



Electric Power Board Meeting

Dec 10, 2025 8:00 AM - 9:30 AM CST

NES Board Room 121

-
1. Call to Order
 2. Safety Moment - Brad Heck
 3. Public Comment Period - David Frankenberg
 4. Consent Agenda
 - 4.1. Recommendation for approval of the minutes from the regular meeting held November 20, 2025
 5. Discussion Items
 - 5.1. Recommendation for approval of In-Lieu-of-Tax Payments to Metro Satellite Cities and Surrounding Counties - Tabitha Beach
 - 5.1.1. In-Lieu-of-Tax Payments Resolution
 - 5.2. Recommendation for approval of Purchases - Amanda Cochran
 - 5.3. Recommendation for approval of revisions to the Bylaws and Policy Manual - Tabitha Robinson
 - 5.3.1. Bylaws Redline
 - 5.3.2. Policy Manual Redline
 6. Strategic Plan Update - Laura Smith
 7. Financial Report - David Frankenberg
 8. Quarterly C2M Update - Aleisha Johnson
 9. Quarterly Corporate Communications Activity Report - Kat Pohlman
 10. Quarterly Sustainability Update - Kat Pohlman and Brenton Montgomery
 11. President's Report - Teresa Broyles-Aplin
 12. Miscellaneous
 13. Recess to Civil Service Board Meeting
 14. Consent Agenda
 - 14.1. Recommendation for approval of the minutes from the meeting held November 20, 2025
 15. HR - Corporate Services Workforce Update - Dr. Trish Holliday
 16. Miscellaneous
 17. Adjournment of Civil Service Board Meeting

18. Reconvene and ratify actions taken by the Civil Service Board

19. Adjournment of Electric Power Board Meeting

Call to Order

Safety Moment: Peer Empowerment in a Behavioral Safety Culture

In the high-risk environment of electric utility work, trust isn't a luxury—it's a lifeline. Crews depend on one another not just to get the job done, but to make sure everyone goes home safely. That kind of trust is built through peer empowerment: a culture where every worker feels confident to speak up, raise concerns, and stop work when something doesn't feel right.

A Behavioral Safety Culture requires we become the guardian of not just our own safety, but that of our crew members and co-workers. You must have the moral courage to look after the person beside you even when it's uncomfortable or unpopular. For instance, it means saying:

- “You forgot your gloves.”
- “Let's double-check that grounding.”
- “We're stopping here until we test this line.”

Peer empowerment means safety isn't just the supervisor's job—it's everyone's job. It's the apprentice asking questions, the journeyman mentoring without hesitation, and every crew member knowing they can speak up with no fear or ridicule for doing the right thing.

Organizations that embrace peer empowerment move beyond compliance. They build safety values that live in every decision, every conversation, and every action on the job. That's how we create a culture where safety isn't enforced—it's lived.

Public Comment Period

Consent Agenda

**MINUTES OF THE
ONE THOUSANDTH THREE HUNDREDTH AND SEVENTIETH MEETING
ELECTRIC POWER BOARD OF THE METROPOLITAN
GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
HELD NOVEMBER 20, 2025**

The regular meeting of the Electric Power Board was held on Thursday, November 20, 2025.

Members present: Ian Prunty, Clifton Harris and Casey Santos.

Officers present: Teresa Broyles-Aplin, David Frankenberg, Laura Smith, Dr. Trish Holliday and Brent Baker.

Vice Chair Casey Santos called the meeting to order at 8:32 a.m.

PUBLIC COMMENT PERIOD

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

COMMITTEE REPORTS

Audit and Ethics Committee

Vice Chair Casey Santos reported that the Audit and Ethics Committee met this morning and approved the minutes from the October 22, 2025, meeting, reviewed the findings of the Grant Administration and Stewardship Program audit as well as the FY26 Travel Expenses audit. The Committee also received an update on Enterprise Risk Management.

RECOMMENDATION FOR APPROVAL OF THE MINUTES FROM THE REGULAR MEETING HELD OCTOBER 22, 2025

Upon motion by Member Prunty and seconded by Member Harris, the Board approved the minutes from the Electric Power Board meeting held October 22, 2025, with three ayes and zero nays.

RECOMMENDATION FOR APPROVAL OF 2026 OPERATIONS GOALS AND QUARTERLY OPERATIONS REPORT

Daniel Johnson presented the Quarterly Operations Report that included a recommendation for approval of the 2026 Operations goals. He reviewed where the organization trended compared to last year's goals.

Member Prunty remarked that he found it impressive that Vegetation Management had shifted from traditionally falling behind to being 12% ahead and asked for additional detail.

Mr. Johnson responded that operations has been consolidated with a single contract resource. He added that it took some time to bring additional resources on board, but there are now thirty-nine crews working on the system which has made a significant impact.

Member Prunty asked if Vegetation Management is pursuing new technology that could reduce costs and improve operations. Mr. Johnson responded yes, explaining that a pilot program using satellite imagery is helping identify priority trim areas and where to allocate resources.

Brent Baker added that the Operations team recently prioritized out-of-norm circuits over their routine tasks which has boosted both reliability and customer service. He stated that the organization is becoming more integrated, with communication strengthening across all departments.

Upon motion by Member Prunty and seconded by Member Harris, the Board approved the 2026 Operations Goals with three ayes and zero nays.

RECOMMENDATION FOR APPROVAL OF REVISIONS TO THE DISCONNECTION OF SERVICE POLICY

Eric Lewis proposed revisions to the Customer Relations Policy related to pausing service disconnections in accordance with the Disconnection of Service Policy. The revised policy expands the hot-weather criteria by permitting a forecasted high temperature over 95°, along with a heat index above 102° to be used in deciding when to halt disconnections. The update broadens cold-weather protections by shifting from a daily high threshold to a 24-hour forecast threshold for temperatures below 32°.

Mr. Lewis stated that the updated policy shifts to a day-ahead decision process for pausing disconnections, replacing the current same-day evaluation. The update further provides that disconnections will be avoided on any day preceding a non-working day for NES crews, such as holidays or weekends.

Management recommended approval of these revisions.

Upon motion by Member Harris and seconded by Member Prunty, the Board approved the revisions to the Disconnection of Service Policy with three ayes and zero nays.

RECOMMENDATION FOR APPROVAL OF A RESOLUTION RENEWING THE \$25 MILLION ELECTRIC SYSTEM ANTICIPATION NOTE

Tabitha Beach reported that as part of the five-year banking contract with Pinnacle Financial Partners, a line of credit (LOC) agreement was negotiated. The LOC, otherwise referenced as an electric system revenue anticipation note, renews annually and provides access to a \$25 million loan to be used to purchase electricity in the event of a natural catastrophe. She stated that the term of this LOC is from January 1, 2026, to December 31, 2026. Management recommended that the Board approve the resolution, pledge and note.

Upon motion by Member Harris and seconded by Member Prunty, the Board approved the resolution, pledge and note renewing the \$25 million Electric System Anticipation Note with three ayes and zero nays.

RECOMMENDATION FOR APPROVAL OF THE SALE OF 18 MUSIC CIRCLE EAST

Laura Smith reported that NES owns a parcel of property located at 18 Music Circle East and is the former site of a substation which has been removed. This property has been declared surplus and Southeast Venture, NES' commercial real estate group, has been authorized to market the property for sale. NES received multiple offers on the property with OakPoint Real Estate submitting the best evaluated offer with a purchase price of \$1.25 million.

Management recommended that the Board approve the sale of NES' property at 18 Music Circle East to OakPoint Real Estate for \$1.25 million.

Upon motion by Member Prunty and seconded by Member Harris, the Board approved the sale of 18 Music Circle East to OakPoint Real Estate for \$1.25 million with three ayes and zero nays.

RECOMMENDATION FOR APPROVAL OF A CONTRACT TO PROVIDE LIFE AND AD&D INSURANCE

Jeff Eck reported that NES's three-year contract with Metropolitan Life Insurance Company expires December 31, 2025. A Request for Bid was issued in August, with Metropolitan Life Insurance Company submitting the lowest bid.

Management recommended approval of a contract with Metropolitan Life Insurance Company for a three-year term, with the option to renew for two one-year periods, at a not-to-exceed cost of \$6,500,000.

Upon motion by Member Harris and seconded by Member Prunty, the Board approved the contract with Metropolitan Life Insurance Company to provide Life and AD&D Insurance with three ayes and zero nays.

RECOMMENDATION FOR APPROVAL OF PURCHASES

Amanda Cochran presented management's recommendation for approval of \$15,006,881.93 in purchases and contracts exceeding \$50,000. This amount included \$1,863,651.23 in monthly purchases and contract additions between the \$50,000 and \$250,000 threshold that received prior management approval. She brought the Board's attention to one sole source item and two sole brand items that were included in the report.

Ms. Cochran reported that during the first quarter of FY26, NES continued its commitment to strengthen relationships with small and local business partners through the Vendor Outreach & Engagement Program (VOEP). She stated that the program focuses on broadening participation opportunities for qualified vendors while supporting a more resilient and locally connected supply

base. She indicated that more emphasis on education and communication will include a new vendor quarterly newsletter in order to share bid opportunities and tips for navigating the procurement process. Additionally, a vendor survey is planned to better understand where vendors need support.

Member Harris expressed appreciation for the Procurement team's initiatives to inform and educate vendors.

Ms. Cochran, along with management, recommended approval of purchases in the amount of \$15,006,881.93.

Upon motion by Member Harris and seconded by Member Prunty, the Board approved the list of purchases and contracts with three ayes and zero nays. This list consists of four pages and has been attested to on each page by the signature of the Secretary and is attached hereto as "Appendix A"¹ to these minutes. Total cost of purchases and contracts, as approved, amounts to \$15,006,881.93.

FINANCIAL REPORT

David Frankenberg reported that for the month of October, revenues totaled \$581.1 million and purchased power was at \$398.8 million, leaving a sales margin of \$182.3 million. He stated that this margin was about \$16 million favorable to budget, driven largely by favorable degree days and improvement in customer accounts.

On the expense side, Mr. Frankenberg reported that FY26 operating expenses, excluding purchased power, was \$88.1 million which was about \$9 million favorable to budget. He stated that there is still favorability versus what was forecasted in customer service staffing, maintenance, and IT support.

Mr. Frankenberg noted that overall net gain was \$56 million which is approximately \$30 million favorable to budget. Cash totaled approximately \$520 million with 131 days of operating expense and is well in excess of the 90-day floor. Capital spend was at approximately \$50 million and debt service coverage ratio was 3.5 well ahead of the 2.0 requirement.

QUARTERLY ASSET MANAGER'S REPORT

Mr. Frankenberg gave an update on NES's asset management services provided by SEI. He reported that Pension results for the quarter had a gain of 5.25 percent as compared to a gain of 5.75 percent for the dynamic index.

He reported on individual fund performance and the asset allocation for the quarter's end which he stated consisted 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.

¹ Appendix A Electronically Filed

The composite result for the OPEB Trust had a gain of 5.24 percent as compared to the dynamic index which had a gain of 5.75 percent. The OPEB Trust held \$303.1 million of assets as of September 30, 2025. The asset mix mirrors the Pension Plan allocation.

The composite result for the 401(a) Trust had a gain of 5.44 percent as compared to the dynamic index which had a gain of 5.75 percent. The 401(a) Trust held \$56.6 million of assets as of September 30, 2025.

Mr. Frankenberg noted that the Trust will be transitioning to target date funds for each participant in FY26. He reported that at quarter end there was \$736 million in assets for the Pension Plan, \$303 million in assets for OPEB and \$57 million for the 401(a) Plan. He stated that detailed performance of all funds was included in the board materials.

QUARTERLY HOME UPLIFT AND POWER OF CHANGE UPDATE

Barry Daniel provided a Home Uplift and Power of Change update and stated that any material changes in the program will be brought before the Board.

Member Prunty remarked that he found the update on Home Uplift exciting, particularly the fact that a waitlist exists, and asked what is driving the waitlist. Mr. Daniel explained that discussions with TVA continue and expressed that there is an interest in expanding participation; however, the current monthly capacity is already maxed out due to staffing constraints.

