Knoxville Utilities Board
Board Meeting Minutes
Thursday, August 20, 2026 Noon

Call to Order

The Knoxville Utilities Board met in regular session in the Larry A. Fleming Board Room at 445 S. Gay Street, on Thursday, August 20, 2026, pursuant to the public notice published in the January 3, 2026, edition of the *News Sentinel*. Vice Chair Kathy Hamilton called the meeting to order at 12:00 p.m.

Roll Call

Commissioners Present: Kathy Hamilton, Phyllis Nichols, Pete Pearson, and Dr. Craig Pickett, Jr.

Commissioners Absent: Ron Feinbaum and Cynthia Gibson

Approval of Minutes

Upon a motion by Commissioner Pearson and a second by Commissioner Nichols, the June 18, 2026 Board meeting minutes were approved by a unanimous voice vote. The following Commissioners voted "aye": Hamilton, Nichols, Pearson, and Pickett. No Commissioner voted "nay".

Old Business

None

New Business

Oath of Office for Sara Hedstrom Pinnell

Vice Chair Hamilton welcomed Sara Hedstrom Pinnell and asked George Shields, the Board's General Counsel, to administer the Oath of Office to Ms. Hedstrom Pinnell.

Resolution 1521 – A Resolution Authorizing the Execution of an Amendment to the Knoxville Utilities Board's Letter of Intent and Associated Power Purchase Agreement with SR Durhamville, LLC to Purchase Solar Energy Under the Tennessee Valley Authority's Power Supply Flexibility Program

President Gabriel Bolas reminded Commissioners the Board previously approved a series of agreements that enable KUB to benefit from TVA's Power Supply Flexibility Program, which allows KUB to self-supply 5% of its electric load from certain sources within the Tennessee Valley. He recognized Chasity Hobby, Manager of Energy Solutions, to provide an update on an amendment to the Letter of Intent and associated Power Purchase Agreement with Silicon Ranch.

Upon a motion by Commissioner Nichols and a second by Commissioner Pickett, Resolution 1521 (Attachment 1) was adopted by a roll call vote on first and final reading. The following Commissioners voted "aye": Hamilton, Hedstrom Pinnell, Nichols, Pearson, and Pickett. No Commissioner voted "nay".

President's Report

FY26 Organizational Performance

President Bolas provided an update on fiscal year 2026 organizational performance. He then recognized Mark Walker, Senior Vice President and Chief Financial Officer, to provide an update on fiscal year 2026 financial and metrics performance.

TVA Rate Change Overview

President Bolas advised the Board the TVA rate changes are designed to protect customers from the infrastructure costs associated with TVA serving large energy intensive loads. Mr. Bolas recognized Anna Hagerty, Business Analyst in Rates & Budget, to provide details of the TVA rate changes and the impact on KUB's electric rate schedules.

High School Student Engagement

President Bolas thanked Commissioners for their continued support of KUB's TeenWork program. He recognized Janea Peterson, Educational Outreach Coordinator in Community Engagement & Culture, to provide an update on high school engagement efforts, an overview of the 865 Academy, and a recap of the 2026 program.

Other Business

Vice Chair Hamilton announced that the Nominating Committee met today to begin this year's process for nominating candidates for the Commissioner term that begins January 1, 2027. This will be for a new Commissioner to replace Vice Chair Hamilton, whose term is expiring December 31, 2026.

August 20, 2026

Public Comment

Steven Kandilakis

Adjournment

There being nothing further to come before the Board, Vice Chair Hamilton declared the Board meeting adjourned at 1:24 p.m.

Kathy Hamilton

Kathy Hamilton, Vice Chair

Mark Walker

Mark Walker, Board Secretary

Attachment 1	Board Letter and Resolution 1521 – A Resolution Authorizing the Execution of an Amendment to the Knoxville Utilities Board's Letter of Intent and Associated Power Purchase Agreement with SR Durhamville, LLC to Purchase Solar Energy Under the Tennessee Valley Authority's Power Supply Flexibility Program	**Page(s)** 13930 – 13943

KNOXVILLE UTILITIES BOARD

August 14, 2026

Knoxville Utilities Board
445 S. Gay Street
Knoxville, Tennessee 37902-1109

Commissioners:

The August 20 Board meeting agenda includes two official action items, including the oath of office for Commissioner Sara Hedstrom Pinnell, who is filing the remaining term of former Commissioner Claudia Caballero, and a resolution authorizing the execution of an amendment to a Letter of Intent and associated Power Purchase Agreement for the purchase of solar power under TVA's Power Supply Flexibility Program.

