

**MINUTES OF THE  
JOHNSON CITY ENERGY AUTHORITY  
D/B/A  
BRIGHTRIDGE**

August 26, 2025

PRESENT: James Haselsteiner  
Andy Dietrich  
Ronald Hite  
Kenneth Huffine  
John Hunter  
Gary Mabrey  
Dr. Kimberly McCorkle  
Andrew Morse  
Jeffrey R. Dykes, Chief Executive Officer  
Rob Arnold, Chief Operations Officer  
Brian Bolling, CPA, Chief Financial Officer and Supply Chain Officer  
Connie Crouch, Chief Employee Relations Officer  
Bonnie Donnolly, Chief Development and Market Strategy Officer  
Sam Ford, Chief Engineering Officer  
Eric Egan, Chief Data Officer  
Stacy Evans, Chief Broadband Officer  
Lori Farmer, Supervisor, General Accounting  
Tiphonie Watson; Chief Customer Officer  
Stephen Darden, Hunter Smith & Davis, LLP

ABSENT: James Smith  
Donnie Hall, Safety/Environmental Manager

Chairman Haselsteiner called the meeting to order.

Mr. Ron Hite introduced the board to the representatives of the Salvation Army in attendance, Mr. Dan Bishop and Mr. Lynn Riley. Mr. Bishop provided the board with information on their shelters, for both civilian and veterans, as well as their 'white flag' operations which assist individuals needing immediate shelter during low temperature and inclement weather events. In addition to meeting immediate needs of their residents, the Salvation Army also offers case management assistance with resume assistance, job searches and training programs.

Mr. Bishop spoke regarding the current funding gaps and limited donations received in comparison to previous years, which have created a shortfall in their ability to complete ongoing projects. The Salvation Army is currently working on a new veterans shelter that is in need of furniture and finishing touches for each of apartment styled units.

Mr. Bishop thanked the board for allowing them to share their mission, in addition to the board's consideration of supporting the Salvation Army, either through a monetary donation or through offering to assist on service days at the Salvation Army.

Upon motion of Dr. McCorkle, seconded by Mr. Dietrich, the monthly power distributor's report submitted to the Tennessee Valley Authority for June 2025 were approved. The motion carried unanimously by roll call. Year-to-date income was \$8,467,193.89 more than last year's year-to-date figure and year-to-date actual net income was \$2,356,137.79 more than the budgeted figure. The general fund balance stands at \$20,677,120.34, the reserve fund balance stands at \$5,810,738.86, the special reserve fund balance stands at \$2,213,513.46, the tax equivalent fund balance stands at \$117,264.54, the economic development fund balance stands at \$1,984,828.18, the 2017 and 2021 bond and interest sinking fund balance stands at \$996,773.91, the renewal and replacement fund balance stands at \$530,837.94, the miscellaneous proceeds fund balance stands at \$2,653.92, the self-insurance fund balance stands at \$2,006,756.79, and the TN local government investment pool fund balance stands at \$8,259,109.11. BrightRidge is currently serving 84,962 customers, which is an increase of 1,158 customers since the same time last year, which represents a 1.38% growth rate.

Upon motion of Dr. McCorkle, seconded by Mr. Dietrich, the monthly financial statement for June 2025 for the Broadband Division were approved. The year-to-date income was \$1,665,182.03 more than last year's year-to-date figure, and year-to-date actual net income was -\$2,835,012.92 less than the budgeted figure. The broadband debt service fund balance stands at \$4,196,611.80, the reserve fund balance stands at \$944,709.73, the broadband checking account balance stands at \$1,150,686.23, the broadband money market account balance stands at \$53,176.13, the voice service balance stands at \$17,887.86, and the video service balance stands at \$13,513.46.

Mr. Bolling concluded his report by adding that current assets have increased by \$13.5 million. The year-to-date Operating Revenues, less power costs, are up \$23 million. The year-to-date Operating Expenses, excluding Power Cost, are up \$2 million compared to last year and under budget by approximately 2.29%. The year-to-date average load factor is 57.62% and the FCA is up by 38.28% from June 2024 to June 2025. Finally, the year-to-date Net Income is \$8.4 million, an increase over the last year.

