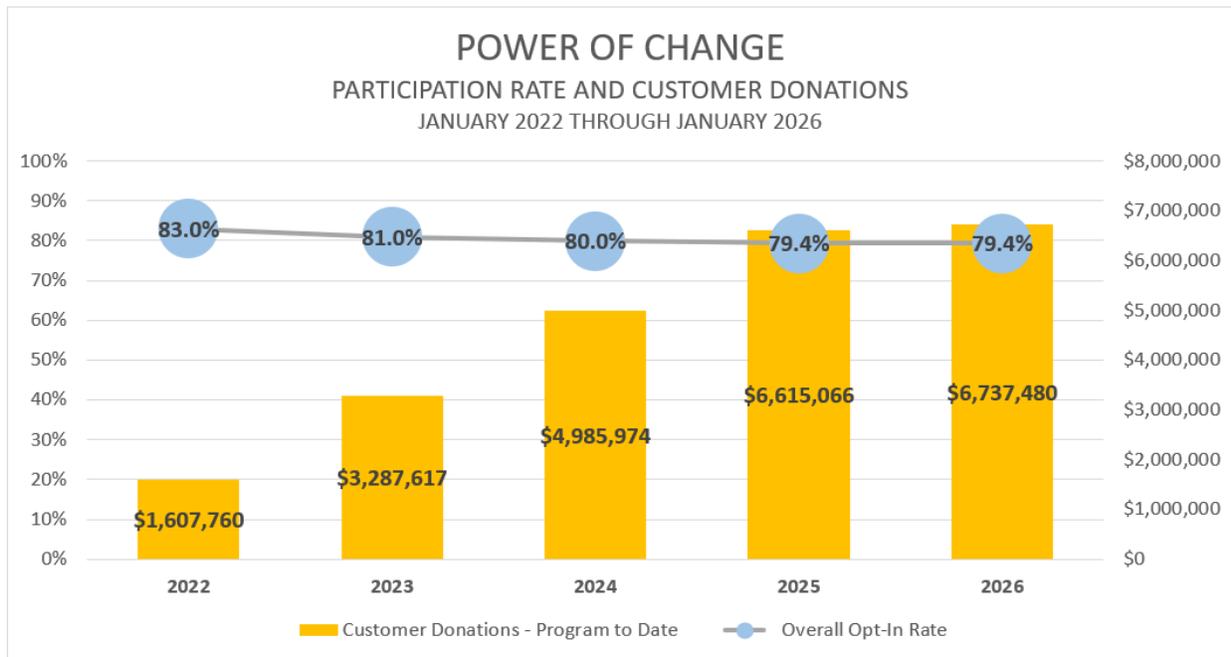
### 401(a) Defined Contribution Trust Results for the Quarter

The composite result for the 401(a) Trust had a gain of 2.95 percent as compared to the dynamic index which had a gain of 2.74 percent. The 401(a) Trust held \$60.0 million of assets as of December 31, 2025. The trust transitioned from a set fund allocation for all participants to a custom NES Target Date Fund Series in November 2025. The funds are now tailored based on age ranges and are designed to adjust investment risk as retirement approaches.

## QUARTERLY HOME UPLIFT – POWER OF CHANGE UPDATE

### Power of Change

Since program inception in January 2022, NES customers have donated over \$6.7 million to the Power of Change program. These donations are remitted monthly to Pathway Lending for inclusion in the Home Uplift program for weatherization and energy efficiency purposes. The customer participation rate of 79.4 percent continues to exceed the required 70 percent participation rate. The chart below shows cumulative customer donations and participation rates since program inception.



\* Data is through January 2026.

### Home Uplift

The Home Uplift program funds home energy efficiency upgrades and weatherization measures that reduce low-income customers' energy burdens and lowers energy carbon emissions while providing health benefits and improving quality of life. Current weatherization measures include HVAC and ductwork repair or replacement, insulation, air sealing, windows and doors, LED lightbulbs, and electric water heaters. Quality of life improvements include better air quality, humidity reduction in the home, reduction in thermal stress, and improved overall comfort. The weatherization and efficiency measures also enable participants to enjoy use of their homes more fully during summer and winter months.

