

**MINUTES OF THE
ONE THOUSANDTH THREE HUNDREDTH AND SIXTY THIRD MEETING
ELECTRIC POWER BOARD OF THE METROPOLITAN
GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
HELD APRIL 23, 2025**

The regular meeting of the Electric Power Board was held on Wednesday, April 23, 2025.

Members present: Board Chair Michael Vandenberg, Rob McCabe, and Anne Davis; Members Casey Santos and Clifton Harris attended virtually

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

Board Chair Michael Vandenberg called the meeting to order at 8:11 a.m.

PUBLIC COMMENT PERIOD

David Frankenberg informed the Board that there was one public speaker for the month of April, Nikki Bennett, who wished to speak regarding frequent outages.

COMMITTEE REPORTS

Legal Committee

Board Chair Vandenberg reported that the Legal Committee met this morning and received a Quarterly Legal Report.

Audit and Ethics Committee

Committee Chair Rob McCabe stated that the Audit and Ethics Committee met this morning and approved the Audit and Ethics Committee minutes from the meeting held March 26, 2025.

The Committee received a Controls and Compliance Integrity Line Update, a review of the Audit and Ethics Committee Calendar, and the following four internal audit reports from Kraft CPA’s:

- Infrastructure Design and Construction
- FY25 Board, Executive and Employee Accounts
- Contract Administration PATH Company
- Contract Administration BG Staffing

There was no motion to enter into an executive session.

RECOMMENDATION FOR APPROVAL OF THE MINUTES FROM THE ELECTRIC POWER BOARD MEETING HELD MARCH 26, 2025

Upon motion by Member Davis and seconded by Member Harris the Board approved the minutes from the Electric Power Board meeting held March 26, 2025, with five ayes and zero nays.

PURCHASES

Mr. Frankenberg presented management’s recommendation for approval of a list of purchases and contracts (greater than \$50,000) in the amount of \$5,439,160.23. This included \$2,121,596.23 of purchases and contract additions throughout the month that were between the \$50,000 and \$250,000 threshold that were approved by management.

Upon motion by Member McCabe and seconded by Member Davis, the Board approved the list of purchases and contracts with five 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 \$5,439,160.23.

¹ Appendix A Electronically Filed

FINANCIAL REPORT

Mr. Frankenberg reported that for the first nine months of the fiscal year, operating revenues were \$1.2 billion, offset by purchased power of \$814 million, resulting in a sales margin of approximately \$370 million. He stated that it was favorable to budget by \$32 million mainly due to higher than anticipated retail degree days.

Mr. Frankenberg stated that on the expense side, operating expenses were positive by approximately \$174 million excluding purchased power which is favorable to budget by \$32 million due to cost-effective retirement costs, tree trimming levels, and IT shared services. There was a net gain of approximately \$66 million favorable to budget and cash on hand was \$509 million. He reported that Capital spend was \$153 million versus \$255 million, and the debt service coverage was 4.4 outperforming the target of 2.0. Mr. Frankenberg noted that the Fiscal Year 2026 annual budget will be brought before the Board for approval next month.

Chair Vandenberg asked if any issues are expected with the recent down draft in the market and the potential increase in inflation. Mr. Frankenberg responded that the recent market and tariff tensions have been an extreme guessing game while putting together the budget, but a long-term strategy has been created that we think will work which includes possible inflationary impacts.

Member Davis commented that prices may increase regardless if we purchase items that are manufactured overseas and asked if NES purchases many items abroad. Mr. Frankenberg replied that in the transformer space, NES has previously purchased from Canada and Mexico.

MONTHLY ENCOMPASS PROGRAM UPDATE

Brent Baker presented the first Encompass Program Update since Go-live which occurred on March 30. He recognized key members of the core team which were in the audience and thanked them for their extensive work and dedication to the project.

Mr. Baker explained the hypercare efforts developed in an effort to resolve any issues Post Go-Live. He stated that there is a floorwalker team of 52 onsite experts available for real-time support. He reviewed the stabilization metrics of the new system and said the fixes are tapering into normal change cycles as stabilization matures. Member Santos asked if the assists are because of a need for more training because it is a new system, or if it is due to defects. Mr. Baker responded that it was mostly familiarization, but there were also defects which is what hypercare was focused on and said the team has gone through the defect remediations promptly.

Mr. Baker stated that there has been an average of 10,000 users a day logging into the digital self-service e-portal. Member Santos asked if this is a new capability. Mr. Baker replied yes, although some aspects existed in a different form.

