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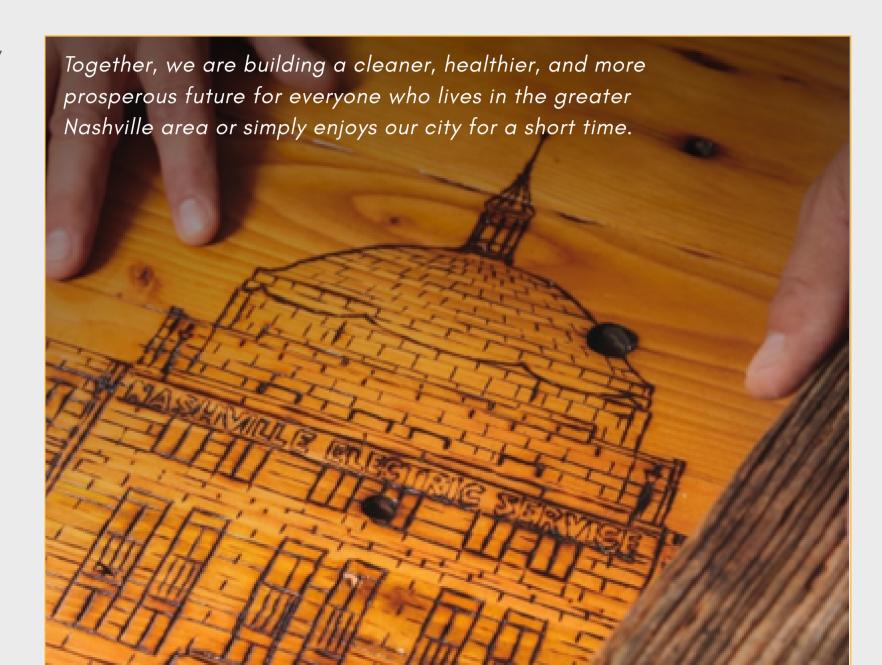
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### Power of Unity

### **Music City in Concert**

Nashville brings people together for many reasons. From worldrenowned entertainment to the scenic views of the Tennessee Valley, people from around the world want to experience what we have to offer. Behind the scenes, the NES family works twenty-four hours a day, 365 days a year, to keep the lights bright, music playing, business booming, neighborhoods safe, and much more. No matter how hard we work, we know that NES cannot do this work alone. NES partners with organizations throughout the community, state, region, and beyond to deliver the best service to our customers and positively impact the entire community.



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# Commitment to Community

Providing our customers with the most comprehensive and meaningful solutions is a collaborative effort.

Understanding the unique needs of the community necessitates building trusting relationships. At NES, we are innovating how we serve by developing new programs, sourcing funding for innovative projects through grants, and modernizing our role in the daily lives of our customers, with increased reliability and a broad range of services to meet every need.

In the past year alone, NES has partnered with local organizations to make a significant impact on the community through various initiatives. From bringing students to advanced energy with tours of Music City Solar to collaborating with Metro Nashville to upgrade streetlighting, NES' efforts have been felt far and wide. With a "we are better together" attitude, NES is furthering our role in empowering the Music City!





NES and the Metropolitan Government of Nashville and Davidson County are upgrading over 55,000 streetlights to LED fixtures. This project improves the efficiency of the streetlights while increasing the amount of light and visibility of the area. The benefits of energy efficiency and improved lighting are shared by the entire community.

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### Power of Preservation

From the Smokeys to the Mississippi River and everything in between, Tennessee has landscapes and places to explore that are unlike anywhere else. These unique landscapes have a global appeal, attracting tourists from all corners of the world to experience the incredible mountain views, caves, waterfalls, and wildlife that the Volunteer State has preserved and cherished over time.

### **Advanced Energy Options**

NES enables customers to seamlessly integrate advanced energy, electric vehicles, and energy efficiency into their lives, thereby contributing to the preservation of these cherished landscapes and creating a healthier environment for all to enjoy.

NES prioritizes providing customers with a variety of options to choose the energy that best suits their needs. For example, in 2018, Music City Solar enabled customers to subscribe to panels from this community solar program, thereby removing barriers for renters, apartment dwellers, and even homeowners with shaded rooftops.