Through January 2026, total funding for Home Uplift approximates \$22.1 million, of which \$20.3 million has been expended to install weatherization and energy efficiency measures. Administrative costs, such as CLEAResult program administration and Pathway Lending disbursement accounting and audit procedures, are covered by TVA outside of Home Uplift funding. Through January, 2,072 homes have received Home Uplift weatherization and energy efficiency measures.

The average spend per home, energy saving, and carbon impact statistics are as follows:

Completed Home Statistics		
	Single Home Stats	Program to Date
Average amount spent per completed home or total spend	\$10,006	\$20,297,885
TVA calculated average energy (kWh) savings (annual)*	3,781	27,608,743

\* Determined by DNV (TVA's independent third-party data provider), energy saving calculations are based on industry best practices and measurement type installed.

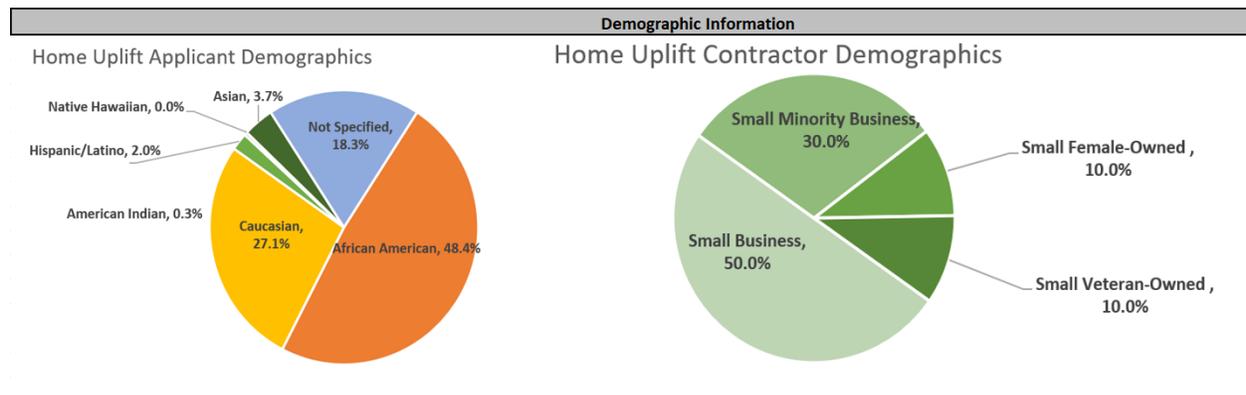
### Applications and Demographics

NES employees engage with customers at community events providing Home Uplift program information and assisting with any questions and documentation requirements. Additionally, NES Corporate Communications and CLEAResult offer application assistance sessions monthly at NES.

Due to the numerous program events and marketing efforts, the Home Uplift program has a wait list of 203 approved participants and CLEAResult is working with over 300 customers on applications that are in the review queue. New applications are primarily received through the online portal and NES and CLEAResult are actively working with participants on missing or incomplete documentation.

Application Statistics	
Received ( <i>not reviewed</i> )	1
Incomplete ( <i>lacks required documentation or information</i> )	300
Waitlist ( <i>approved, but not started</i> )	203
In Progress ( <i>started, but not completed</i> )	16
Completed ( <i>total since inception</i> )	2,072

Both applicant and contractor demographics (requested from applicants and contractors, but not required) are tracked by CLEAResult and are shown in the charts below.



## Conclusion

We will continue working with TVA, CLEAResult, and others to ensure the NES Board is periodically updated on the status of the Home Uplift and Power of Change programs as well as any material changes.