A summary of the resolution is provided below.

Resolution 1521
As you will recall, the Board previously approved a series of agreements that enable KUB to benefit from TVA's Power Supply Flexibility Program, which allows KUB to self-supply 5% of its electric load from certain sources within the Tennessee Valley. One of those agreements is for 33 MW of solar from a facility in Durhamville, Tennessee (western portion of state) that will be developed, owned, and operated by Silicon Ranch.

Over the past year, the solar industry has been impacted by global policies, regulations, and other economic factors, which have resulted in price increases and schedule pressures on the project. As a result, and to maintain project viability, Silicon Ranch has requested a price increase of 10% per MWh and delay the delivery date by 6 months.

In considering this request, KUB staff negotiated additional favorable provisions from Silicon Ranch that will offset pricing impacts and provide additional benefits to KUB and our customers. It is staff's recommendation to proceed with the amendment for revised costs and in-service dates. Once completed in December 2028, the project will supply 33 MW of KUB's Flexibility capacity and result in approximately $1.5M in annual power cost savings.

Resolution 1521 authorizes the President and CEO to execute the amendment to the Letter of Intent and associated Power Purchase Agreement with Silicon Ranch. I recommend its approval on first and final reading.

In addition to the official action items, the President's report for next week's meeting will include an overview of TVA rate changes, which will require official action at the next two Board meetings, a review of organizational performance for fiscal year 2026, and an update on our TeenWork Program.

Respectfully submitted,

Gabriel Bolas

Gabriel Bolas
President and CEO

RESOLUTION NO. 1521

A Resolution Authorizing the Execution of an Amendment to the Knoxville Utilities Board's Letter of Intent and Associated Power Purchase Agreement with SR Durhamville, LLC to Purchase Solar Energy Under the Tennessee Valley Authority's Power Supply Flexibility Program

Whereas, the Knoxville Utilities Board ("KUB") Board of Commissioners ("Board") previously adopted Resolution No. 1498, which authorized KUB's execution of a Letter of Intent ("LOI") and associated Power Purchase Agreement ("PPA") to purchase energy output and associated attributes from a solar photovoltaic electric generation facility to be developed, owned, and operated by SR Durhamville, LLC; and

Whereas, the solar industry has been impacted by global policies, regulations, and other economic factors, which have resulted in supply constraints and significant price increases for critical components of solar equipment; and

Whereas, like many other solar development projects across the nation, the SR Durhamville, LLC solar project experienced price increases and schedule pressures; and

Whereas, SR Durhamville, LLC requested KUB provide price and time concessions to the original agreement to maintain project viability; and

Whereas, the Amendment also includes favorable provisions that will offset pricing impacts and provide additional net benefits to KUB; and

Whereas, the Board has determined, upon recommendation from KUB staff, that it is in the best interest of KUB, its customers, and the community to execute the proposed Amendment.

Now, Therefore, Be it Hereby Resolved by the Board of Commissioners of the Knoxville Utilities Board:

Section 1. The President and Chief Executive Officer is hereby authorized to execute the Amendment to the SR Durhamville, LLC LOI and associated PPA, substantially in the form attached hereto, and is further authorized to approve any minor changes or revisions to said document as are in the best interest of KUB and its customers.

Section 2. That this Resolution shall take effect from and after its passage.

