

**MINUTES OF THE
ONE THOUSANDTH THREE HUNDREDTH AND SIXTY SECOND MEETING
ELECTRIC POWER BOARD OF THE METROPOLITAN
GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
HELD MARCH 26, 2025**

The regular meeting of the Electric Power Board was held on Wednesday, March 26, 2025.

Members present: Board Chair Michael Vandenberg, Clifton Harris, and Anne Davis

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

Board Chair Michael Vandenberg called the meeting to order at 8:12 a.m.

PUBLIC COMMENT PERIOD

David Frankenberg informed the Board that there were no public comment requests for the month of March.

COMMITTEE REPORTS

Audit and Ethics Committee

Presiding Chair Michael Vandenberg stated that the Audit and Ethics Committee met this morning and approved the Audit and Ethics Committee minutes from the meeting held January 22, 2025.

The Committee received an Encompass QA Review from Kraft CPA's and there was no motion to enter into an executive session.

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

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

RECOMMENDATION FOR APPROVAL OF A RESOLUTION REQUESTING UNCLAIMED FUNDS FROM THE STATE OF TENNESSEE

Tabitha Beach reported that, as of March 2025, NES has unclaimed customer refund checks previously submitted to the State of Tennessee that have fulfilled the dormancy period and are now eligible for return to the organization in the amount of \$246,317.77.

Management recommended that the Board approve the resolution requesting the unclaimed balance of accounts remitted to the State Treasurer under the Uniform Unclaimed Property Act.

Upon motion by Member Davis and seconded by Member Harris, the Board approved the resolution and remittance form requesting unclaimed funds from the State of Tennessee with three ayes and zero nays.

RECOMMENDATION FOR APPROVAL OF A BOARD TRANSPARENCY POLICY

Laura Smith reported that a new Board Transparency Policy has been created which addresses the sharing of NES Board meetings, minutes, and agendas to ensure the Board's commitment to transparency. Management recommended approval of amendments to the NES Policy Manual to include the new Board Transparency Policy.

Member Davis asked if the policy will be posted on the NES website for those that want to request meeting materials. Ms. Smith responded yes, although details have not been finalized on how to provide instructions to the public. She added that at the Board's urging, NES will provide recommendations on how people may request copies and after approval there will be discussions on how to sort through those specifics.

Upon motion by Member Davis and seconded by Member Harris, the Board approved the amendments to the NES Policy Manual to include the new Board Transparency Policy with three ayes and zero nays.

RECOMMENDATION FOR APPROVAL OF A RESOLUTION DESIGNATING APRIL 18, 2025, AS LINEMAN APPRECIATION DAY

Ms. Smith presented a Resolution recommending that April 18, 2025, be designated as Lineman Appreciation Day. She expressed recognition and appreciation for all NES Linemen on behalf of fellow NES employees and the Electric Power Board for their brave efforts.

Upon motion by Member Harris and seconded by Member Davis, the Board approved the Resolution designating April 18, 2025, as Lineman Appreciation Day with three ayes and zero nays.

RECOMMENDATION FOR THE APPROVAL AND RATIFICATION OF PURCHASES

Mr. Frankenberg presented management's recommendation for approval of a list of purchases and contracts (greater than \$50,000) in the amount of \$4,306,384.22. This included \$3,042,672.22 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 Davis and seconded by Member Harris, 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 \$4,306,384.22.

FINANCIAL REPORT

Mr. Frankenberg reported that for the first eight months of the fiscal year, operating revenues were \$1.1 billion, offset by purchased power of \$739 million, resulting in a sales margin of approximately \$322 million. He stated that was favorable to budget by approximately \$21 million mainly due to weather favorability.

Mr. Frankenberg communicated that on the expense side, operating expenses were positive by approximately \$153 million excluding purchased power which is favorable to budget by \$31 million due to cost-effective retirement costs, tree trimming levels, as well as IT spend regarding Encompass and other contracts. Net margin is running approximately \$55 million favorable to budget. The cash balance is \$519 million with capital spend around 53%. He stated that the debt service coverage ratio is well in advance of targets at 4.3 versus the requirement of 2.

Chair Vandenberg commented that the Tennessean had a front page article recently regarding the growth of data centers. He said there is concern around the country that data centers are being subsidized by retail customers and stated that he is curious about the extent in which NES and TVA are making sure that the rate payers are paying a fair share and are not subsidizing the growth of those data centers. Mr. Frankenberg responded that there was a recent meeting with TVA on this topic and stated that there have been discussions to ensure that the data centers that are coming into the area, which are generally not bringing a significant number of jobs, are paying a rate more typical of a commercial customer. He said that the NES service territory has not had as large of an influx of data centers as other parts of the country.