PRESIDENT'S REPORT

Teresa Broyles-Aplin presented the President's Report and reported that 148 circuit miles were trimmed for the month of October. She formally recognized the Customer Relations employees for their strong performance and provided an overview of the company's community engagement and speaking initiatives.

MISCELLANEOUS

There was one miscellaneous item to report. Dr. Trish Holliday introduced Tony Wu with Korn Ferry who was assisting with the annual review of NES's President and Chief Executive Officer's compensation assessment. He presented a benchmarking study and addressed the competitiveness of NES's CEO's current base salary against the executive salary sponsored by Knoxville Utilities Board (KUB) consisting of 22 public utilities. Mr. Wu stated that this broader public utility market provided additional clarity on the CEO market which is most relevant to NES.

Pay proposals were presented for the Board's consideration within the competitive range and relevant public utility market medians.

Upon motion by Member Prunty and seconded by Member Harris, the Board approved a ten percent pay increase for NES's Chief Executive Officer with three ayes and zero nays.

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 Harris and seconded by Member Prunty, the Board ratified the actions taken during the Civil Service Board meeting with three ayes and zero nays.

ADJOURNMENT

The meeting adjourned at 9:46 a.m.

Attest:

Approved,

Secretary

Board Chair

November 20, 2025

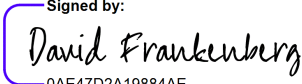
Appendix “A”

Approval of Purchases and Contracts
at the Meeting on Thursday November 20, 2025

Management recommends Board approval
of the following purchases and contracts:

Total Materials and Supplies Purchases	\$5,095,941.60
Total Contracts and Services	\$987,289.10
Total Additions, Extensions, and Changes	\$7,060,000.00
Total Ratified Purchases and Contracts	\$1,863,651.23
TOTAL	\$15,006,881.93

Total Line Items	\$6,167,739.00
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Signed by:

Attested By: 0AE47D2A19884AE...
David Frankenberg, Secretary

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

November 20, 2025

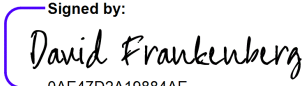
MATERIALS AND SUPPLIES PURCHASES

<u>Item Description</u>	<u>Vendor</u>	<u>Amount</u>	<u>Type Contract</u>	<u>Bids Received/Sent</u>
Cable, Copper, 15KV EPR 750 W/TS 1C 3CT (48,000 ft.)	Border States Industries	\$4,475,040.00	Competitive (1 Year) Blanket	4/7
Load Break Switch, 1200 AMP (14); 1200 Amp, Vertical W/S Riser (2); Coupler for S&C 1200 Amp (24)	Stuart C. Irby	306,581.60	Competitive Sole Brand	2/2
Pole, Steel, H1, 55 ft. (80)	MD Henry	314,320.00	Competitive	6/9
TOTAL		\$5,095,941.60		

CONTRACTS AND SERVICES

<u>Item Description</u>	<u>Vendor</u>	<u>Amount</u>	<u>Type Contract</u>	<u>Bids Received/Sent</u>
Demo and Replace Tile in Restrooms	Skilled Services	\$153,400.00	Competitive (6 Months)	4/9
In-Ground Lift System, Furnish and Install; Concrete Repairs in Central Fleet Shop	Choice Construction, Inc.	833,889.10	Competitive (1 Year)	1/12
TOTAL		\$987,289.10		

ADDITIONS, EXTENSIONS, AND CHANGES

<u>Item Description</u>	<u>Contractor</u>	<u>Additional Amount</u>	<u>Change Requested</u>
Cafeteria Services	U-Kno Catering, Inc.	\$60,000.00	Addition (New NTE \$460,000.00) Extension (6 Months)
C2M Development Services	Pinnacle IT Consulting	4,000,000.00	Addition (New NTE \$7,000,000.00) Extension 1 Year)
Signed by:  Attested By: <u>0AE47D2A19884AE...</u> David Frankenberg, Secretary			

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

November 20, 2025

Cellular Telephone Service	Cellco dba Verizon Wireless	100,000.00	Addition (New NTE \$470,000.00) Extension (3 Months)
Cloud Phone Solution and Implementation Services	Carahsoft Technology Corp.	1,000,000.00	Addition (New NTE \$1,700,000.00)
Motorola Radio Equipment and Services	Motorola Network Services	N/A	Extension (7 Months)
Temporary Services for Customer Service Advisors, Tellers and Administrative Support	Atlas Management Corp	400,000.00	Addition (New NTE \$600,000.00)
UVM Services Ground Maintenance	Wright Tree Service, Inc.	1,500,000.00	Addition (New NTE \$5,500,000.00)
TOTAL		\$7,060,000.00	

RATIFIED PURCHASES AND CONTRACTS

<u>Item Description</u>	<u>Vendor</u>	<u>Amount</u>	<u>Type Contract</u>	<u>Bids Received/Sent</u>
Asphalt Repair Services	Sessions Paving Company	N/A	Extension (3 Months)	N/A
Automotive Body Repairs and Paint Service	Mid-Tenn Ford Murphy-Hoffman Co.	\$150,000.00	Addition (New NTE \$100,000.00) (1 Year)	N/A
Cable, ACSR, 477 MCM (48,186 ft.)	Border States Industries	74,360.63	Competitive (1 Year) Blanket	5/7
Conductor, 1 Ft. #1/0 AL Triplex (93,600 ft.)	Cape Electric	124,488.00	Competitive (1 Year) Blanket	5/7
Connector, One U-Bolt, 6 2/0 AL/CU-6 2/0 AL/CU (6,000)	Border States Industries	129,480.00	Competitive (1 Year) Blanket	4/7
Connector, Overhead Service Tap (10,656)	Border States Industries	161,012.16	Competitive (1 Year) Blanket	4/7
Connector STR Receipt BUS H CU 25KV (120)	Wesco Distribution	137,040.00	Competitive Sole Brand	4/5
Attested By: <u>David Frankenberg</u> <small>Signed by: 0AE47D2A19884AE</small> David Frankenberg, Secretary				

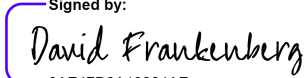
All above items have been processed in accordance with Board approved policy and applicable rules and regulations.

November 20, 2025

Dead End Clamp, Straight 795 AL D End (1,836)	Wesco Distribution	64,076.40	Competitive (1 Year) Blanket	6/7
Crossarm, Steel, 4"x6"x 9'-4" (120)	Stuart C. Irby	76,988.40	Competitive	5/6
EMTP Transient Load Evaluation Software	Quebec dba PGSTech	81,000.00	Sole Source (1 Year)	N/A
Executive Consulting	Stowe Utility Group	183,000.00	Professional Service (1 Year)	N/A
Pole, Self Weathering Steel, H4, 80 ft. (7)	Trans American Power Poles, Inc.	58,723.00	Competitive	5/9
Pole, Self Weathering Steel, H3, 60 ft. (22)	MD Henry Company, Inc.	108,768.00	Competitive	6/9
Pole, Self Weathering Steel, H1, 55 ft. (60)	MD Henry Company, Inc.	221,520.00	Competitive	5/9
Pole, Steel, H7, 90 ft. (6)	TransAmerican Power Poles, Inc.	76,962.00	Competitive	6/9
Quarterly Preventative Maintenance Service for Lift Trucks	LiftOne LLC	17,000.00	Addition (New NTE \$92,000.00)	N/A
Surge Arrester, Heavy Duty Distribution (2,592)	Border States Industries	181,232.64	Competitive (1 Year) Blanket	4/7
Treated Wood Pole and Crossarm Inspection	A W Williams Inspection Co., Inc.	18,000.00	Addition (New NTE \$63,000.00)	N/A
TOTAL		\$1,863,651.23		

LINE ITEMS

<u>Item Description</u>	<u>Vendor</u>	<u>Amount</u>	<u>Type Contract</u>	<u>Bids Received/Sent</u>
Life Insurance Third Party Administrator	MetLife	\$6,167,739.00	Competitive (3 Years)	2/12
TOTAL		\$6,167,739.00		

Signed by:

Attested By: 0AE47D2A19884AE...
David Frankenberg, Secretary

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

Discussion Items

RECOMMENDATION FOR APPROVAL OF IN-LIEU-OF-TAX PAYMENTS TO METRO AND SATELLITE CITIES AND SURROUNDING COUNTIES

The Fiscal Year 2026 in-lieu-of-tax liability for all cities and counties served by NES is \$43.8 million. This is an increase of \$6.8 million compared to the prior year liability of \$37.0 million.

The Metropolitan Government tax liability increased approximately \$6.8 million, or 18.7 percent compared to the prior fiscal year. The increase is primarily due to an increased equalization factor and an increase of \$118.7 million in the taxable asset base for the Metro tax district.

Management recommends the Board approve the attached resolution authorizing total in-lieu-of-tax payments of \$43.8 million for Fiscal Year 2026.

Management also recommends utilizing the Fiscal Year 2026 Metro tax to estimate quarterly payments for Fiscal Year 2027 until information is available to calculate the actual tax liability.

BEFORE THE ELECTRIC POWER BOARD
IN-LIEU-OF-TAX PAYMENTS TO METROPOLITAN GOVERNMENT OF
NASHVILLE AND DAVIDSON COUNTY,
SATELLITE CITIES, AND SURROUNDING COUNTIES

WHEREAS, the Electric Power Board has authorized that an in-lieu-of-tax accrual be made, in accordance with the Municipal Electric System Tax Equivalent Law of 1987, TCA 7-52-301, *et seq.*, of plant in service within the jurisdiction of the Metropolitan Government and the satellite cities and counties; and

WHEREAS, the equalized taxes have produced accrued tax amounts for the tax districts in which the Electric Power Board operates and for the current fiscal year as follows:

<u>Tax District</u>	<u>Tax Amount</u>
Metropolitan Government of Nashville and Davidson County - Urban and General districts	\$42,716,451
Satellite Counties	
Cheatham County	58,605
Robertson County	30,122
Rutherford County	150,179
Sumner County	401,085
Williamson County	178,910
Wilson County	35,133
Satellite Cities	
Belle Meade	7,527
Brentwood	16,850
Gallatin	670
Goodlettsville	62,106
Hendersonville	117,070
La Vergne	34,319
Millersville	15
Mt. Juliet	1,700
Pegram	12
Ridgetop	1,696
Total	\$43,812,450

WHEREAS, payments are made to the satellite cities and counties in June of each year and to the Metropolitan Government at the end of September, December, March, and June; and

WHEREAS, the September 2025 payment to the Metropolitan Government was made based on the preceding year's taxes and a true up is needed; the related payment schedule for the current fiscal year will be:

September 2025	8,990,323
December 2025	12,367,902
March 2026	10,679,113
June 2026	<u>10,679,113</u>
Total	42,716,451

BE IT THEREFORE RESOLVED that the payments of the aforementioned amounts be appropriately made as full payment for the months July 1, 2025, through June 30, 2026.

BE IT FURTHER RESOLVED that the quarterly payments to Metro of \$10,679,113 will be made as full payment for the months of July 1, 2026, through September 30, 2026 and when the 2027 tax information is available to determine the new payment the 2026 quarterly payment true up will be determined.

ADOPTED by the Electric Power Board on this 10th day of December 2025.

ATTEST:

David Frankenberg, Secretary

Anne Davis, Chairperson

Approved as to Form and Legality:

By: _____
Laura Smith, VP & General Counsel

Date: _____

**Recommendation of Purchases and Contracts
at the Meeting on Wednesday December 10, 2025**

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

Total Materials and Supplies Purchases	\$254,150.00
Total Contracts and Services	\$7,638,620.00
Total Additions, Extensions, and Changes	\$2,300,000.00
Total Ratified Purchases and Contracts	\$1,139,099.70
TOTAL	\$11,331,869.70

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>
Poles, Steel, Custom (4)	Rohn Products	\$254,150.00	Competitive	3/8
TOTAL		\$254,150.00		

CONTRACTS AND SERVICES

<u>Item Description</u>	<u>Vendor</u>	<u>Amount</u>	<u>Type Contract</u>	<u>Bids Received/Sent</u>
Battery Energy Storage System	Lightwave Solar, LLC	*\$2,138,620.00	Competitive (15 months)	5/15
Miscellaneous Engineering and Operations Staff Augmentation	Ideas on Paper	5,500,000.00	Professional Service (5 Years)	N/A
TOTAL		\$7,638,620.00		

*Total includes a 10% contingency.