**OPERATIONS REPORT**  
**Second Quarter**  
**Fiscal 2026 Summary**

Description	Fiscal Year 2026 Goal	Results as of 12/31/2025*
<b>(Goals Met are in Bold)</b>		
<b>SAFETY</b>		
Recordable Injuries per 200,000 man-hours worked	No more than 3.8	<b>2.5</b>
At-Fault Vehicle Accidents per one million miles driven	No more than 4.3	<b>1.8</b>
NES Safety Index	No more than 90.0	<b>48.4</b>
<b>RELIABILITY TARGETS</b>		
System Average Interruption Duration Index - SAIDI	Range of IEEE 2 <sup>nd</sup> quartile is 95 to 137 minutes	<b>83.05</b>
Customer Average Interruption Duration Index - CAIDI	Range of IEEE 1 <sup>st</sup> quartile is less than 108 minutes	<b>86.82</b>
System Average Interruption Frequency Index - SAIFI	Range of NES standard of 0 to 1.65 events	<b>0.96</b>
Average System Availability Index - ASAI	Range of IEEE 2 <sup>nd</sup> quartile is 99.9739% to 99.9819%	<b>99.9842%</b>
<b>CUSTOMER SERVICE</b>		
Percentage of Calls Answered (Combined)	Not less than 90 percent	<b>98.66%</b>
Percentage of Calls Answered (Rep Only)	Not less than 80 percent	<b>96%</b>
Average Speed of Answer (Combined)	120 seconds or less	<b>17.33</b>
Average Speed of Answer (Rep Only)	210 seconds or less	<b>49</b>
Grade of Service (Combined)	Not less than 75 percent	<b>93.33%</b>
Grade of Service (Rep Only)	Not less than 50 percent	<b>82.33%</b>
<b>FINANCIAL**</b>		
Operations & Maintenance Expense per customer	Less than \$618.48 per customer	<b>\$575.34</b>
Distribution Expense per customer	Less than \$267.05 per customer	<b>\$256.31</b>
Customer Service Expense per customer	Less than \$93.57 per customer	<b>\$87.69</b>
Administrative & General Expense per customer	Less than \$257.86 per customer	<b>\$231.33</b>
Capital Expenditures	\$219.1 million	<b>\$79.9 million</b>
Days in Receivables	25 days or less	<b>24.16 days</b>

\*All amounts based on rolling twelve months unless otherwise noted

\*\* Excludes non-cash retirement cost impacts

## MANAGEMENT’S DISCUSSION & ANALYSIS OF THE 2<sup>nd</sup> QUARTER OPERATIONS

### **SAFETY**

All three Safety Goals for the first quarter were met. Recordable injuries and at-fault vehicle crashes for the 2nd Quarter 2026 continue to support an overall downward trend.

The final DART (Days Away, Restricted or Transferred) rate for 2025 is 1.2 (down from the 2.2 for 2024 & 3.5 for 2023).

The final TRC (Total Recovery Case Frequency) rate for 2025 is 2.5 (down from the 3.7 2024 & 2023 rate).

### **RELIABILITY**

NES met all four of the reliability goals for the quarter, with our SAIDI, CAIDI and AISI in first quartile. NES customers experienced a 2% decrease in total minutes out in the last 12 months compared to the previous 12 months. We also saw a 3% improvement in sustained outages in the last 12 months compared to the previous 12 months.

Our vegetation management vendor (ABC Professional Tree Services, Inc) ramped up resources and currently has 39 crews on the system and are averaging 25 miles completed per week. For the first two quarters, we trimmed 587 miles, which is about 98% of target. As a result, we have continued to realize positive improvements to our reliability indices.

The following table provides the relevant statistics for the twelve-month rolling average.

<b>Description</b>	<b>Last Twelve Months</b>	<b>Previous Twelve Months</b>
Number of Active Meters	461,654	452,413
Total Customers Interrupted	1,360,166	2,480,233
Total Customer-Minutes Out	38,094,853	38,698,364
Customer’s Interrupted (Momentary)	921,383	2,027,980
Customer’s Interrupted (Sustained)	438,783	452,253

### **CUSTOMER RELATIONS**

During the October–December reporting period, Customer Relations successfully handled 453,369 customer calls, demonstrating sustained operational capacity during a high-volume quarter. All six quarterly performance goals were achieved, reflecting strong execution, workforce alignment, and service consistency.