Member Davis commented that the fuel cost adjustment was 25% of the wholesale unit and asked if that is standard or higher than normal. Mr. Frankenberg replied that it is in the typical range and depends on the month and what is going on with spot fuel prices, TVA's generation mix, as well as their hedging strategies.

MONTHLY ENCOMPASS PROGRAM UPDATE

Mr. Baker presented an update on the Encompass program and reported that NES will be going live this weekend. He stated that Center of Excellence and several contractor positions have been filled to support a smooth post-Go-Live transition and provided details regarding Cutover/Go-Live preparation. He stated that there is a lot of communication being shared with customers and end

¹ Appendix A Electronically Filed

users in preparation for Go-Live and stated that there will be floor walkers lending ongoing support.

Chair Vandenberg asked if there is anything the Board can assist with regarding staffing or resources needed. Mr. Baker responded that the Board has been extremely helpful with their stance on the budget and said that there may be a need to extend the use of some of the resources. He added that as the project progresses if there is anything that the Board, or someone in the community may have questions about to please let him know.

PRESIDENT’S REPORT

Teresa Broyles-Aplin presented the President’s report and reviewed items of significance in the areas of Operations, Customer Relations, Community Involvement and various miscellaneous matters.

Ms. Broyles-Aplin reported that Brad Heck has been promoted to Vice President – T&D Operations. She stated that Brad’s unwavering commitment to safety, operational effectiveness, employee development, and customer satisfaction makes him a valuable addition to the executive team.

She extended her sympathy to the family, friends, and colleagues of Thad Tatum, Lineman Working Foremen with T&D at Donelson Service Center, upon his death on March 3, 2025. She stated that he was a dedicated employee of NES for 18 years and his commitment to his work reflected his selfless spirit and dedication.

MISCELLANEOUS

There was one miscellaneous item to report from Member Davis. She stated that she would like to extend her appreciation to Brent Baker and Ernie Peterson, TVA, for participating as part of the panel at the recent State of the Environment Conference.

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 Davis, the Board ratified the actions taken during the Civil Service Board meeting with three ayes and zero nays.

ADJOURNMENT

The meeting adjourned at 8:48 a.m.

Attest:

Signed by:
David Frankenberg
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Secretary

Approved,

Signed by:
Michael Vandenberg
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Board Chair

March 26, 2025

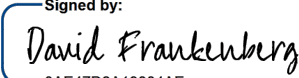
Appendix “A”

**Approval of Purchases and Contracts
at the Meeting on Wednesday March 26, 2025**

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

Total Materials and Supplies Purchases	\$413,712.00
Total Additions, Extensions, and Changes	\$850,000.00
Total Ratified Purchases and Contracts	\$3,042,672.22
TOTAL	\$4,306,384.22

<u>Ethnic/Gender/Size</u>	<u>Amount</u>
Caucasian, female, large	\$584,000.00
Caucasian, male, small	\$30,000.00
Supplier Diversity Program Total	\$614,000.00
Note: Vendors not otherwise indicated are not part of the NES Supplier Diversity Program.	

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.

March 26, 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, Aluminum, 25Kv EPR, 200KCMIL (39,000 ft.)	Wesco Distribution	*\$413,712.00	Competitive	3/14
TOTAL		\$413,712.00		

*Price includes a 20% contingency.

ADDITIONS, EXTENSIONS, AND CHANGES

<u>Item Description</u>	<u>Contractor</u>	<u>Additional Amount</u>	<u>Change Requested</u>
Accounting Professional Services	Vaco, LLC	\$350,000.00	Addition (New NTE \$1,375,000.00) Extension (1 Year)
Temporary Services for Customer Advisors, Tellers, and Administrative Support	Express Employment <i>Caucasian, female, large</i>	500,000.00	Addition (New NTE \$1,500,000.00)
TOTAL		\$850,000.00	