The Solar Angel program is a philanthropic arm of Music City Solar that offers customers the opportunity to donate energy credits, providing families in need with the financial benefit of a panel subscription.



### Success by Numbers:

As of January 2025, the Music City Solar generated

17,021,143 kWh

equivalent to charging

924,536,730

smart phones.

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## Advanced Energy Options cont.

NES proudly introduced two new, exciting programs for customers who want to own their solar systems in 2024. Both programs are set up to encourage resiliency for both individuals and the community.



NESolar Savings is designed for customers with smaller solar arrays, typically for households. Customers in the program can offset their electricity usage and sell an average of 50 kW energy back to NES monthly.



NESolar Connect is designed for customers with systems larger than 200 kW, who want to sell it back to NES. This program is a new option for businesses or organization to contribute to advanced energy.

For the first time, NES was designated as a Smart Energy Provider by the American Public Power Association. This prestigious recognition is reserved for utilities that provide efficiency and sustainable practices in their services while maintaining a commitment to affordability. The following initiatives exemplify NES' commitment to these values.



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### Transportation Electrification

Community-based Communities everywhere are establishing a network of electric vehicle (EV) charging stations to support the increasing number of EV owners. As a critical partner in the EV charging landscape, NES has continued to collaborate with organizations to expand the Fast Charging network in Tennessee, pursue grant opportunities for charging infrastructure, and develop a comprehensive website with resources for EV owners in Nashville. Additionally, we engaged with research organizations to leverage advanced data and insights to determine potential increased electrical capacity needs, based on projected adoption rates.



The research will provide NES guidance for use in planning; however, this work will continually evolve. The data for residential and commercial EV adoptions, as well as planning for charging at all levels, will increasingly impact the grid if trends continue as expected. This research will serve as a template as new data becomes available.

#### **NES Fleet**

Implementing an NES Fleet
Electrification Plan provides our
team with additional hands-on
experience with operating and
maintaining EVs and chargers. In
2024, nine Ford Lightnings were
added to the fleet. Each year, as
vehicles are retired, they will be
replaced with low- or no-emission
vehicles. With this plan in place,

NES will have a fully electric or hybrid fleet by 2030. To support these vehicles, DC Fast Chargers and Level 2 charging stations were installed in the NES parking lots. During construction, NES proactively installed conduit for additional stations to reduce future overall costs.

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### Preservation of Natural Areas

Protecting the air quality, water quality, and natural beauty of Tennessee is important to both citizens and visitors. NES takes our role in the environment seriously, recognizing the direct impacts on wildlife and human health. In some cases, preservation is indirect, such as protecting air quality through advanced energy technologies. At other times, NES has the opportunity to demonstrate our observable, positive impact.

#### Wildlife Habitat Preservation

In 2024, NES continues its commitment to wildlife preservation, with a renewed focus on safeguarding the nests of osprey that choose utility poles and other infrastructure as a home.

As a result, NES has expanded its wildlife protection program, which includes installing specially designed nesting platforms away from energized equipment. These platforms provide safe alternatives for ospreys to raise their young while reducing the risk of outages and fires caused by nesting materials on power lines.

The comprehensive goal to protect wildlife goes beyond ospreys. NES also proactively installed measures to safely ward squirrels, raccoons, hawks, bald eagles, and other wildlife that could interact with the electrical infrastructure.





### Tree Trimming

Vegetation management is a critical aspect of ensuring safety, reliability, and resiliency for customers and line workers alike. The NES Vegetation Management team has earned national recognition from the Arbor Day Foundation as a Certified Tree Line USA utility for its excellence in vegetation management and preservation of the tree canopy. Additionally, in 2024, NES partnered with a local nonprofit to promote Tree Day to employees, offering the first 100 trees free to those who participated. This holistic approach not only reduces outages and wildfire risks but also contributes to community well-being

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### Power of People

Fulfuilling our mission of providing safe, reliable power looks different to different community members. NES works directly with local organizations to support our neighbors in their time of financial need through NES Helps. Further, NES partners with Tennessee Valley Authority (TVA) to support individuals and businesses that want to incorporate advanced energy options to lower their bill or fulfill business goals through various turnkey programs.