Kathy Hamilton/s
Kathy Hamilton, Vice Chair

Mark Walker/s
Mark Walker, Board Secretary

APPROVED ON 1st
& FINAL READING: 8-20-26
EFFECTIVE DATE: 8-20-26
MINUTE BOOK 50 PAGE 13932-13943

FIRST AMENDMENT
to the
LETTER AGREEMENT
between
KNOXVILLE UTILITIES BOARD
and
SR DURHAMVILLE, LLC

This FIRST AMENDMENT TO THE LETTER AGREEMENT ("**First Amendment**"), dated as of August __, 2026 ("**Effective Date**"), is between SR Durhamville, LLC ("**Seller**") and Knoxville Utilities Board ("**KUB**" and together with Seller, the "**Parties**"). Capitalized terms not otherwise defined herein have the meanings given such terms in the Agreement (as defined below).

WHEREAS, the Parties executed that certain Letter Agreement, effective November 27, 2024 (the "**Agreement**");

WHEREAS, pursuant to the Agreement, the Parties will execute the PPA for the sale of energy and environmental attributes generated by the SR Durhamville Solar Project no later than two years prior to the Expected Initial Delivery Date;

WHEREAS, under the terms of the Agreement, the Expected Initial Delivery Date is June 30, 2028; and

WHEREAS, KUB and Seller desire to, among other things, extend the Expected Initial Delivery Date and the anticipated PPA execution deadline and update the PPA contract price;

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the Parties hereby agree as follows:

1. Section 1(a) of the Agreement is hereby amended by (i) replacing the bundled price of "$50.90/MWh" with "$56.00/MWh" and (ii) extending the PPA execution deadline by replacing "June 30, 2026" with "December 15, 2026."

2. Section 1(b) of the Agreement is hereby amended by extending the Expected Initial Delivery Date by replacing "June 30, 2028" with "December 15, 2028."

3. Section 1(c)(i) of the Agreement is hereby amended by replacing the bundled Contract Price of "$50.90/MWh" with "$56.00/MWh."

4. Section 3(a)(i) of the Agreement is hereby amended by replacing "KUB" with "either Party."

5. Section 3(a)(ii) of the Agreement is hereby amended by replacing "June 30, 2026" with "December 15, 2026."

6. Section 3(c) of the Agreement is hereby amended and restated in its entirety as follows:

   "Upon an Event of Default by SR Durhamville, KUB shall have the right to seek, as its sole remedy, one of the following remedies: (i) pursue an action for damages; (ii) seek and obtain specific performance of SR Durhamville's obligations under this Letter Agreement; or (iii) terminate this Letter Agreement and receive from SR Durhamville the NTP Deadline Damages (as defined in the PPA)."

7. The form of PPA attached to the Agreement as Exhibit A shall be revised as follows:

   a. Article I of the PPA is hereby amended by adding the defined term "Production Period" and its definition below in the appropriate alphabetical order:

      "Production Period" has the meaning set forth in Exhibit B."

   b. Section 1.5 of the PPA is hereby amended by deleting the defined term "Annual Supply Guarantee" and replacing it with the defined term "Supply Guarantee."

   c. Article II of the PPA is hereby amended and restated in its entirety as follows:

      "This Agreement shall become effective as of the Effective Date and, unless otherwise terminated or extended in accordance with the provisions of this Agreement, shall remain in full force and effect until 24:00 CPT on the twentieth (20^{th}) anniversary of the Initial Delivery Date; provided, however, that LPC shall have the exclusive right to extend this Agreement for a period of ten (10) years following the end of the initial twenty (20)-year term. Unless LPC, in its sole discretion, provides written notice to Seller no later than the date that is the nineteenth (19^{th}) anniversary of the Initial Delivery Date that LPC elects not to extend this Agreement, the Agreement will automatically renew for ten (10) years."

   d. Section 3.2(c) of the PPA is hereby amended by replacing "Annual Supply Guarantee" with "Supply Guarantee."

   e. Section 8.1 of the PPA is hereby amended and restated in its entirety as follows:

      "Section 8.1 Supply Guarantee Generally. Commencing on the Initial Delivery Date, Seller shall guarantee the supply of sufficient Energy Output during each Production Period so as to meet or exceed the Supply Guarantee for such Production Period. If the Energy Output provided by Seller under this Agreement is not sufficient to meet the Supply Guarantee for the Production Period in question (such shortfall being referred to herein as "Deficient Energy"), Seller shall pay liquidated damages to LPC with respect to such Supply Guarantee: (i) with respect to Deficient Energy and (ii) with respect to Environmental Attributes associated with the amount of the Deficient Energy, if applicable, as measured in accordance with Exhibit C, and payable as set forth in Section 10.2."