RATIFIED PURCHASES AND CONTRACTS

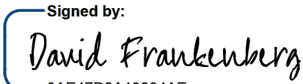
<u>Item Description</u>	<u>Vendor</u>	<u>Amount</u>	<u>Type Contract</u>	<u>Bids Received/Sent</u>
Background Checks	Sterling	\$125,000.00	Cooperative Contract (3 Years)	N/A
Breakaway Base, Aluminum, 10.5-13.5 (150)	Cape Electric	83,850.00	Competitive	1/21
Cellular Telephone Service	Cellco dba Verizon Wireless	100,000.00	Addition (New NTE \$220,000.00) Extension (4 Months)	N/A
Circuit Breakers and Equipment, as needed	Inline Electric Supply	135,000.00	Competitive (1 Year)	1/43

Attested by David Frankenberg
Signed by: DAE47D2A19884AE...
 David Frankenberg, Secretary

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March 26, 2025

Conductor, Aluminum, Seven Strand, #2 AL Triplex (252,000 Ft)	Gresco	*160,272.00	Competitive (1 Year) Blanket	6/9
Connector Straight Receptacle BUS Bar, 1 CU. 25 KV (42); NLB 2CU, 15KV, 900A (127)	Gresco	74,196.70	Competitive Sole Brand	3/8
Crew Cab Chassis, 19.5K, 4WD, Enclosed Service Body, Underdeck Air Compressor, New (1)	Utility Equipment Service	161,399.00	Competitive	1/16
Crossarms, Tubular Steel, Galvanized, 4"x4"x9"-4 (150)	Border States Industries	77,968.50	Competitive	5/6
Dead End Clamp, Straight, 795AL (2,052)	Stuart C. Irby	66,238.56	Competitive (1 Year) Blanket	2/9
Insulator, Horizontal Line Post, Polymer or Silicone Rubber (312)	Wesco Distribution	86,495.76	Competitive	7/13
Legal Services	Littler Mendelson, PC	150,000.00	Addition (New NTE \$200,000.00) Extension (1 Year)	N/A
Network Lighting Control, Photocell (900)	Path Company	113,850.00	Competitive Sole Brand	2/24
PLS-CADD Software Maintenance, Bentley's	Bentley Systems, Inc.	133,116.38	Sole Source (1 Year)	N/A
Pole, Steel, H4, 80' (12); 90' (8)	Stuart C. Irby	168,008.00	Competitive	6/10
Pole, Steel, H4, 85' (12)	Stuart C. Irby	101,189.40	Competitive	7/12
Pole, Steel, H4, 85' (12)	Stuart C. Irby	101,725.92	Competitive	6/10
Pole, Steel, H4, 95' (6)	Stuart C. Irby	59,802.00	Competitive	6/10
Pole, Steel, H5, 60' (8)	Rohn Products	50,400.00	Competitive	6/9
Pole, Steel, H7, 90' (6)	Rohn Products	76,200.00	Competitive	5/9
Pole, Steel, Self-Weathering, H3, 60' (22)	Stuart C. Irby	101,200.00	Competitive	6/9
Pole, Steel, Weathering, H4, 80' (8); 90' (12)	Rohn Products	169,800.00	Competitive	6/10
Pole, Steel, Stub, 33' (6)	Valmont Industries	63,168.00	Competitive	5/9
Pole, Wood, Class 2, 45' (150)	Cahaba Timber	65,100.00	Competitive	4/11

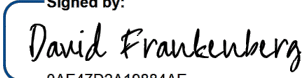
Signed by: 
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 David Frankenberg, Secretary

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March 26, 2025

Software Upgrade Professional Services for FlexiFinancials 6.5.01 and Report FYI 12.0.0	Flexi Software	N/A	Extension (5 Months)	N/A
Surge Arrester, Heavy Duty, Distribution Class, 18KV (2,880)	Gresco	201,600.00	Competitive (1 Year) Blanket	6/9
Switch, Load Break, 1200A, 34.5KV Nom, 38KV Max (3)	Stuart C. Irby	59,892.00	Competitive Sole Brand	2/12
Transformer Oil Dry-Out System and Training	Baron USA, LLC	243,200.00	Competitive	2/33
Uniform Services for Materials Management and Facilities	Perfect Fit Image <i>Caucasian, female, large</i>	84,000.00	Competitive (5 Years)	2/19
Vehicle Washing for Light Duty Vehicles, Automated, Full Service	WBAW, LLC <i>Caucasian, male, small</i>	30,000.00	Addition (New NTE \$60,000.00 Extension (1 Year)	N/A
TOTAL		\$3,042,672.22		

*Price includes a 20% contingency.

Signed by: 
 Attested by: _____
 David Frankenberg, Secretary

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