ADDITIONS, EXTENSIONS, AND CHANGES

<u>Item Description</u>	<u>Contractor</u>	<u>Additional Amount</u>	<u>Change Requested</u>
C2M Development Services	Blue Heron Consulting	\$500,000.00	Addition (New NTE \$2,500,000.00) Extension (1 Year)
Central Substation-Duct Bank Installation	Garney Construction	N/A	Extension (1 Year, 2 Months)
Ellipse Version 9 Upgrade	Hitachi Energy USA, Inc.	400,000.00	Addition (New NTE \$2,401,300.00) Extension (1 Year)
Encompass Services	I3-Milestone	800,000.00	Addition (New NTE \$8,010,000.00) Extension (1 Year)
Fire Resistant Clothing	Tyndale Co.	600,000.00	Addition (New NTE \$2,500,000.00)
TOTAL		\$2,300,000.00	

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

RATIFIED PURCHASES AND CONTRACTS

<u>Item Description</u>	<u>Vendor</u>	<u>Amount</u>	<u>Type Contract</u>	<u>Bids Received/Sent</u>
Cable, Copper, BSD 4 (206,400 ft.)	Gresco	\$167,184.00	Competitive (1 Year) Blanket	6/8
Cable, Loose Tube, 96F.O SM 96 Count Single Mode Fiber (52,000 ft.)	Border States Industries	61,360.00	Competitive	7/11
“Call Before You Dig” Underground Utility Notification- 2026 Member Fee/Database Maintenance	Tennessee One Call System	225,423.20	Membership (1 Year)	N/A
Canon Copier Rental	Canon Solutions of America	220,000.00	State Contract (5 Years)	N/A
Crossarm, Wood, Treated, 3 ¾”x 4 ¾”x 10’ (1,050)	Gresco	115,132.50	Competitive	6/3
Light Bulbs, Ballasts, and Supplies	E Sam Jones Distributor BA	30,000.00	Addition (New NTE \$80,000.00)	N/A
Repair, Sandblast, and Paint Various Electric Utility Trailers	Alvin Krantz Painting Littler Guys Group TUF-Solutions Utility Equipment Service	100,000.00	Competitive (2 Year) Umbrella	4/8
SDS Management System	HSI Workplace Compliance Solution	15,000.00	Addition (New NTE \$57,000.00) **Extension (1 Year)	N/A
State Government Relations and Legislative Services	Capital and 5 th Public Strategies	200,000.00	Professional Service (3 Years)	N/A
Strategic Planning Consulting Services	Porter Novelli, Inc.	5,000.00	Addition (New NTE \$105,000.00) Extension (3 Months)	N/A

TOTAL**\$1,139,099.70**

**Total contract term is six (6) years.

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

RECOMMENDATION FOR APPROVAL OF REVISIONS TO THE POLICY MANUAL AND BYLAWS

Management proposes revisions to the Policy Manual and Bylaws to address emerging compliance requirements and operational needs.

The revisions to the Policy Manual implement two new retention categories within the Data Classification and Document Retention Policy for AI-produced transcriptions of Microsoft Teams meetings and Microsoft CoPilot prompt histories.

The revisions to the Bylaws allow for additional flexibility in the scheduling of Board meetings while maintaining compliance with the Tennessee Open Meetings Act.

Management recommends the approval of these revisions.

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

NASHVILLE, TENNESSEE

APPROVED ~~127-1023~~-2025

ARTICLE I
ORGANIZATION

SECTION I

Item 1. The Electric Power Board of the Metropolitan Government of Nashville and Davidson County consists of the five statutory members, General Manager, and such other officers, agents, and employees, as may from time to time be employed in the conduct and operation of the electric distribution system of the Metropolitan Government of Nashville and Davidson County.

Item 2. For purposes of organization, the designation “Electric Power Board of the Metropolitan Government of Nashville and Davidson County” shall, unless use or context otherwise require, be construed to mean and shall refer to the statutory Board of four members and the Chair.

Item 3. “Nashville Electric Service” shall be used to designate and refer to the business and operation of the Board and all officers and employees, other than those officers specifically provided for by statute, to wit: General Manager, Secretary, Treasurer, and their assistants from time to time appointed, who are officials of the Board in their respective capacities.

Item 4. The term “General Manager” as set forth in Articles 42 and 43 of Appendix III of the Metropolitan Charter shall hereinafter be referred to and designated as “President & Chief Executive Officer,” and the person holding the designated position shall have the same duties and responsibilities as set forth by the Charter and these Bylaws.

The term “Assistant General Manager,” as set forth in Articles 42 and 43 of Appendix III of the Metropolitan Charter, shall hereinafter be referred to and designated as “Executive Vice President - Chief Operations & Innovation Officer”; the person holding the designated position shall have the same duties and responsibilities as set forth by the Charter and these Bylaws.

None of the above positions in this Item being designated as President or Vice President in-lieu-of General Manager and Assistant General Manager, and none of said persons filling these positions, shall be deemed or considered as under the provisions of civil service in the selection process to fill the position but shall be entitled to all sick, disability, retirement, and similar benefits provided for other employees of the Electric Power Board.

SECTION II

Item 1. The Board, by majority vote, may create (and dissolve) committees of the Board determined to be necessary to gain a better understanding of certain functions and issues of Nashville Electric Service.

The Board adopts the following committees:

1. Audit and Ethics Committee;
2. Finance & Operations Committee;
3. Employee Relations Committee; and
5. Legal Services Committee.

Item 2. All five Board members shall serve as members of all committees of the Board. One of the Board members shall be appointed by the Chair to act as the committee chair. The Secretary of the Board shall be responsible for calling meetings, filing required reports, and the recording of minutes.

Committees may invite other staff support to attend meetings and may seek input from employees and/or the public if deemed beneficial. Any person desiring to appear before a committee shall submit a request to the Secretary in writing not less than five days prior to the committee meeting setting out the details of the matter. The Chair of the committee or, in the absence of the Chair, the Vice-Chair will determine when such a requested item or appearance will be placed on the agenda and in what position. When any such item is placed on the agenda, a person will be allowed a reasonable time, not to exceed five minutes, to speak on the subject of such item. However, if one Board member objects to placing the matter on the agenda or permitting the person to speak, the person will not be permitted to address the

committee. The committee may recommend that the matter be considered by the Board or make no recommendation on the matter.

A majority of the members shall constitute a quorum.

Item 3. The organization and responsibilities of each committee are as follows:

Audit & Ethics Committee - The Audit & Ethics Committee shall consist of the five members of the Board. The Chief Financial Officer shall serve as an ex officio member of the committee. The Vice President - Chief Legal Officer & General Counsel and the lead senior manager on the Outsourced Internal Audit engagement shall have direct and unrestricted access to the Chair of the Audit & Ethics Committee or to a designated Board committee member.

The Audit & Ethics Committee should have at least one member who is defined as a financial expert by Section 407 of the Sarbanes-Oxley Act and possesses the following skills: understands financial statements; can assess accounting for estimates, reserves, and accruals; has experience in preparing or analyzing financial statements; and understands internal controls.

The Audit & Ethics Committee will review and accept the annual audit plan, review proposals for outside auditors, receive reports of internal and external audits and management responses, advise the Board as to the adequacies of management's responses and make recommendations as appropriate.

The Audit & Ethics Committee shall have authority to direct the Outsourced Internal Audit Firm to investigate reports of inefficiency, impropriety, and illegal activity. The Audit & Ethics Committee will cause to be investigated any impedance of full disclosure of documents and access to employees during any audit.

For ethics matters involving the Board and employees, the Audit & Ethics Committee shall consider requests by employees or Board members concerning exemptions, clarification, or modification of the Ethics policy and related disclosure statements adopted by the Board.

The Audit & Ethics Committee shall review the Conflict of Interest Statements filed each year after they have been reviewed by the Vice President - Chief Legal Officer & General Counsel and the Controls and Compliance Manager. The Committee will review reported allegations involving ethical violations by a Board member and the full Board shall take appropriate action.

Finance & Operations Committee – The Finance & Operations Committee shall consist of the five members of the Board. The President & Chief Executive Officer, the Executive Vice President - Chief Operations & Innovation Officer, and the Chief Financial Officer shall serve as ex officio members of the committee. The Finance & Operations Committee will review and recommend changes to policies, plans, and budgets affecting the financial health and operational stability of NES.

Employee Relations Committee - The Employee Relations Committee shall consist of the five members of the Board. The Vice President - Chief People Officer shall serve as an ex officio member of the committee. The Employee Relations Committee will review and recommend changes to policies affecting employee benefits, compensation, work rules, performance, and training.

Legal Services Committee - The Legal Services Committee shall be comprised of all Board members; the Vice President - Chief Legal Officer & General Counsel shall serve as an ex officio member. The Legal Committee will review any and all legal matters that the President & Chief Executive Officer and/or Vice President - Chief Legal Officer & General Counsel bring to the attention of the committee.

SECTION III

Item 1. The exclusive management and control of the operation of the electric power plant and of the distribution system of the Metropolitan Government of Nashville and Davidson County is vested in the Electric Power Board of the Metropolitan Government of

Nashville and Davidson County, with authority to engage, determine the number of, and fix the duties of all employees and with the further right to delegate to the President & Chief Executive Officer, by it selected, such power and authority as it might deem necessary and proper in addition to, but not in conflict with, applicable statutes.

Item 2. The term of office and compensation to be paid the President & Chief Executive Officer shall be fixed by the Board pursuant to the requirements and provisions of these Bylaws and in conformity with the statute.

Item 3. The terms of employment and compensation to be paid all subordinates, agents, representatives, and employees, and all discharges, terminations, layoffs, and grants of leave or other benefits, including pensions, shall be subject to the civil service and pension provisions of Article 43 of the Charter of the Metropolitan Government of Nashville and Davidson County and amendments thereto having application to such employees and shall be in accordance with the formal Classification Plan, Pay Plan, and Rules of the Electric Employees' Civil Service and Pension Board ("Civil Service Rules") as now established and provided for and as may be amended or revised from time to time.

Item 4. No compensation in addition to that prescribed by statute shall be paid to any member of the Board.

Item 5. Trips or travel by a member of the Board in the discharge of official duties or in the conduct of official business must have prior approval of a majority of the Board, unless made at the request of the President & Chief Executive Officer. Board-related travel expenses incurred by a Board member shall be approved by the Chair or Vice-Chair. All payments and/or reimbursements, cash advancements, and filing of expense statements shall be in accordance with NES policy. Any expense, except travel expense, incurred by members of the Board in the discharge of official duties or in the conduct of official business shall be submitted prior to such cost being incurred to the Board for approval.

Item 6. The Electric Power Board shall indemnify the members of the Electric Power Board and Electric Employees' Civil Service and Pension Board, the President & Chief

Executive Officer and vice presidents, and the Secretaries of the Electric Power Board and Electric Employees' Civil Service and Pension Board from any liability for damages arising out of the performance of their official duties and while engaged in the course of their employment or discharge or attempted discharge of their official duties. The Electric Power Board is authorized and required to provide legal counsel for the Electric Employees' Civil Service and Pension Board and named officers to defend any claims and to indemnify them from any judgment rendered against them or any one of them, provided, however, that such indemnity shall not extend to any judgment for punitive damages unless such punitive damages are included in the coverage of any insurance policy issued to the Electric Power Board and even though such amount may be within any deductible. Such indemnity shall not extend to any judgment for damages arising out of any willful wrongdoing as such term has been construed or will be construed in the statutes of the State of Tennessee providing for indemnity to officials or employees of municipal governments.