Teresa Broyles-Aplin commented that there have been a lot of hands on deck to make this project happen. She noted that the NES employee core team that is here today are the ones that have been dedicated from the beginning of the project years ago. She commended the team for their commitment in making this project successful.

Member Santos acknowledged the team for their hard work and stated that this was a transformational project and transformational projects are hard. She said the team handled it with grace and she was awed at their accomplishments.

Chair Vandenberg thanked Mr. Baker and Mr. Frankenberg for leading the effort and gave his appreciation to Ms. Broyles-Aplin for getting the team in place.

QUARTERLY CORPORATE COMMUNICATIONS ACTIVITY REPORT

Mr. Baker presented the Quarterly Corporate Communications Activity Report and reviewed samples of Q4 media relations activities to include social media posts which garnered the highest engagement. He reported that during the April 5-7 severe weather event, NES' crisis communications approach provided the media, elected officials, and customers with consistent and reliable hourly updates.

He congratulated the team of NES Lineworkers who competed at the American Public Power Association’s Lineworkers Rodeo and noted that two of the NES teams had perfect performances.

Member McCabe asked if NES collaborates with Ronald Roberts and his team at Finn Partners on these projects. Mr. Baker replied yes, Finn Partners assists NES with developing communication strategies.

QUARTERLY SUSTAINABILITY UPDATE

Kat Pohlman presented the Quarterly Sustainability Update which highlighted several items in the 2025 Community Impact Report, an analysis of rooftop solar, an upcoming Silicon Ranch community meeting on the Magnolia Solar Array project and discussion of the Energy to Communities Partnership.

Member Davis commented, regarding rooftop solar, that NES will be looking at several different projects in the future and asked if Ms. Pohlman would provide more information.

Ms. Pohlman replied that the triple bottom line analysis is a great tool to look at all of the different aspects of a project and to have those deep conversations. She said the tool can be used for most anything including its potential use with electric vehicles to provide fleet benefits.

Mr. Baker added, regarding solar rooftops in our territory, we are looking around for those establishments that are adaptable and if they are not compatible immediately, we will have them on a shelf for when it may be more comprehensible.

Chair Vandenberg asked, if I am a customer that is worried about the cost of my monthly power bill, how does a project like Magnolia Solar benefit me. Mr. Frankenberg replied that Magnolia Solar provides a significant cost advantage because the price we are procuring is well below TVA’s wholesale rate. Regarding rooftop solar, we use avoided costs for those customers who are under the TVA Flexibility Program. It has been our approach that we are not going to pay above TVA’s cost, and we are looking at the components of the power bill to ask what it is worth for NES to acquire energy from that customer.

Mr. Baker added that the analysis that we are performing is setting us up for future battery projects or anything that may need a complete analysis to see what the impact may be. We would like to find a long-term total cost of ownership that benefits our customers.

Member Davis asked if avoided costs are the same as wholesale costs. Mr. Frankenberg replied no and explained that not all components of what we pay do we benefit from. He stated that NES may buy power from TVA at any part of the day where rooftop solar will support demand in the summer months but will not help during the winter months.

Member Harris asked what the workforce opportunities are around rooftop solar. Ms. Pohlman stated that she reviewed the Tennessee Advanced Energy Business Council to see how they quantified the different business opportunities. She stated that whether it may be people installing solar or those on the technology side that implement technologies to measure it, their work is really for the Tennessee Valley and the State of Tennessee. She stated that the scope was narrowed down to the Nashville area to see its impact on our service territory.

QUARTERLY SUPPLIER DIVERSITY REPORT

Amy McGlother reported that total Supplier Diversity payments for the third quarter of FY2025 were \$9,957,115 and represented fourteen percent of the total spend. The total supplier diversity spend for the third quarter of FY2025 included purchases of goods and services from 122 diverse business enterprises. She stated that the overall supplier diversity spend goal, and the minority spend goal, were both met for the quarter. A detailed report was provided in the board materials.

QUARTERLY COMMUNITY INVOLVEMENT AND ECONOMIC DEVELOPMENT REPORT

Laura Smith provided the Community Involvement and Economic Development Report for the third quarter of FY2025. She reported that NES contributed \$52,000 to Community Involvement activities which contributed support to thirteen local organizations. Economic Development

payments went to Partnership 2030 in the amount of \$54,918. She reminded the Board that the funds are generated from non-electric revenues.