# Home Uplift & School Uplift

Since 2018, the Home Uplift program has supported eligible applicants with insulation, windows, doors, HVAC, and other weatherization upgrades to reduce energy consumption. This program is partially funded by NES' Power of Change bill roundup initiative.

This year, St. Henry School was chosen for a similar program, School Uplift. Through School Uplift, participants receive both grants for energy efficiency upgrades as well as training for how to reduce energy use.

# Success by Numbers: Home Uplift 2024

399
homes weatherized

\$314

average annual savings per completed home

751
metric tons of pollution reduced

3,359,994 kWh

energy saved

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# **Energy Efficiency Programs**

Energy efficiency through
EnergyRight is a mutually
beneficial initiative by
reducing both energy demand
on the electrical system and
bills for the customer.
Therefore, NES provides
residential and commerical
customers with a variety of
programs and resources to
support these efforts. The
following are just a few of the
options.

### Home Energy Audit

NES offers both in-person and online home energy audits. The DIY Home Energy Assessment enables you to input information about your home to identify areas for potential energy and cost savings.

### Home Energy Workshops

NES hosts Energy Savings
Workshops to educate
customers on how to reduce
their home energy
consumption. These workshops
provide valuable insights into
daily consumption choices and
energy-efficient home
improvement projects.

### Comprehensive Services Program (CSP)

CSP is a partnership between TVA and LPCs to deliver engineering and technical services to commercial and industrial customers.

### Success by Numbers: EnergyRight

\$8.25M
saved by residential program participants on their bill



\$25.4\ldots
saved by commercial program participants on their bill

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### Employee Engagement & Development

# Giving Back to Our Community

Employees expect their company to invest in their professional growth and success. At NES, we recognize our greatest asset is our people, and we are committed to fostering an environment where employees at every level have access to meaningful opportunities for learning and advancement.



Beyond professional development, we emphasize civility and belonging, ensuring that our workplace is one where everyone feels valued. Throughout the year, NES hosts company-wide events that bring employees together to share meals, build relationships, and strengthen our sense of community. Two key events last year, Thankful Thursday and Everybody Matters May, exemplified this commitment. During Thankful Thursday, employees came together to support Second Harvest Food Bank, donating an impressive 3,392 items to help those in need.



These moments of connection and generosity reinforce our belief that investing in employees goes beyond training—it's about creating a workplace that supports and uplifts each individual. Power of Partnership Power of Preservation Power of People Employee Engagement & Development

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### Employee Engagement & Development

### **Investing in Our Future Leaders**

Through leadership development programs, educational initiatives, and hands-on training, we empower individuals to strengthen their skills, expand their knowledge, and build lasting careers. Programs like the Emerging Leaders Institute (ELI) equip future leaders with the tools and confidence to drive innovation, while apprenticeships and internships provide valuable experience for those beginning their journey in the industry. Additionally, our Aid-to-Education Program removes financial barriers, ensuring employees can pursue degrees and certifications that align with their career goals.

For example, the company has invested 56 expert training hours, 147 professional coaching hours, and graduated 49 to date in the ELI program. The impact is already being realized with six former participants being promoted after graduating from ELI.

### **Employee Engagement**

Acting on the inaugural Employee Engagement Survey, in 2024 NES Leadership directly answered the most significant requests across the organization. In the past year NES provided education on healthcare benefits and the new retirement plan vs. Pension.

Performance appraisals improvements were made for employees and their leadership. NES enhanced professional development opportunities for the entire workforce. Several events were held throughout the year for all employees to connect over lunch or snacks and build strong bonds as a team. And finally, NES developed a consistent approach to hybrid work balancing employee and business needs.