It is the intent of the Board that, for any suit for which there is insurance coverage for the Electric Power Board under any comprehensive general liability insurance policy or any other policy of insurance providing coverage for the Electric Power Board, its officers and employees, said members of the Electric Employees' Civil Service and Pension Board will be indemnified for any self-insured or deductible portion. In any suit for which there is no insurance and no immunity or qualified immunity, members of the Electric Power Board and named officers, and the Electric Employees' Civil Service and Pension Board shall be indemnified from any judgment rendered against them or any one of them arising out of the performance of their official duties while engaged in the course of their employment or discharge or attempted discharge of their official duties, except said indemnity shall not extend to any judgment for punitive damages or damages arising out of any willful wrongdoing by any such Board member or office claiming indemnity.

It is not the intent of the Board to waive any immunity that the Board or other officers would otherwise have or to provide protection for any amounts above the limits set in the

Resolution of the Board applicable to claims under the Tennessee Governmental Tort Liability Act.

Item 7. The Electric Power Board shall indemnify the employees of the Board from any liability or damages arising out of the performance of their official duties and while engaged in the course of their employment or discharge or attempted discharge of their official duties, provided, however, that this indemnification shall not be in excess of the amounts established for governmental entities in Tennessee Code Annotated Section 29-20-403 and the limits on the per person and total amount of the accident amount shall be the same as set forth by Tennessee Code Annotated Section 29-20-403. This indemnification is of no force and effect if the act or omission was willful, criminal, or performed for personal financial gain by the employee. Such indemnity shall not extend to any judgment for punitive damages.

It is the intent of the Board that, for any suit for which there is insurance coverage for the Electric Power Board under any comprehensive general liability insurance policy or any other policy of insurance providing coverage for the Electric Power Board, its officers and employees, said employees will be indemnified for any self-insured or deductible portion not to exceed the limits set by Tennessee Code Annotated Section 29-20-403. In any suit for which there is no insurance and no immunity or qualified immunity, employees shall be indemnified from any judgment rendered against them or any one of them arising out of the performance of their official duties while engaged in the course of their employment or discharge or attempted discharge of their official duties to the limits set by Tennessee Code Annotated Section 29-20-403, except said indemnity shall not extend to any judgment for punitive damages or damages arising out of any act that was willful, malicious, criminal, or performed for personal financial gain.

ARTICLE II

MEETINGS

SECTION I

Item 1. The fiscal year governing operations and conduct of the business of the Board is fixed at July 1 through June 30 of each year. The first fiscal year shall be from commencement of operations of the business of the Board through June 30, 1940.

Item 2. An annual meeting of the Board shall be held in July, immediately following the Regular Meeting of the Electric Employees' Civil Service and Pension Board, at the principal business office of the Board - Nashville Electric Service - at which time there shall be submitted to the Board a complete and detailed report of the preceding year's operations.

Item 3. In obedience to the provisions of the statute, public meetings of the Board shall be held at least ~~monthly once each calendar month~~ at the principal business office of the Board - Nashville Electric Service. ~~Meetings shall be held on the fourth Wednesday of each month, except for the December meeting which shall be held on the third Wednesday. Changes in the day and/or place of holding such meetings may be made, but only upon notice, which~~ Notice of every public meeting shall be given one week in advance by posting on the Nashville Electric Service website and/or by one insertion in a local newspaper published in Nashville, Davidson County, Tennessee. ~~The, which~~ notice shall state the ~~former~~ day, time, ~~and and/or~~ place of the meeting ~~and the day and/or place to which the meeting has been changed.~~

Item 4. For all meetings of the Board, except special meetings as provided for in Item 7 of this Section, there shall be an agenda prepared for the meeting and transmitted to each Board member at least two (2) days prior to the date of the meeting. This agenda will cover all matters to be considered by the Board. Anyone, other than the Board or the President & Chief Executive Officer, desiring to have an item on the Board's agenda for consideration, shall submit a request to the Secretary in writing not less than five (5) days prior to the meeting setting out details of the matter. The Chair, or Vice-Chair in his/her absence, will determine

when such requested item will be placed on the agenda and in what position. When any such item is placed on the agenda, one person will be allowed a reasonable time, not to exceed five minutes, to speak on the subject of such item provided there is unanimous approval by the members of the Board. Matters considered by the Board at Special Meetings, as provided for in Item 7, shall be limited to those matters stated in the call of the meeting.

Item 5. A Nashville Electric Service customer may request to speak and offer comments during any regular meeting of the Electric Power Board. The first five customers properly requesting to speak will be permitted to provide comments during the public comment period of the meeting. To request to speak, customers must contact the Secretary to the Electric Power Board three days in advance of the meeting; a customer's request must contain the customer's name, their service address, and the matter on which they request to be heard. All speakers during the public comment period are limited to three minutes.

Item 6. No later than the public meeting held in the month of June of each year, there shall be submitted to the Board for consideration all proposed estimates and budgets to cover the next succeeding fiscal year.

Item 7. Special meetings of the Board shall be called by the Secretary or Assistant Secretary at such time and place as may be fixed and determined by the Chair or upon the written request of any two members of the Board and notice of such meetings shall be given all members. Such notice shall be in writing and shall be sufficient if sent to the designated mailing address of each Board member, stating the purpose for which the meeting is called. Copies of notices of special meetings shall be sent to the daily newspaper in Nashville at the same time as they are sent to Board members.

SECTION II

Item 1. At the annual and monthly public meetings of the Board, any business may be transacted which is properly brought before the meeting. At special meetings, only such business may be transacted as is included in the call or of which notice is given the members.

Item 2. At all meetings, three members of the Board shall constitute a quorum for the transaction of business, and all questions before the meeting shall be determined by a majority vote of those present.

Item 3. If a quorum fail to attend any annual or public meeting, those members who do attend may adjourn from time to time until such time as the meeting shall be legally constituted to transact business; at the adjourned meeting, all such business may be transacted as could have been transacted under these Bylaws at the meeting at which adjournment was had.

SECTION III

Item 1. The Chair shall preside at all meetings of the Board except that in the Chair's absence the Vice-Chair may preside. If neither the Chair nor the Vice-Chair is present and a quorum is had, the members shall elect a temporary Chair to preside at any such meeting.

Item 2. The Secretary of the Board shall, by virtue of the office, be Secretary at all meetings except that the Assistant Secretary may attend all meetings and perform the usual and customary duties of the regular Secretary. Should both the Secretary and Assistant Secretary fail to attend, a temporary Secretary shall be appointed by the presiding officer, and the person so appointed shall perform all the usual and customary duties of the regular Secretary.

Item 3. Board members may participate in meetings by electronic means in exceptional circumstances provided:

- a. A physical quorum of at least three (3) members is present at the principal business office of the Board for the duration of the meeting.
- b. Any Board member participating by electronic means must utilize the official communications medium/protocol designated by the Board. The communications medium/protocol must audibly and visually broadcast any non-present Board member to all individuals physically in attendance at the meeting.

- c. Any Board member desiring to participate by electronic means must notify the Secretary and the Board Chair at least five (5) days prior to the meeting. The Board Chair is empowered to resolve any issues relating to a Board member's participation by electronic means.

Board members participating by electronic means may deliberate and vote on matters before the Board, except that Board members participating by electronic means may not deliberate or vote on administrative/quasi-judicial matters, including appeals from Administrative Law Judge recommendations, grievances, charges, and procurement appeals.

Item 4. The proceedings of all meetings of the Board shall be conducted in an orderly manner without distraction or interference and shall be accurately kept by the Secretary, shall be attested by the officer keeping the proceedings, and shall be verified and signed by the Chair of the meeting. The Minutes of all Board meetings shall be kept in permanent volumes, well-bound, and shall constitute a permanent record of the Board.

SECTION IV

Item 1. The Board will hold hearings in accordance Article 43(11) of Appendix III of the Metropolitan Charter to address a charge against any employee or a complaint of any civil service employee in connection with his or her employment. The Board may hear the matter directly or may refer the matter to an administrative law judge for a hearing.

Item 2. In determining whether complaints relating to employee performance appraisals are just (as stated in Article 43(11)), the Board will not review complaints regarding performance appraisals with respect to the subjective evaluation of the employee's work by the individual supervisors and managers who direct and/or supervise the day-to-day work of the employee except as noted below in Item 3.

Item 3. Complaints about performance appraisals may be heard by the Board when the employee offers with the complaint information that the Board, within its discretion, determines is sufficient, if true, to at least set forth a prima facie case that:

1. A characteristic protected by state or federal law was a motivating factor in the appraisal given; or
2. There are factual errors with respect to objective performance measurement(s) upon which a supervisor relied to evaluate the employee's performance that impacted the overall performance rating of the employee.

Item 4. Employee complaints regarding performance appraisals that do not fall into the above categories should be addressed through communication with the supervisor or manager, outside of the grievance process.

ARTICLE III

OFFICERS

SECTION I

Item 1. The statutory officers of the Board consist of a Chair, Vice-Chair, Secretary, Treasurer, General Manager (President & Chief Executive Officer), and Vice President - Chief Legal Officer & General Counsel. The Board will elect a Chair and Vice-Chair from its members at the annual meeting by a majority vote. The Board member serving the fifth year of his/her term will be elected Chair, and the Board member serving the fourth year of his/her term will be elected Vice-Chair, unless the Board provides otherwise by a majority vote. The newly-elected Chair and Vice-Chair shall take office at the next official meeting of the Board.

Item 2. In its discretion, the Board may combine the offices of Secretary and Treasurer and/or the assistants of either office. The Chief Financial Officer shall serve as Secretary-Treasurer unless the Board affirmatively votes otherwise.

Item 3. The Board may appoint assistants to all officers, other than the Chair and Vice-Chair, as required to properly transact and conduct the business of the Board. Assistants to any officer shall only have such authority and perform the duties as prescribed by the Board, but may also exercise all authority given or had by the officers to whom they are made assistants if the Board confers such authority.

Item 4. Terms of office for all officers not prescribed by statute or the civil service provisions shall be automatically renewed unless terminated, changed, or fixed in duration by the Board.

Item 5. The Board may abolish any office at any time, other than those specifically provided by the Charter.

SECTION II

Item 1. The President & Chief Executive Officer, Secretary, Treasurer, their assistants, and all others who by virtue of their office or under direction of the Board, are responsible for funds or property of the Board or the Metropolitan Government of Nashville and Davidson County shall be required to execute good and sufficient bonds in a manner prescribed by the Board.

SECTION III

Item 1. The Chair of the Board, in addition to those duties prescribed by statute, shall preside at all meetings of the Board and be an ex officio member of all committees and other administrative groups appointed by the Board. The Chair shall have general administrative and executive charge of the business of the Board, subject to its supervision and control, and shall ensure the proper execution of all resolutions and orders of the Board.. Subject to the supervision of the Board, the Chair shall have charge of the operations and business of the Board within the limits of the Charter and the resolutions and orders of the Board. The Chair shall also have control over the conduct and operation of the electric plant and distribution system. The Chair shall make reports as to the discharge of duties and the conduct of the business as prescribed by the Board. The Chair shall sign all agreements, contracts, transfers, and conveyances as required by the statute or as authorized by the Board, except to the extent that such right is delegated to the President & Chief Executive Officer or other official by statute or appropriate action of the Board.

Item 2. The Vice-Chair shall have and exercise all of the authority of the Chair when he/she is not available or is unable, fails, or refuses to act and discharge the duties of the office.

Item 3. The Secretary shall keep the minutes of all meetings of the Board, attend to the serving of all notices required by statute or these Bylaws, and attest the minutes of all meetings unless such duties are assigned to the Assistant Secretary. The Secretary shall attend all meetings of the Board, and attest all agreements, contracts, transfers, and conveyances of

property except for those that the President & Chief Executive Officer is authorized to execute under Board supervision. The Secretary shall be charged with the preparation and timely filing of the financial statements of the Board as provided for by statute, the filing of all such statements with the Mayor and Clerk of the Metropolitan Council, and the publication of said statements.