PRESIDENT’S REPORT

Teresa Broyles-Aplin presented the President’s Report and congratulated the Service Advisors of the Month and those that earned Pacesetter status. She reported on various community involvement activities in which NES employees have recently participated in and reviewed several conferences and workshops that were recently attended.

Ms. Broyles-Aplin welcomed fourteen engineering students to the Summer 2025 Internship Program to gain firsthand experience across NES departments. She reported that Ethan Jackson, son of Sean Jackson in Energy Services, is a recipient of one of the TVA Power Play Scholarships this year.

Ms. Broyles-Aplin announced that Brent Baker has been appointed as the new Executive Vice President-Chief Operations and Innovation Officer. She asked the Board to join her in welcoming Brent to his new role.

MISCELLANEOUS

There were no miscellaneous items to report.

RECESS AND RECONVENE

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

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

ADJOURNMENT

The meeting adjourned at 9:09 a.m.

Attest:

Signed by:

David Frankenberg

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Secretary

Approved,

Signed by:

Michael Vandenberghe

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Board Chair

April 23, 2025

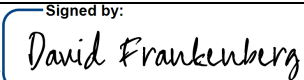
Appendix “A”

Approval of Purchases and Contracts
at the Meeting on Wednesday April 23, 2025

Management recommends Board approval
of the following purchases and contracts:

Total Materials and Supplies Purchases	\$1,127,564.00
Total Contracts and Services	\$1,450,000.00
Total Additions, Extensions, and Changes	\$740,000.00
Total Ratified Purchases and Contracts	\$2,121,596.23
TOTAL	\$5,439,160.23
Total Sales	\$568,159.30

<u>Ethnic/Gender/Size</u>	<u>Amount</u>
Caucasian, female, large	N/A
Caucasian, female, small	\$62,000.00
Caucasian, male, small	\$344,928.00
Hispanic, female, small	\$450,000.00
Supplier Diversity Program Total	\$856,928.00
Note: Vendors not otherwise indicated are not part of the NES Supplier Diversity Program.	

Attested By: 
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David Frankenberg, Secretary

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

April 23, 2025

MATERIALS AND SUPPLIES PURCHASES

<u>Item Description</u>	<u>Vendor</u>	<u>Amount</u>	<u>Type Contract</u>	<u>Bids Received/Sent</u>
Insulator, Polymer, Vertical Line (3,600)	Wesco Distribution	\$260,264.00	Competitive Blanket	3/9
Senstar Perimeter Intrusion Detection Systems	Anixter, Inc.	300,000.00	Competitive (3 Years) Sole Brand	2/12
Switch, Pad Mount, PMH-12, 125BIL, 600A, 25KV LB (15)	Stuart C. Irby	567,300.00	Competitive	3/4
TOTAL		\$1,127,564.00		

CONTRACTS AND SERVICES

<u>Item Description</u>	<u>Vendor</u>	<u>Amount</u>	<u>Type Contract</u>	<u>Bids Received/Sent</u>
Merchandise for Company Store and Miscellaneous Events	Blink Marketing, Inc. <i>Hispanic, female, small</i>	\$450,000.00	Competitive (3 Years)	4/14
Paving Related to Central Substation	Jones Bros. Contractors	1,000,000.00	Metro Contract (1 Year)	N/A
TOTAL		\$1,450,000.00		

ADDITIONS, EXTENSIONS, AND CHANGES

<u>Item Description</u>	<u>Contractor</u>	<u>Additional Amount</u>	<u>Change Requested</u>
Develop and Administration of Safety Manual Test	Ramsay Corporation <i>Caucasian, male, small</i>	\$30,000.00	Addition (New NTE \$305,000.00)
Encompass C2M Project Implementation Consultant	Lois J Stark	150,000.00	Addition (New NTE \$602,760.00)
Interpretation and Translation Services	Lionbridge	360,000.00	Addition (New NTE \$660,000.00)
Legal Services	Bass, Berry and Sims PLC	50,000.00	Addition (New NTE \$350,000.00)
Milestone eNeighbor Software Module	I3-Milestone	0.00	Extension (1 Year)
Security Guard Service	Walden Security <i>Caucasian, female, large</i>	0.00	Extension (2 Months)

Signed by:



Attested By: 0AE47D2A19884AE...