To ensure stable service delivery, Customer Relations continued its strategic use of contract advisors and overflow call centers. This approach allowed the organization to effectively mitigate staffing gaps related to shrinkage and respond quickly to periods of elevated call demand. During Fiscal Year 2026, Quarter 2, operations were supported by 20 active contract advisors, in addition to two overflow call centers, strengthening resiliency and maintaining service level expectations.

## **Advisor Achievements and Recognition**

- Advisor of the Month honors were awarded to one advisor in October and November, with a different advisor recognized in December, highlighting consistent high performance across the team.
- A contract advisor earned Contract Advisor of the Month recognition for November and December, the same advisor achieved this success seven times in 2025 reflecting sustained excellence.
- Eight advisors achieved Pacesetters Club status.
- Seventeen advisors earned placement in the 100 Percenters Club, demonstrating exceptional adherence to quality monitoring goals.
- In recognition of National Customer Service Week on October 9, 2025, Customer Relations celebrated Advisor of the Year, Contract Advisor of the Year, and Supervisor of the Year, reinforcing a culture of recognition and service excellence.
- On October 22, the Customer Relations Manager and a Call Center Supervisor represented the department at the Fall Big 8 Meeting hosted by Middle Tennessee Electric in Murfreesboro, Tennessee, supporting collaboration and industry engagement.

## **Additional Highlights**

- In October, representatives from Chattanooga Power Board met with the Center of Excellence (CoE) team and Customer Relations Manager to discuss Oracle's Customer-to-Meter (C2M) platform, which is under consideration as a replacement for their current Customer Information System (CIS). This engagement supports cross-organizational collaboration and shared best practices in customer systems modernization.

## **CORPORATE COMMUNICATIONS**

- NES Employees attended 34 community events, providing resources and information to various organizations.
- Completed 81 Corporate Communications Requests from NES employees.
- 7 employee newsletters sent, covering need-to-know information from NES and industry-wide.
- Conducted media training for Tony Richman, Rashed Fakruddhin and Kevin Phelps (NES communications and operations personnel)
- 55 touchpoints with media regarding copper thefts, outages, storm preparedness, underground tunnel project, NES helping SNAP recipients, international fraud awareness, energy saving tips, Nashville Christmas tree lighting, right tree right place, meteorologist control room tour, Nashville streetlight project and NES EOY statistics.
- Promoted NES "Life on the Lines" videos that spotlighted lineworker experience first-hand across all social media platforms.
  - On Facebook, these videos received a total of 139,000 views and 280 interactions.
- Posted 217 social media posts across Facebook and X focused on Project Help, HomeUplift, bill assistance, electrical safety, weather preparedness and severe weather, vegetation management, customer service and public power, reliability and infrastructure, community involvement, clean energy and sustainability, safety and scam awareness, workforce and service commitment, and energy efficiency and savings.
- Gained 511 new followers on Facebook, X and Instagram and yielded a 30% increase in reach on Facebook.
- Received 2.5 million views from Facebook content with a 102% increase from last quarter.

- Managed Instagram account, created 94 posts and yielded a 62% in content reach, between October 1 and December 31.
- Deployed 2 customer emails to an average of 291,948 NES customers with an average open rate of 9% (52,005 total opens).
- Deployed 1 email to Key Accounts (195 recipients) with an open rate of 27.1% (51 opens).
- Deployed 1 email to Small & Medium Businesses (9,914 recipients) with an open rate of 31.2% (3,037 opens).
- Published 25 stories on [www.nespowernews.com](http://www.nespowernews.com) leading to 7,621 site visitors and 10,210 page views.

## **FINANCIAL**

Financial goals are established based on the annual budget approved by the Board in May of each year. The Operation and Maintenance Expense and the Administrative and General Expense goal and actual expense calculations both exclude non-cash retirement costs in their calculations.

We met all six of our financial goals for the annual reporting period.