Item 4. The Treasurer shall receive and have custody of all funds payable to the Board relating to the operation and conduct of its business. The Treasurer is also responsible for the safekeeping and proper deposit of all funds in conformity with applicable statutes and the orders and resolutions of the Board. The Treasurer shall have custody of all securities, evidences of indebtedness due the Board, and records necessary or proper to acquaint the Board with such matters and enable the Board to obtain accurate data and information with reference thereto. The Treasurer shall make such reports as may be required and have such other and further duties as prescribed by the Board.

Item 5. The President & Chief Executive Officer, under supervision of the Board and the Chair, as prescribed in these Bylaws, shall have charge of all actual construction and immediate management and operation of the electric plant, distribution system, and properties and operations of the Board, and the enforcement and execution of all rules, regulations, programs, plans, and decisions of the Board. The President & Chief Executive Officer shall countersign all checks drawn on Board funds and be responsible for the filing of all reports that the Secretary is required to prepare, furnish, or file on behalf of the Board.

The President & Chief Executive Officer is authorized and the Board delegates unto the President & Chief Executive Officer the authority to select, choose, or appoint persons to the following positions: Executive Vice President - Chief Operations & Innovation Officer; Vice President - Chief Financial Officer; Vice President - Operations (Transmission & Distribution); Vice President - Operations (Engineering); Vice President - Operations (Power System Operations); Vice President - Chief Information Officer; Vice President - Chief

People Officer; Vice President - Grid Transformation & Project Management; and, with the approval of the Board, Vice President - Chief Legal Officer & General Counsel.

The President & Chief Executive Officer is further authorized and the Board delegates unto the President & Chief Executive Officer the authority to set the salaries of these Vice Presidents within the limits set by the Board.

The President & Chief Executive Officer is further authorized and the Board delegates unto the President & Chief Executive Officer the right and authority to suspend and discipline these Vice Presidents.

The Board authorizes the President & Chief Executive Officer to bring charges to dismiss the aforesaid Vice Presidents but does not delegate the right to dismiss any employee and expressly retains this authority pursuant to the procedures as set forth by the Charter and the Civil Service Rules.

Item 6. The Vice President - Chief Legal Officer & General Counsel shall have general charge and supervision of the legal work in connection with the operation and conduct of the Board's affairs and shall perform all other acts and services of a legal nature as may be required by the Board. The Vice President - Chief Legal Officer & General Counsel is also in charge of governmental affairs and represents the Board in lobbying activities.

The Vice President - Chief Legal Officer & General Counsel is also a part of Management and under the supervision of the President & Chief Executive Officer regarding management of administrative oversight, performance appraisals, Civil Service Rules, and the pay plan of other Civil Service employees. To the extent the Vice President - Chief Legal Officer & General Counsel is engaged in legal work in connection with the operation or conduct of Board affairs delegated to the President & Chief Executive Officer, then immediate supervision is under the President & Chief Executive Officer. However, to the extent the

Vice President - Chief Legal Officer & General Counsel is engaged in other services of a legal nature required by the Board and in matters of equitable conflict or those that should be brought to the attention of the Board, then supervisory authority is by the Board.

ARTICLE IV

GENERAL PROVISIONS – APPROVALS – ACCOUNTS

SECTION I

Item 1. All contracts, agreements, transfers, and conveyances (“contracts”) shall be made and all properties acquired, held, owned, and transferred in the name of the Metropolitan Government of Nashville and Davidson County. All contracts must be approved for form and legality by the Vice President - Chief Legal Officer & General Counsel. Except as set forth in this article, all contracts are signed by the President & Chief Executive Officer, and attested by the Secretary or Assistant Secretary of the Board.

Item 2. The Board must approve contracts exceeding \$250,000, unless identified below.

Item 3. The Board delegates to the Chair or Vice Chair of the Board the authority to approve and execute the following:

1. Contracts which the President & Chief Executive Officer is authorized to make and involve the purchase or disposition of property not directly used in connection with active operations of the business of the Board.
2. Power contracts with retail customers, the terms of which comply with the TVA Power Contract, amendments, and rate schedules previously approved by the Board, other than those power contracts the execution of which is delegated to an engineering manager, as described below in this Article.
3. Contracts with third parties such as contractors, equipment distributors, and/or retail customers in which the funding is reimbursable under Board-approved TVA programs.

Item 4. The Board delegates to the President & Chief Executive Officer the authority to approve and execute the following:

1. Amendments or modifications to board-approved contracts that do not increase the contract not-to-exceed amount, modify the duration of the contract, substantially reduce the scope of services provided, or materially alter the risk to the organization.
2. Contracts involving \$250,000 or less.
3. Amendments or modifications to board-approved contracts involving only a name change resulting from the purchase or merger of the original company.
4. Contracts with Metro, State, or Federal governmental agencies involving relocation of electric distribution facilities.
5. Standard infrastructure use agreements or pole attachment agreements, other than those contracts impacting NES's infrastructure on a system-wide basis.
6. Increases in compensation paid to subordinate employees in accordance with the Pay Plan.

In the absence of the President & Chief Executive Officer, when the President & Chief Executive Officer is unable to act, or when delegated by the President & Chief Executive Officer, the Executive Vice President - Chief Operations & Innovation Officer will have the same authority as the President & Chief Executive Officer unless otherwise prescribed by the Board.

Item 5. In the event of an emergency or natural disaster, the President & Chief Executive Officer and Executive Vice President - Chief Operations & Innovation Officer, jointly, are authorized to make emergency expenditures up to \$500,000 subject to the following conditions:

1. It is determined that an emergency or natural disaster exists, swift and immediate action is necessary, and the convening of the Electric Power Board is impractical or impossible.
2. The President & Chief Executive Officer shall report on the use of emergency funds at the next Board meeting following the emergency and at each subsequent Board

meeting thereafter until there is a full and complete accounting of emergency expenditures.

Item 6. To provide a means of allowing uninterrupted progress on Board-approved business, the President & Chief Executive Officer and Executive Vice President - Chief Operations & Innovation Officer, jointly, are authorized to approve increases of Board-approved contracts and commitments up to \$500,000 when a need arises before the next scheduled Board meeting. All such increases, the reasons for invoking these increases, the actions taken in making said increases, and its associated expenditures must be reported to the Board at its next regular meeting. Circumstances requiring such action would include:

1. Construction or repair change orders because of the discovery of unexpected conditions or the imposition of a reasonably unanticipated codes requirement where work would have to stop until the next Board meeting.
2. Legal matters that would require additional work or impose a time constraint to proceed before the Board would meet again.
3. Maintenance contracts where a current repair will cause the authorized amount to be exceeded and the repair is needed before the Board meets again.

Item 7. The Board delegates to the Executive Vice President - Chief Operations & Innovation Officer, the Vice President of Operations (Engineering), or to a manager in the Engineering Department the authority to approve and execute the following contracts:

1. Contracts entered into pursuant to TVA energy efficiency, renewable energy, and demand response programs/requirements, including heat pump loans, in-home energy evaluations, Green Power Providers, and Peak Saver agreements.
2. Contracts with developers for system expansion with or without aid in construction requirements if the contract is developed in accordance with Board-approved customer service policies.

3. Power contracts for service less than 5,000 kW (GSA Schedules 1, 2 and 3), provided the terms of the agreement comply with the TVA Power Contract, amendments, and rate schedules approved by the Board.
4. Contracts for private outdoor lights.

Delegation of the execution of the above contracts is conditioned upon the utilization of a standard agreement, which has been approved for form and legality by the Vice President - Chief Legal Officer & General Counsel.

Item 8. The Procurement Manager is authorized to sign all purchase orders and may delegate to Procurement Supervisors the authority to sign purchase orders under \$10,000. Purchase requisitions, invoices, petty cash vouchers, and check requests must be approved at the following levels:

<u>Levels of Authorization</u>	<u>Dollar Amount</u>
Supervisors	up to \$5,000
Managers	up to \$9,999.99
Vice Presidents	up to \$24,999.99
CEO and EVP	up to \$250,000
EPB	over \$250,000

When purchase orders for personal property involving more than \$250,000 are approved by the Board, the Procurement Manager is authorized and empowered to certify the Board's approval by appropriate words placed upon such purchase orders, the date of the Board's approval, and his/her signature affixed.

SECTION II

Item 1. Customer Service Representatives may adjust customers' accounts for late charges, billing errors, returned check charges, and turn-on fees, when warranted, and not in excess of \$25. Adjustments in excess of \$25 will require the same level of approval as defined above.

Item 2. Section Managers and Vice Presidents may approve deposit refunds, overpayment of accounts, payroll-related items, service-connected medical bills, Metro Water Department bills and deposits collected, payments for heat pump installations, and other energy-related activities, which are reimbursable by TVA.

Item 3. The President & Chief Executive Officer, Vice Presidents, or Section Managers, where applicable, may approve payments to companies for utility services including make-ready work, excess height, and sacrificed life as long as there are approved contracts for such services. Vice Presidents may also approve payments for postage and sales tax as required.

Item 4. Checks drawn on revenues or other funds of the Board shall be signed and counter-signed by two of the following officers: the President & Chief Executive Officer, the Executive Vice President - Chief Operations & Innovation Officer, the Vice President & Chief Financial Officer, or the Corporate Controller. In the absence of the President & Chief Executive Officer, Executive Vice President - - Chief Operations & Innovation Officer, Vice President & Chief Financial Officer, and Corporate Controller, the Board may designate a substitute. Checks shall be in such form as is or may be prescribed by the Board. Properly authorized disbursements below \$50,000 and payroll-related checks, such as payroll deposits and withholdings, may be signed with a facsimile plate or electronically printed on all checks. All disbursements except for payroll must be supported by contract, invoice, or other support verifying the validity of the expenditures.

Item 5. In order to be valid, all bills, notes, bonds, mortgages, and other charges placed upon the property of the Board shall be signed by the Chair or Vice-Chair of the Board and attested by the Secretary or Assistant Secretary.

Item 6. Checks, bills, notes, and other evidences of indebtedness due the Board may be payable to Nashville Electric Service and all such checks, bills, notes, and other evidences of indebtedness, whether payable to Nashville Electric Service or payable to the Board, shall be endorsed and deposited in the authorized depository of the Board.

Item 7. The President & Chief Executive Officer and the Vice President & Chief Financial Officer, with the approval of the Vice President - Chief Legal Officer & General Counsel, are authorized to sell, assign, and dispose of any and all stocks, bonds, and other financial instruments received by or for payment of debts owed to Nashville Electric Service and/or the Board. This authorization is subject to limitations set forth in Article III, Section III of the Bylaws.

SECTION III

Item 1. All funds of the Board shall be deposited, kept, and maintained in such depository or depositories as the Board designates by motion, rule, or regulation. All funds shall be deposited in the name of the Metropolitan Government of Nashville and Davidson County with any particular or special designation as the Board may determine necessary, proper, convenient, and/or consistent with the Charter of the Metropolitan Government of Nashville and Davidson County, Tennessee, and ordinances of the Metropolitan Government of Nashville and Davidson County authorizing issuance of Revenue Bonds for purchase of the properties of the Board.

Item 2. Notwithstanding the foregoing provisions, special accounts may be established by the President & Chief Executive Officer to implement the administration of any employee benefit plan or program adopted by the Board. The administrator of such a plan operating under contract with the Board is delegated authority to sign checks against such special account.

Item 3. All other provisions hereof to the contrary are amended to conform herewith.

SECTION IV

Item 1. The Board will not use its external auditing firm to provide any non-audit services contemporaneously with an audit, which includes: (1) bookkeeping or other services related to the accounting records or financial statements of the audit client; (2) financial

information systems design and implementation; (3) appraisal or valuation services, fairness opinions, or contribution-in-kind reports; (4) actuarial services; (5) internal audit outsourcing services; (6) management functions or human resources; (7) broker or dealer, investment adviser, or investment banking services; (8) legal services and expert services unrelated to the audit; and (9) any other service that the Board determines is impermissible.