David Frankenberg, Secretary

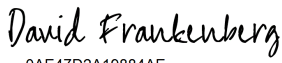
All above items have been processed in accordance with Board approved policy and applicable rules and regulations.

April 23, 2025

Small Motor Repair	Industrial Service of Nashville	150,000.00	Addition New NTE \$270,000.00)
TOTAL		\$740,000.00	

RATIFIED PURCHASES AND CONTRACTS

<u>Item Description</u>	<u>Vendor</u>	<u>Amount</u>	<u>Type Contract</u>	<u>Bids Received/Sent</u>
Architectural Review and Data Readiness Assessment for Movement to the Utility Network	ESRI, Inc.	\$145,000.00	Sole Source (1 Year)	N/A
Box Pad, Fiberglass, 48"x37 1/2" (312)	Gresco	167,232.00	Competitive	6/6
Cable, Copper, 600V EPR 500 1C (8,000 ft.)	Resitech Industries <i>Caucasian, male, small</i>	*164,928.00	Competitive	7/13
Collection Services for Property Damage Recovery	The Law Office of Jennifer McCoy <i>Caucasian, female, small</i>	50,000.00	Addition (New NTE \$100,000.00) Extension (1 Year)	N/A
Connector, Service Entrance (1,584)	Stuart C. Irby	75,176.64	Competitive	5/9
Connector Straight Receptacle, BUS H C 25KV (121); Grounding Kit, CU Tape 750 (205)	Wesco Distribution	107,893.00	Competitive Sole Brand	3/8
Connector Straight Receptacle, BUS Y CU 25KV (70)	Wesco Distribution	55,297.20	Competitive	4/7
Customer Behavior Change Advisory Services	Powering Potential <i>Caucasian, female, small</i>	12,000.00	Addition (New NTE \$60,000.00)	N/A
Document Shredding Service	Richards & Richards LLC	N/A	Extension (**1 Month)	N/A
Electrical Supplies	Border States Industries	N/A	Extension (1 Year)	N/A
Fuel, Oil and Other Fluid Systems Service and Parts	Nashville Equipment Service <i>Caucasian, male, small</i>	150,000.00	Competitive (2 Years)	1/5
Line Module, 1470 NM SFP (42); Power Module, HV AC/DC 110-240V 92W (38)	Schweitzer Engineering Labs, Inc.	121,044.94	Competitive Sole Brand	3/16

Signed by:

 Attested By: _____
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 David Frankenberg, Secretary

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April 23, 2025


Lineworker Climbing Equipment	Altec Supply	90,000.00	Addition (New NTE \$150,000.00)	N/A
Medical Supplies	McKesson Medical-Surgical, Inc.	N/A	Extension (1 Year, 8 Months)	N/A
Photocell, Long-Life, Multivolt (8,400)	Gresco	115,248.00	Competitive Blanket	5/9
Pole, Wood, C1, 50 ft. (120)	Trans Canada Forest Products	79,200.00	Competitive	4/7
Pole, Steel, H3, 50' (15)	Stuart C. Irby	60,654.30	Competitive	6/9
Pole, Steel, H3, 65' (12)	Stuart C. Irby	69,780.00	Competitive	7/9
Protected Line Module, Sel Icon (38); Server Module, Sel Icon (19)	Schweitzer Engineering Labs, Inc.	114,586.15	Competitive Sole Brand	3/16
Recloser, 27KV, Triple Single W FCI/Ground (4)	Gresco	130,620.00	Competitive Sole Brand	1/3
Small Motor Repair	Industrial Service of Nashville	N/A	Extension (2 Years)	N/A
Switch, Load Break, 1200 Amp (13)	S&C Electric	227,500.00	Competitive Sole Brand	2/12
Switch, Pad Mount, PMH-11, 125BIL, 600A, 25KV LB (6)	Wesco Distribution	185,436.00	Competitive	3/4
Third Party Administration and Case Management Services for Non-Work Related Disability Plan	Genex Services, Inc.	N/A	Extension (2 Years)	N/A
TOTAL		\$2,121,596.23		

*Price includes a 20% contingency.

**Total contract term is five (5) years and one (1) month.

SALES

<u>Item Description</u>	<u>Vendor</u>	<u>Amount</u>	<u>Type Sale</u>	<u>Bids Received/Sent</u>
Scrap Wire	Thornton Iron & Metal	\$568,159.30	Competitive	3/10
TOTAL		\$568,159.30		

Signed by:

 Attested By: _____
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 David Frankenberg, Secretary

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