Mr. Haselsteiner addressed the board regarding the Consent Agenda. Upon motion of Mr. Mabrey, seconded by Mr. Dietrich, the Board approved the minutes of the Board meeting on July 22, 2025. The motion carried unanimously by roll call vote.

Upon motion of Dr. McCorkle, seconded by Mr. Huffine, the Board approved the five-year contract for vegetation management software in the amount of \$659,620.00. The motion carried unanimously by roll call vote.

Mr. Haselsteiner spoke on behalf of the Finance, Audit, Rate & Budget Committee, which met today to discuss the purchase of land for facility expansions. By

motion of the Committee the board voted to approve the submission of a counter offer for 13.78 acres of land adjoining BrightRidge. The motion carried unanimously by roll call vote.

Mr. Haselsteiner also spoke on behalf of the Finance, Audit, Rate & Budget Committee, regarding a potential pledge to the Salvation Army in the amount of \$25,000. Following further discussion amongst the board members, a motion by Mr. Mabrey, seconded by Mr. Huffine, approved doubling the pledge to the Salvation Army for the total amount of \$50,000. The motion carried unanimously by roll call vote.

Bonnie Donnolly introduced Patrick Phipps, Energy Services Supervisor, who presented the board with a presentation on the Energy Services & Marketing department. Mr. Phipps provided an overview of his department and their roles in key account interaction and management, as well as promoting programs and assisting in events on behalf of BrightRidge. They handle billing and rate inquiries, outage calls and corresponding with customers regarding planned outages, as well as applications of services and expansions. Mr. Phipps spoke of the TVA programs and services they offer to customers, such as incentive programs, performance-based grant opportunities, economic development loan funds, energy solutions for business and industry, in addition to energy assessments for large university or industry accounts.

Mr. Phipps also discussed the inhouse comprehensive services they offer to customers, consisting of infrared scanning and compressed air leak surveys. The Energy Service department also started a quarterly C&I Newsletter in 2023 and attend residential and community outreach programs and events on behalf of BrightRidge.

Ms. Donnolly spoke to the board to provide an update on the Gray Solar Farm sites, which included photos of all progress made today on the two sites. She confirmed that all solar panels will be manufactured in the United States and that the target operation date is set for April 2026.

Stacy Evans, Chief Broadband and Technology Officer, delivered an update regarding the broadband project. Mr. Evans announced that at the time of the Board meeting, the Broadband Division has a total of 21,486 active customers, of which 1,780 are business or commercial entities.

For FY26, our goal is to add 3,829 new net customers (73.63 average net adds per week needed) by June 30, 2026. As of August 22<sup>nd</sup>, we are 20 customers ahead of the linear budget line (21,486 v. budget 21,446). FY26 installations total 1,274 with total disconnects at 665; resulting in total net adds of 609 (47.8% of installs). Currently for FY26, this puts us at 11.78% of our goal reached.

The current broadband customer base is as follows:

Jonesborough Fiber:	2,452
Johnson City Fiber:	11,054
Piney Flats Fiber:	650
Telford Fiber:	170
Limestone Fiber:	452

Gray Fiber:	4,638
Kingsport Fiber:	1,527
Fall Branch Fiber:	510
Managed Wi-Fi:	12,089 (61.2% "take rate")
Telephone VoIP:	1,792 (1,052 residential)

Mr. Evans updated the board on the status of the Bead Grant applications. Initial decisions have been made for each of the three assigned areas. Of those three, BrightRidge was awarded section two and will be challenging the decision reaching regarding section three.

Mr. Dykes welcomed Mr. Andrew Morse as the newest member of the BrightRidge Board of Directors. Mr. Morse thanked the members for their warm welcome and stated that he was grateful for the opportunity to be a part of BrightRidge.

Mr. Dykes shared with the board members drone footage of a new transformer installation that took place over a nine-hour period from Friday evening into Saturday morning. Mr. Ford narrated the video to highlight the equipment and steps that took place to complete the installation.

Mr. Dykes thanked attorneys Stephen Darden and Joseph Harvey, with the law firm of Hunter Smith and Davis, LLP, for all of their continued legal guidance and the impact they have had across the board at BrightRidge. Mr. Darden thanked Mr. Dykes for giving them the opportunity to support BrightRidge for the last eight years with the hope of many more to come.

There being no further business, the meeting was adjourned.