ARTICLE V
ORDER OF BUSINESS

SECTION I

Item 1. The order of business at all meetings, other than special meetings of the Board, shall be as follows:

1. Reading and approval of minutes.
2. Reports of officers and committees.
3. Recommendations.
4. Disposition of all matters relating to employees and personnel (Civil Service and Pension Board).
5. Adjournment.

ARTICLE VI
AMENDMENTS

SECTION I

Item 1. These Bylaws may be modified, altered, amended, increased, or diminished by affirmative vote of a majority of the members of the entire Board at any properly constituted meeting, provided such action is specified in the given agenda therefor.

The foregoing is a true and correct copy of the Bylaws of the Electric Power Board of the Metropolitan Government of Nashville and Davidson County, as originally adopted September 27, 1939, with all amendments and revisions approved by the Electric Power Board through ~~July 23, 2025~~ December 10, 2025.

Attest:

Secretary

GOVERNANCE AND ADMINISTRATION

20. Data Classification and Document Retention

- A. **Policy Statement:** Data and information are important assets of NES and must be protected from loss of integrity, confidentiality, and availability in compliance with NES policy and guidelines, federal and state laws and regulations, and applicable industry standards. This Policy establishes guidelines for classifying data to help determine the appropriate baseline security controls for safeguarding that data.
- B. **Scope:** This Policy applies to all employees, contractors, and Board members. All company information, regardless of format (written, electronic, verbal) is covered by this Policy.

C. Terms and Definitions

- (1) Confidential - Highly sensitive data intended for limited, specific use by a department or group of individuals on a legitimate need-to-know basis only. Explicit authorization by the data owner is required for access. Unauthorized disclosure could have a serious adverse impact on the company, the personal privacy of individuals, or on compliance with federal or state laws and regulations. Examples include, but are not limited to: social security numbers, personnel records, medical records, credit card information, legal proceedings and investigations, tax identification numbers, bank account information, access codes, security codes, passwords, NERC critical infrastructure information, facilities infrastructure information and information technology infrastructure information.
- (2) Sensitive - Moderately sensitive data intended for internal use only with access restricted to a specific department or group of individuals with a legitimate need. Internal data is generally not made available to parties outside of NES. Unauthorized disclosure could adversely impact NES or individuals. Internal data generally has a low to moderate sensitivity. By default, all data that is not explicitly classified as Confidential or Accessible should be treated as Sensitive. Examples include: NES internal policies, guidelines, and procedures, with the exception of those policies related to physical or technical security or operation of NES's physical plants and excluding data classified as confidential.
- (3) Accessible - Data explicitly or implicitly approved for distribution to the public without restriction. Accessible data generally has a very low sensitivity regarding confidentiality, but some level of protection is still required to prevent unauthorized modification or destruction of accessible data. Examples include: Data posted to NES external website, public job postings, public news releases and company's annual report after release.

D. Policy

(1) DATA CLASSIFICATION

- (a) At the point of creation, all data will be classified and handled in accordance with this policy.

GOVERNANCE AND ADMINISTRATION

- (b) Everyone has a responsibility to identify and label confidential and sensitive documents that they receive or create in the course of business accordingly. When labeling physical documents, a written or stamped annotation should be placed on it. When labeling electronic documents, the file name of the document should be labeled appropriately, and if possible, a label should be applied within the electronic document.
- (c) Incorrectly classified data should be reported immediately to the respective Manager or Functional VP so corrective action may be taken.

(2) DOCUMENT RETENTION

- (a) All NES records and/or data must be retained in accordance with the retention schedule below.
- (b) Paper files are retained sixty days after scanning and/or electronically archiving. These requirements shall be suspended in the event of a Litigation Hold.
- (c) Working documents will be retained until the business need expires.

FINANCIAL & AUDITING

Type of Record	Minimum Retention Period
Accounts Payable Ledgers and Schedules	10 years
Accounts Receivable Ledgers and Schedules	10 years
Audit Reports	Permanently
Bank Deposit Books	6 years, plus 1 year after last entry
Bank Deposit Slips	7 years
Billing Adjustment Reports	10 years
Billing Register	10 years
Budget Records and Reports	5 years
Cash Books: General and Subsidiary or Auxiliary books	5 years after close of fiscal year
Cash Reconciliation Reports	5 years
Check Records	7 years
Collection Agency Reports	7 years
Construction Work in Progress Ledgers, Work Orders and Supplemental Records	5 years after transfer to plant records
Continuing Plant Inventory Ledger, Book, and Records	25 years
Depreciation Schedules	Permanently
General Ledger Accounts	Permanently
General Receipt Ledgers	10 years
Investment Ledgers	10 years
Ledgers of Utility Plant Accounts, including land and other detailed ledgers showing cost of utility plant by classes	25 years

GOVERNANCE AND ADMINISTRATION

Statistics: Financial, Operating, and Statistical Reports used for internal administrative or operating purposes	5 years
Tax Regulatory Filings	2 years after subject audit is concluded or is no longer subject to audit (whichever is later)
Voucher Registers	10 years

CUSTOMER ACCOUNTS/RATES & BILLING

Type of Record	Minimum Retention Period
Applications for Service	3 years after disconnection or 7 years, whichever is later
Customer Records	7 years
Rate Schedules	Permanently

ENGINEERING

Type of Record	Minimum Retention Period
Original or Reproduction of Engineering Records, drawings, and other supporting data for proposed or as-constructed utility facilities: maps, diagrams, profiles, photographs, field survey notes, plot plan, detail drawings, records of engineering studies, and similar records showing the location of proposed or as-constructed facilities	Permanently
Tap Records	Permanently

FACILITIES, SECURITY, & SAFETY

Type of Record	Minimum Retention Period
Accident Reports	7 years
Background Checks	Hired: 3 years after termination Not hired: 5 years
Building Plans	For the life of the building
Chemical Use Records (Safety Data Sheets)	30 years
Facility Inspection and Maintenance Records	5 years
Fire Safety Inspection Reports	Until a new report is generated
Occupational Injury and Illness Records	5 years
Safety Records	6 years
Safety Training Records	Duration of employment plus 3 years
Security Reports	3 years after final investigation
Toxic Substance Exposure	30 years after termination
Visitor Logs	1 year

GOVERNANCE AND ADMINISTRATION

Work Orders for Repair and Maintenance of NES-Owned Equipment and Infrastructure	5 years
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GENERAL ADMINISTRATION

Type of Record	Minimum Retention Period
Appraisals and Evaluations	6 years after appraisal
Board Minutes	Permanently
Business and Privilege Licenses	5 years after expiration
Deeds, Mortgages and Bills of Sale	Permanently
Financial Reports to the Board	Permanently
Grant Documentation and Files	Life of grant plus 7 years
Insurance Records	10 years after expiration
Property Appraisals by Outside Appraisers	Permanently
Property Records, including costs, depreciation reserves, year-end trial balances, depreciation schedules, blueprints, and plans	Permanently
Meter Reading Records	3 years
Meter Records	1 year after meter disposal
Substation and Transmission Line Logs	3 years
System Operator's Daily Logs and Reports of Operations	3 years
Training Manuals	Permanently
NESEA Agreements	Permanently
Vehicle Equipment and Maintenance Records	Life of vehicle or equipment plus 1 year

HUMAN RESOURCES

Type of Record	Minimum Retention Period
Americans with Disabilities Act - Employer Records	2 years after termination
Benefit/Retirement Plans	1 year after retirement of plan
Citizenship or Authorization to Work	3 years after separation
Drug and Alcohol Testing	
1. Collection Process	1. 3 years
2. Positive Drug Test	2. Until termination
3. Alcohol Test > .02 concentration	3. 5 years
4. Positive controlled substance test	4. 5 years
5. Documentation of refusal of test	5. Until termination
6. Calibration documentation	6. 5 years
7. Evaluation of referrals	7. 5 years
8. Copy of calendar year summary	8. 5 years
9. Substance abuse professional reports	9. 2 years

GOVERNANCE AND ADMINISTRATION

10. Follow-up tests and schedules for follow up	10. Retain as long as individual performs the function plus 2 years
11. Information on the alcohol and controlled substances testing process	11. 1 year
12. Records of inspection and maintenance	12. 1 year
13. Passed Drug Test	13. 1 year
14. Training records	14. 1 year
15. Records of the number of employees tested by type of test	15. 3 years
16. Records of trainings and training materials	16. 3 years
Employment Applications (If Hired)	3 years after termination
Employment Applications (Not Hired)	5 years after job filled
Garnishments	10 years
Group Health Insurance Coverage Records	7 years
Job Advertisements and Internal Job Opening Notices	10 years after job filled
Job Selection Criteria or Testing	10 years
Layoffs	20 years
Medical Records	30 years after termination
Offer and Hiring Records	5 years after offer made
Personnel Files	7 years after termination
Promotions/Demotions/Transfers	5 years after employment action
Termination Records	7 years after termination

INFORMATION TECHNOLOGY

Type of Record	Minimum Retention Period
Emails	Upon expiration of business need
Instant Messaging	Upon expiration of business need
Meeting Recordings, Audio and/or Video	Upon expiration of business need
<u>Transcripts of Digital Meetings</u>	<u>30 days or upon expiration of business need, whichever comes first</u>
<u>Artificial Intelligence Prompt History</u>	<u>30 days or upon expiration of business need, whichever comes first</u>

LEGAL

Type of Record	Minimum Retention Period
Legal Opinions and Court Decisions	Permanently
Contracts	7 years after expiration
Subpoenas and Garnishments	10 years
Public Records Request Forms and Public Records Response Forms	1 year

GOVERNANCE AND ADMINISTRATION

PROCUREMENT

Type of Record	Minimum Retention Period
Bids, RFPs, and Purchase Orders	7 years after contract expiration
Materials and Supplies Received and Issued	6 years
Procurement Card File	6 years
Procurement Minutes	1 year after award
Records of Sales of Scrap and Materials and Supplies	3 years

TIMEKEEPING & PAYROLL

Type of Record	Minimum Retention Period
Annual Wage and Tax Statements	7 years
Employee Earnings Records	70 years
Employee Timekeeping Records	5 years
Employment Tax Records	4 years
Medical and Leave of Absence Records Related to FMLA Leave	3 years
Military Leave Records	7 years
Payroll Records	5 years
Withholding Allowance Certificates	5 years after superseded or upon termination



Strategic Plan

One purpose. One team. One future.

At NES, we're building a future-ready utility—combining innovation, resilience, and trust to deliver reliable, affordable, and dependable energy that powers daily life and prepares communities for tomorrow.

Powering tomorrow. Connecting communities today.

We power lives and communities with reliable, affordable, and future-ready energy—ensuring peace of mind and opportunity for all.

Powering comfort, security, and prosperity

We deliver safe, reliable, and affordable energy—driving innovation and resilience with transparency, responsiveness, and care.

A trusted partner in powering Nashville's future

To be one of the most trusted energy partners—valued for our service, driving prosperity through service excellence and smart innovation.

Our Values

People first

We serve all customers—residential and commercial—with urgency, respect, and responsiveness. We listen actively, act with empathy, and put people at the heart of every decision.