		<u>December</u>	<u>December</u>		
		<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Over (Under)</u>	<u>Explanations</u>
	<b>Total Operating Expenses</b>	<b>129,168,000</b>	<b>143,537,000</b>	<b>(14,369,000)</b>	
	Labor	47,577,000	51,112,000	(3,535,000)	Under budget primarily due to fewer employees than planned and favorable storm overtime, offset by more regular overtime than anticipated.
3	Temporary Agency Services	569,000	750,000	(181,000)	Temporary agency services lower than planned.
9	Transportation	3,021,000	2,884,000	137,000	Transportation costs greater than projected.
12	Travel	164,000	299,000	(135,000)	Under budget due to travel timing.
14	Education & Training	600,000	715,000	(115,000)	Under budget due to timing of training.
16	Outside Services	11,933,000	16,410,000	(4,477,000)	Under budget due to timing of services.
17	Tools & Equipment	199,000	308,000	(109,000)	Less tool replacements than planned.
20	Materials & Supplies	2,389,000	2,272,000	117,000	Material usage greater than projected.
21	Software/Hardware Maintenance	401,000	563,000	(162,000)	Lower software maintenance than estimated.
23	Professional Fees	1,078,000	1,428,000	(350,000)	Professional fees for legal & financial services less than planned.
24	Security/Police	1,106,000	1,279,000	(173,000)	Security guard services lower than budgeted.
25	Advertising	374,000	260,000	114,000	Greater marketing campaigns than anticipated.
29	Contract Tree & Grass	9,697,000	9,969,000	(272,000)	Under budget due to fewer miles trimmed than planned and favorable Distribution Reliability Improvement Program, offset by several large circuits cost higher than estimated.
34	Accrual for Uncollected Accounts	2,401,000	1,500,000	901,000	Analysis indicated a higher A/R reserve estimate over the initial plan.
38	Civic Involvement	1,376,000	946,000	430,000	Over budget due to contributions greater than anticipated for customers utility bill assistance program.
42	Medical*	6,667,000	5,537,000	1,130,000	Medical costs greater than anticipated, offset by overhead allocation lower than planned.
45	Retirement & Survivors*	19,798,000	20,311,000	(513,000)	Under budget primarily due to favorable market adjustment and actuarial values, offset by higher interest expense and overhead allocation lower than planned.
46	Other Post Employment Benefits*	(1,344,000)	3,768,000	(5,112,000)	Under budget due to favorable actuarial values and market adjustments, offset by overhead allocation lower than planned.
47	Service Connected Medical*	89,000	260,000	(171,000)	Under budget due to a reduction in reserve balance for unfilled claims based on current actuarial values.
100	GASB Entries	(97,000)	(514,000)	417,000	Fewer contracts qualifying to amortize SBITA than budgeted.
365	Information Technology*	14,903,000	17,283,000	(2,380,000)	Under budget due to timing of information technology costs.
366	Accounting Work Order Transfers	704,000	246,000	458,000	Greater transfers to O&M than anticipated.
	<b>TOTAL</b>	<b>123,605,000</b>	<b>137,586,000</b>	<b>(13,981,000)</b>	

\*Amounts are net of absorbed overhead.

## **IDENTITY THEFT PREVENTION POLICY UPDATE**

In October 2008, the Board adopted the Identity Theft Prevention Policy in compliance with Federal Trade Commission (FTC) regulations under the Fair and Accurate Credit Transactions (FACT) Act, commonly referred to as the “Red Flags” rule. The Act and NES policy require an annual update to the Board.

NES maintains an Identity Theft Prevention Committee comprised of representatives from Customer Relations, Energy Services Engineering, Facilities and Security, Information Technology, Human Resources, Accounting, and Legal. This committee ensures ongoing compliance with the Act. NES has a formal identity verification process in place, and all employees are required to complete annual Red Flags training, which is coordinated with annual security awareness training.

Following review, no changes are recommended to the Identity Theft Prevention Policy as last amended by the Board in September 2017. Additionally, no instances of identity theft were reported to NES during fiscal year 2025 or calendar year 2025 in which NES was identified as the source.