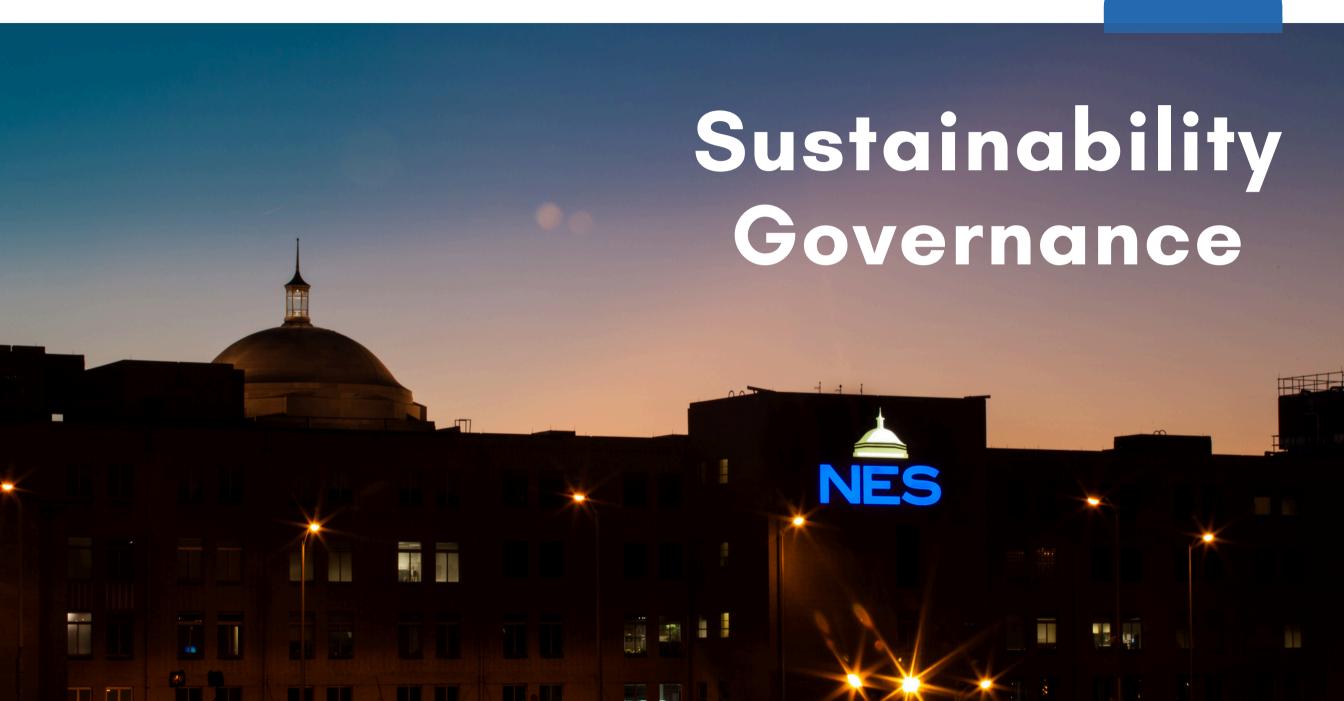
"One of the most meaningful impacts ELI has had on me is reaffirming the values my grandparents taught me—values that still hold strong in a professional setting. But perhaps most importantly, ELI has given me hope." - Thomas Garrett, Switchboard Working Foreman at C&M

The success of the first survey inspired greater participation in the second Employee Engagement survey.

Participation increased by 10 percent, amplifying more employee voices than ever before.

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### Sustainability Governance

### **Sustainability Manager**

The Sustainability Manager, Kat Pohlman, is responsible for identifying, spearheading, managing, or collaborating on efforts across the organization that contribute to environmental stewardship, community impact, and economic vitality. In the first full year in the position, the role involved applying for grants to support research and pilot projects, co-managing a solar installation, creating and refreshing educational materials, providing updates to the Board and identifying community organizations with similar goals and building relationships.

### **Next Steps**

Working with NES stakeholders and leaders, a crossdepartmental is in development to provide support for implementing Sustainability goals. This team will contribute their expertise to prioritize tasks to achieve the goals and provide data on a regular basis to the Sustainability Manager. Participants will act as a liaison between the team and their departments to align plans and ensure the Sustainability vision is implemented in all aspects of NES.