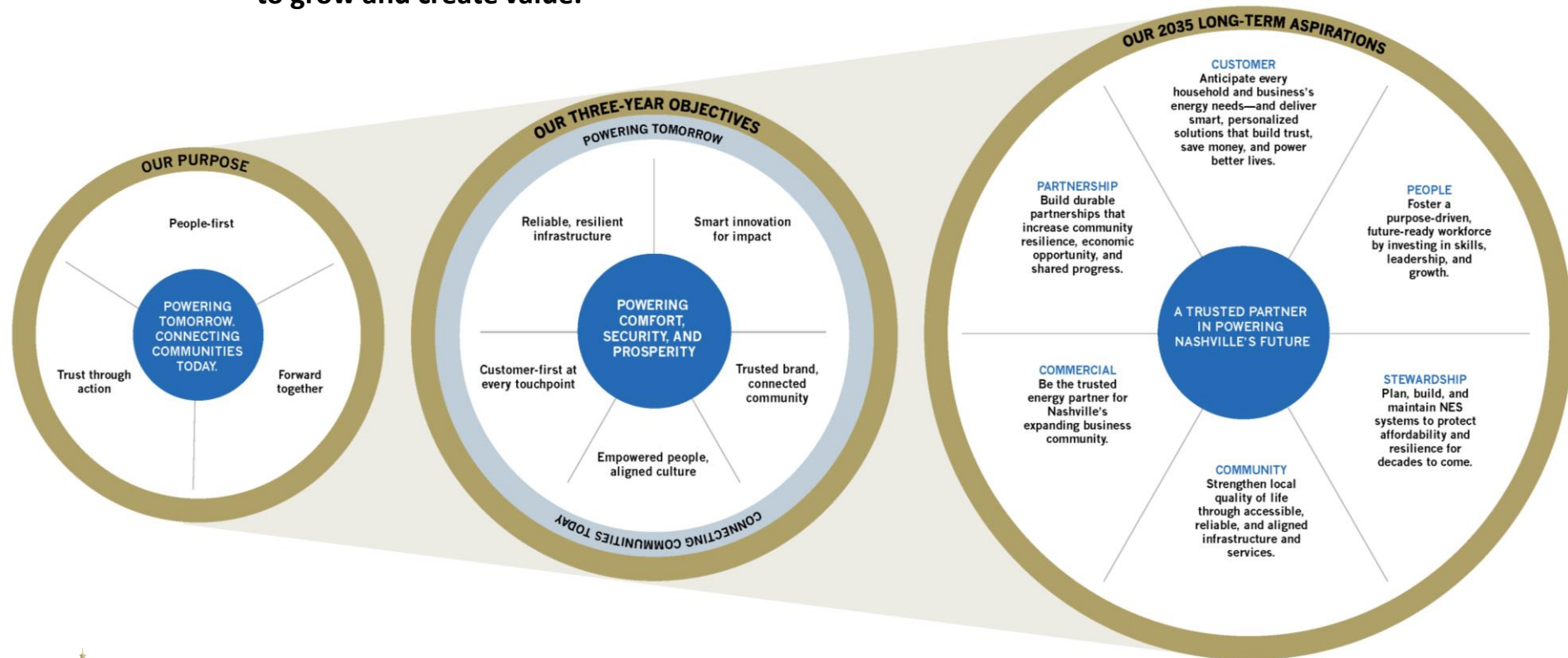
Trust through action

We build trust by doing what we say—delivering safe, reliable service with integrity, open communication, and responsible stewardship of public resources.

Forward together

We anticipate tomorrow's needs with smart innovation, collaboration, and a shared commitment to continual improvement—for our customers, our employees, and our city.

Our strategic framework maps why we exist and what we'll need to focus on over the near and longer term, to continue to grow and create value.



Connecting communities today

NES is building the energy system of the future—stronger, smarter, and more resilient. Every investment in modernization, technology, and workforce development ensures reliable, affordable power for generations to come. We're preparing today so our community inherits not just modern infrastructure, but lasting opportunity.

Pillar 1 – Customer First at Every Touchpoint

Strategic Focus

Redefine great service—personalized, digital, responsive, and accessible.

Operational Focus

- increase response rates, reduce case services time, become more proactive in communicating alerts and progress.
- Prepare NES to offer more and better digital service options; affordability safeguards.

Employee Alignment

- Strengthen front-line empowerment to make service decisions that enhance the customer experience.
- Recognize and reward customer-centric performance.
- Reinforce understanding of how every role contributes to service excellence.

3-Year Metrics

- JD Power to top quartile
- -5% high-bill complaints
- +10% customer program participation
- -10% call volume
- +5% in first call resolution

3-year Employee Metrics

- ≥85% agree they “understand how their work contributed to the customer experience.”
- +5% agree NES “recognizes employees for delivering great service.” (addition to the employee survey beginning in 2026)

Pillar 2 – Empowered People, Aligned Culture

Strategic Focus

Equip workforce to lead the next era of public power.

Operational Focus

Upskilling, collaboration tools, leadership development.

Employee Alignment

- Build a culture of shared ownership where employees feel accountable for reliability, affordability, and innovation.
- Expand leadership capability in communication and engagement.
- Foster empowerment, recognition, and growth through aligned performance and development systems.

3-year Metrics

- Assure organizational staffing is within 2.5% of peer averages
- >65% participation in employee engagement survey
- ≥80% projects on schedule/budget
- -3% in O&M expense per customer

3-year Employee Metrics

- ≥50% agree they “have a voice in decision-making.”
- ≥60% agree “NES recognizes employees for doing good work.”
- DART (Days Away Restricted or Transferred) between .07 and 1.7
- +5% in Near-miss reporting

Pillar 3 – Trusted Brand, Connected Community

Strategic Focus

Build trust and reputation through transparency, accountability, and partnerships.

Operational Focus

Community relations, partnerships, brand governance.

Employee Alignment

- Increase transparency around NES priorities, progress, and decisions.
- Empower employees to act as brand ambassadors in their communities.
- Reinforce opportunity and access, civility, and trust across departments and customer touchpoints.

3-year Metrics

- >85% of customers agree that "NES is transparent and trustworthy"
- Average electric bill <3% of median household income
- Touchpoint in every Council district/out of county zip
- Maintain AA+ bond rating
- >90% of customers agree that NES provides safe power
- Residential rates with 5% of Big Six median
- Recurring annual capital growth <5% (excluding major projects)

3-year Employee Metrics

- >75% agree that NES is the place they'd most prefer to work
- >70% agree employees appreciate others with different background beliefs and experiences
- >75% agree that employees of different backgrounds interact well with each other

Powering Tomorrow

NES is building the energy system of the future—stronger, smarter, and more resilient. Every investment in modernization, technology, and workforce development ensures reliable, affordable power for generations to come. We're preparing today so our community inherits not just modern infrastructure, but lasting opportunity.

Pillar 4 – Reliable, Resilient Infrastructure

Strategic Focus

Modernize systems for long-term resilience and an ability to scale projects

Operational Focus

Asset management, grid modernization, storm readiness, capacity planning.

Employee Alignment:

- Foster shared responsibility for operational reliability, making every employee feel accountable for dependability metrics.
- Engage employees in identifying and addressing potential points of failure or process inefficiencies.
- Recognize and reward operational excellence and continuous improvement.

3-year Metrics

- SAIDI <80
- SAIFI ≤ 0.9
- CAIDI <89
- -20% in customers experiencing three or more outages per year
- Vegetation management 1,200 miles per year
- Implement at least two efficiency measures to enhance the cost efficiency and operational effectiveness of tree trimming

3-year Employee Metrics

- $\geq 87\%$ agree their work is “meaningful and important to the community”
- $\geq 75\%$ participate in process improvement or reliability initiatives
- >70% in employee satisfaction

Pillar 5 – Smart Innovation for Impact

Strategic Focus

Harness next-gen technology to drive operational excellence and customer value.

Operational Focus

AI services, DER/EV integration, advanced metering, workflow digitization.

Employee Alignment

Empower employees to contribute innovative ideas that enhance efficiency, affordability, and service value.

Provide training and resources to develop digital and analytical skills.

Reward innovation that improves operations or customer outcomes.

3-year Metrics

- Execute ≤ 3 data-driven innovation projects that improve demand response/flexibility
- Deliver ≤ 30 MW of cost-effective energy storage
- Increase digital processing of requests by 10%
- Adopt a technology solution for predictive fleet maintenance that improves operational efficiency

3-year employee metrics

- +5% agree "NES encourages and supports innovative ideas at all levels"
- $\leq 60\%$ of employees complete innovation training or participate in innovation initiatives



Questions

Financial Report



ENCMPASS

EMPOWERING CUSTOMERS. EMBRACING CHANGE.

Quarterly C2M Update

Executive Summary

Executive Summary: The organization has entered the Optimization Phase, focusing on sustained improvement, operational maturity, and value realization across the C2M platform.

- **Key Accomplishments & Current State Overview**

- **Mobile App Development & Digital Experience Optimization**

- Mobile App development is in progress with an anticipated January 2026 launch. This effort is a key component of the Digital Experience Optimization strategy, designed to expand digital self-service options and deliver greater accessibility and convenience for all customers.

- **Continuous Improvement**

- Partnership between the Center of Excellence and IT continues to mature, enabling consistent support management and well-structured enhancement routines. This integrated approach has reduced recurring issues, streamlined complex workflows, and advanced the modernization of key business processes. These ongoing efforts position the organization to fully leverage future capabilities, such as enhanced digital experience, expanded analytics, and strategic preparedness.

- **Ongoing Training**

- As part of our maturing stabilization model, the CoE has delivered 24 targeted training sessions to address training needs identified by select operational teams. These sessions have reinforced accuracy and consistency across the organization and reduced training related incidents. The Navigator tool continues to be maintained as a knowledge resource that supports proficiency and accelerates onboarding for all new personnel.

Wave 1B: Executive Summary – Stabilization Metrics

Call Center Metrics:

- Call center performance remains strong post-Go-Live. Since **September 16th**, weekly call volume has averaged **~12,264**, with a high of **15,209**. Key metrics for this period include:
- **Average Speed of Answer (ASA):** 55 seconds
- **Average Handle Time (AHT):** 5 minutes, 43 seconds
- **Advisor Answer Rate:** 95.8%

Digital Self Service Metrics:

- **Daily unique logins** have averaged **~8,645**.
- **Program enrollments** remain healthy, led by **Paperless Billing (3,309)**, **Payment Extensions (4,058)**, **Power of Change (1,571)**, and **Budget Billing (357)**.
- Continued strength in digital self-service is reducing operational burden and empowering customers to manage their own accounts effectively.

Billing Metrics:

- Billing performance has remained highly stable since mid-September, with **1,101,331 total bills successfully processed**.
- This continued consistency in billing execution reflects strong system stability, timely processing, and no significant backlog—supporting customer confidence and minimizing downstream impacts to collections, payments, and service operations.

Remittance Metrics:

- Since September 16th, NES has successfully processed **over 1,039,579 payments totaling approximately \$354 million** across multiple inbound channels, reflecting a highly effective and stabilized remittance landscape.
- The remittance process continues to demonstrate strong scalability, accuracy, and post-Go-Live maturity.

Defect Metrics:

- The team is currently averaging **~5 new defects per day**, with **~6 closures daily**
- The backlog continues to be actively managed through rigorous triage, prioritized queues, and daily COE-led reviews, maintaining visibility and momentum toward resolution.



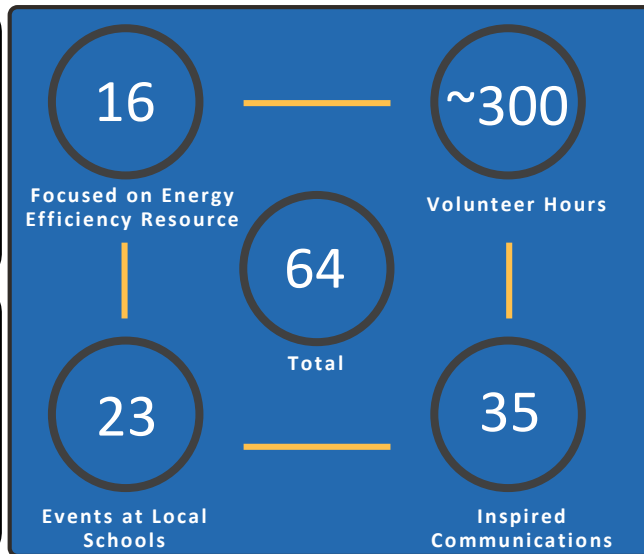
NES

Quarterly Corporate Communications Update

Kathryn Pohlman,
Sustainability Manager

December 10, 2025

COMMUNITY ENGAGEMENT



NEWSLETTER



Internal to NES

Cadence and Delivery:

Sent to NES employees every two weeks by email. We collect relevant news stories from coworkers between each newsletter.