## **PRESIDENT'S REPORT**

**February 2026**

### **OPERATIONS**

We trimmed 35 circuit miles for the month of January.

### **CUSTOMER RELATIONS**

The Advisor of the Month is Daphne Dodson, and the Contractor Advisor of the Month is Zaria Satterwhite. Five achieved Pacesetter status by exceeding their productivity goals and 10 are members of the 100 Percenters Club, reaching 100 percent in all call monitoring categories in the month of January.

### **COMMUNITY INVOLVEMENT**

On February 11, NES employees Ryan Smith, Tony Jones, and Britt Coleman visited Kings Academy for a Read-In Day with first graders, where they read books, answered questions about their work, and demonstrated pole climbing while showing NES protective equipment, keeping the group engaged and excited throughout the visit.

On February 12, Gary Hanes visited Oak Hill School to speak with approximately 70 fourth-grade students about how energy works, conservation practices, and recent winter storm impacts as part of their Hearts of Service program. TVA partners Jen Hathaway and Lisa Slusher joined to support the presentation and lead an energy-themed Jeopardy activity. The students were highly engaged and asked thoughtful, advanced questions throughout the event.

NES employees Sheryl Haley, Kenny Boyd, and Leah Taylor participated in Cole Elementary School's Earth Day event, guiding students through hands-on activities that highlighted conservation and energy education. Students explored lighting differences using the lighting board, raced solar-powered cars, played a recycling Bingo game, and even made fruit smoothies using the Blender Bike. The activities were highly interactive and helped reinforce key lessons about sustainability.

### **MISCELLANEOUS**

During one of the most challenging weather events our organization has ever faced, the Human Resources & Corporate Services team demonstrated extraordinary service, compassion, and resilience. As the winter storm swept through our territory bringing widespread disruptions, safety concerns, and uncertainty, HR & CS employees quickly became a part of the steady foundation that supported every employee and every department.

From the earliest weather alerts, the team moved proactively. They monitored conditions in real time and coordinated closely with leadership. In addition to policy and communication support, the team went above and beyond to care for employees working long hours under demanding conditions. Understanding the physical and emotional toll of extended shifts, HR & CS employees coordinated the delivery of snacks, breakfast, lunch, and dinner to on-site teams. These meals were

more than just nourishment, they were a tangible reminder that the organization saw, valued, and appreciated the commitment employees were making. By ensuring no one had to worry about where their next meal would come from during critical operations, the HR & CS team helped ease stress and sustain morale.

Because of everyone's dedication, our employees weathered the storm stronger and more connected than before. The Human Resources & Corporate Services team's efforts during this time stand out as a powerful reminder that in moments of crisis, it is people and those who support them who help make the difference.

## Public Comment Period

## Miscellaneous

Recess to Civil Service Board Meeting

## Consent Agenda

**THE MINUTES OF THE ONE THOUSAND THIRTEENTH  
MEETING OF THE ELECTRIC EMPLOYEES’  
CIVIL SERVICE AND PENSION BOARD  
HELD JANUARY 28, 2026**

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The regular meeting of The Electric Employees’ Civil Service and Pension Board was held January 28, 2026.

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 8:21 a.m. and stated that the matters on the consent agenda had been provided to the Board in advance. The consent agenda included the recommendation for approval of the Civil Service Minutes from the meeting held December 10, 2025.

Upon motion by Member Harris and seconded by Member Santos, the consent agenda was approved, which included the minutes from the meeting held December 10, 2025.

**MANAGEMENT / NESEA MEETING**

Dr. Holliday noted that Management and NESEA continue to engage in constructive discussions, maintaining a positive working relationship. All concerns and issues are being actively addressed.

**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.

**MISCELLANEOUS**

There were no miscellaneous items to come before the Board.

**ADJOURNMENT**

The meeting adjourned at approximately 8:22 a.m.

Approved,

Chair

Attest:

Secretary

## Miscellaneous

Adjournment of Civil Service Board Meeting

Reconvene to ratify actions taken by Civil Service Board

Adjournment of Electric Power Board Meeting