Objective:

The primary purposes are to share industry news, reiterate important announcements, and celebrate employee achievements.

Connect with the Industry

Nashville, State, & National Utility News

- Supply-chain delays causing equipment prices threaten electricity grid - submitted by Leonard Leech
- Bills to weaken DOE efficiency programs advance | Utility Dive
- Latest Power Outage Statistics - Electricity Today

NES Announcements

- LED Lighting Incentives for (All) Businesses
- New 457 Annual Contribution Limits for 2025
- LED Lighting Replacement for Small Businesses
- Important Year-End Information
- The Salvation Army's Angel Tree Program

Employee Announcements

Welcome, New Hire(s)

- Allison Carter - Accountant II, Accounting
- Austin Fields - Associate Engineer I, Energy Services - CRC Resident
- Benson Hester - Associate Engineer I, Environmental & Property Engineering

Job Openings

- Accountant II - A valid Eligible List exist from which to fill this vacancy. No applications are being accepted.
- Line Supervisor - North Service Center (Internal)

Promotions

- Nancy Miller has been promoted to Operations Planning Supervisor in Meter effective November 14.

NEWSLETTER



For Business & Industry

Cadence and Delivery:

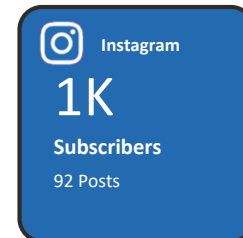
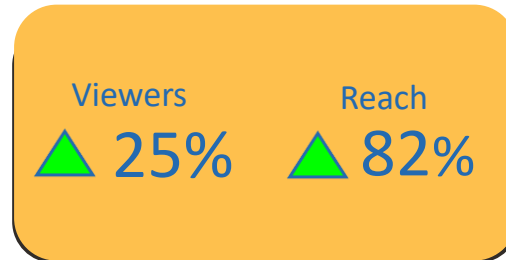
Sent to business customers as needed via MailChimp. We are able to see “open” and “click” rates for each link.

Objective:

Promote solutions and programs to save energy and lower bills.



SOCIAL MEDIA METRICS



CAMPAIGN



C2M Provides Meaningful Upgrades to Customers

**PAY
BILL.
AND
CHILL.**

 Save your energy at [NESPOWER.COM](https://www.nespower.com)

Platforms:

- Billboards
- Online digital advertising
- Social media advertising
- Customer emails

Key Messages:

- Website improvements
- Enhancements to the bill payment process
- Neighborhood Comparison tool
- Overall, more convenience for NES customers

**QUICK FIXES
WITHOUT
PHONE CALLS?
NOW WE'RE
TALKING.**




**Save your
energy at**
[NESPOWER.COM](https://www.nespower.com)



NES

Quarterly Sustainability Update

Kathryn Pohlman,

Sustainability Manager

Brenton Montgomery,

Customer Insights & Programs Manager

December 10, 2025

CUSTOMER- FOCUSED GOALS



BUSINESS & INDUSTRY



INCENTIVES

- Fast Track LED Lighting
- HVAC Equipment
- New Construction LED Lighting
- Replacement LED Lighting
- Fast Track Compressed Air
- Electric Forklift Class 1&2
- Refrigeration
- Thermal Ice Storage
- Retro & Monitoring – Base Commissioning
- Variable Speed Drives
- Custom

SOLUTIONS

- Free Energy Assessments
- Strategic Energy Management
- Advanced System Consulting

DEMAND RESPONSE

- PowerFlex
- Peak Rewards
- Smart Thermostat Rewards

BUSINESS & INDUSTRY



12

GWh Avoided through
Lighting Upgrades

Smart Thermostat Rewards for
businesses is coming soon!

Commercial Standard Incentive

103

Customers Participated

13

GWh Avoided through Smart
Energy Technologies

Demand Response

258

Participants



18

MW Capacity



3

Years of Power for an
Average Home



\$1.1 M

Standard Incentives Distributed

The most common incentive was lighting!

Custom Incentive Projects

1.5

GWh
Avoided

\$172

Thousands
Paid

RESIDENTIAL



REBATES

- DIY Home Energy Assessment
- Heat Pump Water Heater Rebate
- Smart Thermostat Rewards
- Geothermal Heat Pump
- Heat Pump
- Mini Split
- Central Air Conditioning
- Duct Sealing and HVAC Tune-up
- Air Sealing and Insulation



RESIDENTIAL



1.6

GWh Avoided through
Lighting Upgrades

1,600

DIY Home Energy
Assessments Completed

13

Smart Thermostat Rewards

Thousands of Devices Participating

13

MW of Estimated Load Shed

#1

LPC in the Valley!!

Residential Services

3,800

Participants



6

GWh Avoided



\$9M

Lifetime Savings

\$1M

Incentives Distributed

The most common incentive was HVAC tune-ups!



TVA EnergyRight

UPLIFT PROGRAMS



School Uplift

- 6 Cohorts Since 2019
- 26 Total NES Schools Uplifted
 - 1 School in the First Year
 - 12 Schools Currently in the Program
- On average, each school receives funding ranging from \$10,000 to \$25,000.

Home Uplift

- 485 Participants
- \$3.9M Incentives Distributed
- \$309 Estimated Annual Bill Savings per participant
- 1.5 GWh Avoided
- The Home Energy Evaluation, air sealing, and attic insulation are the most common measures.
- Heat pump water heaters had the most savings per project with 2,561 kWh per project.

PRESIDENT'S REPORT

December 2025

OPERATIONS

We trimmed 56 circuit miles for the month of November.

CUSTOMER RELATIONS

The Advisor of the Month is Daphne Dodson, and the Contractor Advisor of the Month is Zaria Satterwhite. Four achieved Pacesetter status by exceeding their productivity goals and 11 are members of the 100 Percenters Club, reaching 100 percent in all call monitoring categories in the month of November.

COMMUNITY INVOLVEMENT

On November 12, Antonio Carroll spoke to students at The Curve, a South Nashville homeschool enrichment program, about legal career paths and his work as an in-house energy attorney. He then recorded a student-led podcast on being a public power lawyer.

On November 13, NES opened its boardroom for a Home Uplift Application Assistance session to help customers apply for free home energy upgrades.

On November 13, Nashville Christian School hosted a Career Fair for grades 7 through 12, welcoming around 300 attendees. Robbie Smith and Travis McNabb represented NES, sharing career insights into engineering and field operations and answering student questions.

During the week of November 17, employees Larry Shelton, Bethany Lamon, and Travis White delivered 74 cases (1,776 four-packs) of LED bulbs to three area schools, provided through TVA EnergyRight and NES partnerships.

On November 18, NES hosted Metro Water Services staff for a tour of the renovated System Operation Control Center. Robbie Smith, Kevin Phelps, Kat Pohlman, and Antonio Carroll guided the tour and discussed grid management and resiliency during inclement weather.

On November 24, employees assisted Metro in cutting and transporting the Metro Christmas tree from Mt. Juliet to the Metro Courthouse where it also provided support. Thank you to Chris Eckard, Johnathan Elizondo, Matt Loyd, Rhett Butler, Bobby Fogarty, Brittany Perkins, James Ayers, and Jason Wofford.

On December 8, NES and TVA presented a free home energy workshop to FiftyForward Donelson members. Attendees learned simple ways to save energy and lower bills and received a free energy-savings toolkit.

On December 17, NES will participate in the Gift of Reading Day at Thomas Edison Elementary School.

MISCELLANEOUS

On November 11, Kat Pohlman hosted the Large Public Power Council's Grant Management Working Group meeting.

On November 12 and 13, Teresa Broyles-Aplin and Brent Baker hosted the Large Public Power Council's Fall Emerging Trends Task Force Meeting. Teresa served as CEO Co-Sponsor and Brent as Demand Flexibility Task Force Chairman. The group focused on energy challenges related to data center growth and electrification, with discussion from Google Data Center leadership, the Smart Electric Power Alliance, and other industry partners.

Dr. Trish Holliday and Laura Smith attended the National Employment Law Institute in New Orleans participating in a comprehensive two-day advanced-level conference addressing critical developments affecting employment policies and practices of business and government.

Kenny Boyd of Key Accounts received the Outstanding Alumni and Supporter Award from the TSU Executive Board and the Nashville Chapter of the Tennessee State University Alumni Association, recognizing his commitment to TSU's motto, "Think. Work. Serve."

Nathan Publow has been selected to receive a 2025 EPRI Energy Delivery & Customer Solutions Technology Transfer Award for his work on the Unified DER Interconnection Framework and TIIR Template Development project. This project focused on making it easier for TVA and local power companies to work together when connecting solar and other distributed energy resources.

Vaughan Charles has been appointed to the Friends of Mill Ridge Park Board, which supports and advocates for the park and the Southeast Davidson County community. In addition, Vaughan was reappointed to the 17-member Underground Utility Damage Enforcement Board, which promotes underground utility safety statewide.

Congratulations to Dr. Holliday, who has been selected to join the Goodwill of Middle Tennessee Board of Directors beginning in 2026.

Miscellaneous

Recess to Civil Service Board Meeting

Consent Agenda

**THE MINUTES OF THE ONE THOUSAND ELEVEN
MEETING OF THE ELECTRIC EMPLOYEES'
CIVIL SERVICE AND PENSION BOARD
HELD NOVEMBER 20, 2025**

The regular meeting of The Electric Employees' Civil Service and Pension Board was held November 20, 2025.

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

Vice Chair Santos called the meeting to order at 9:20 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 October 22, 2025.

Upon motion by Member Harris and seconded by Member Prunty, the consent agenda was approved, which included the minutes from the meeting held October 22, 2025.

MANAGEMENT / NESEA MEETING

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

HUMAN RESOURCES - CORPORATE SERVICES WORKFORCE UPDATE

Dr. Holliday noted that the HR – Corporate Services Workforce update is in the Board packet for review and highlights Training, Staffing and Employee Relations, Safety, Fleet, and Facilities activities. Also highlighted by Dr. Holliday was the Wholehearted Wednesday event, in which the workforce came together to collect winterwear clothing for the Nashville Rescue Mission, and successfully raised \$2,263 for the Angel Tree and Susan Gray foundations. Along with the fundraising efforts, NES celebrated and recognized employees who continue to make a meaningful impact within our organization.

Dr. Holliday provided an update on the employee engagement survey, emphasizing the importance of participation and feedback. An inspiring highlight about achievements of being able to save 114 lives due to employees commitment, compassion, and generosity to give during the Blood Assurance Blood Drive.

MISCELLANEOUS

There were no miscellaneous items to come before the Board.

ADJOURNMENT

The meeting adjourned at approximately 9:52 a.m.

Approved,

Chair

Attest:

Secretary
11-20-2025

HUMAN RESOURCES / CORPORATE SERVICES WORKFORCE UPDATE

December 10, 2025

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

Training Section

The new and improved NES Beacon has a distribution ETA of mid-December.

ELI final sessions Dec 5th & 12th

Elevate's first session Dec. 11th

Staffing and Employee Relations

Talent Acquisition and Employee Relations: As of December 2nd, NES has 917 employees. This includes 147 female employees and 770 male employees. As of December 2nd, there have been four new hires: Karly Christian - Business Analyst I, Austin Fields - Associate Engineer I, Benson Hester - Associate Engineer I, and Allison Carter - Accountant II.

Compensation & Benefits

Made 401(a) retirement plan contribution for the 3rd quarter. 475 employees received \$2.3M in total.

Safety

Initial Glove & Cover Up training for T&D Dec 1-5

CDL Training Dec 4

Apprentice Evaluations Dec 3rd, 4th, and 17th

Facilities & Security

The parking deck renovations are still on schedule to be completed in January.

Miscellaneous

Adjournment of Civil Service Board Meeting

Reconvene to ratify actions taken by Civil Service Board

Adjournment of Electric Power Board Meeting