   f. Section 8.2 of the PPA is hereby amended by replacing "Annual Supply Guarantee" with "Supply Guarantee."

   g. Section 8.4 of the PPA is hereby amended by replacing "Annual Supply Guarantee" with "Supply Guarantee."

   h. Exhibit A (Contract Price) of the PPA is hereby amended by replacing the Contract Price (as defined in the PPA) of "$50.90/MWh" with "$56.00/MWh."

i. Exhibit B (Annual Supply Guarantee) of the PPA is hereby deleted in its entirety and replaced with the new Exhibit B attached hereto as Attachment 1.

j. Exhibit C (Liquidated Damages) of the PPA is hereby deleted in its entirety and replaced with the new Exhibit C attached hereto as Attachment 2

k. Exhibit G-1 (Project Description) of the PPA is hereby revised by (i) replacing the NTP Deadline of "June 30, 2027" with "September 30, 2027" and (ii) extending the Expected Initial Delivery Date by replacing "June 30, 2028" with "December 15, 2028."

l. Exhibit H (Project Development Milestone Schedule) of the PPA is hereby deleted in its entirety and replaced with the Project Development Milestone Schedule attached hereto as Attachment 3.

8. Except as specifically amended by this First Amendment, the terms and conditions of the Agreement remain in full force and effect. The Parties hereby agree that the Agreement, as amended by this First Amendment, constitutes the final, complete and exclusive agreement of the Parties with respect to the subject matter thereof and hereof and supersedes all prior understandings and agreements relating to such subject matter.

9. This First Amendment may be executed in counterparts, each of which shall be deemed an original, but both of which together shall constitute one and the same instrument.

[Remainder of page intentionally blank]

IN WITNESS WHEREOF, the undersigned have duly executed this First Amendment as of the date first above written.

SR DURHAMVILLE, LLC

By:____________________________________

Name: D. Reagan Farr

Title: President and Chief Executive Officer

KNOXVILLE UTILITIES BOARD

By:____________________________

Name:

Title:

ATTACHMENT 1

AMENDED AND RESTATED EXHIBIT B OF THE PPA

EXHIBIT B
SUPPLY GUARANTEE

For each consecutive, non-rolling five (5) Delivery Period block (a "Production Period") throughout the Term of the Agreement to which this Exhibit B is attached, Seller guarantees that the total amount of the actual Energy Output delivered over such Production Period, which amount will be deemed to include Energy Output not delivered due to an economic curtailment described in Section 8.4, will at least equal the "Supply Guarantee" calculated as follows:

$$\text{Supply Guarantee}_k = \text{LPC's Fraction} \times \sum_{n=5(k-1)+1}^{5k} GEO_n \left(\frac{PH - EH_n}{PH}\right)$$

$$\text{for } k = 1, 2, \ldots, 6$$

Where:

k = The applicable Production Period number 1 through 6 (i.e., 30 Delivery Periods ÷ 5), as set forth in the table below

n = The applicable Delivery Period number 1 through 30, as set forth in the table below

GEO_n = Guaranteed Energy Output (MWh) for the applicable Delivery Period from the table below

PH = Possible Hours = 8,760 hours

EH = Excused Hours, as defined under Section 8.2 of the Agreement to which this Exhibit B is attached, for the applicable Delivery Period

Delivery Period (n)	Production Period (k)	Expected Energy Output (MWh) *(Informational only)*	Guaranteed Energy Output (MWh)
1	1	154,006	140,308
2		153,236	139,610
3		152,470	138,916
4		151,707	138,224
5		150,949	137,537
6	2	150,194	136,853
7		149,443	136,172
8		148,696	135,494

Delivery Period (n)	Production Period (k)	Expected Energy Output (MWh) *(Informational only)*	Guaranteed Energy Output (MWh)
9		147,953	134,820
10		147,213	134,149
11	3	146,477	133,482
12		145,744	132,818
13		145,016	132,157
14		144,291	131,500
15		143,569	130,845
16	4	142,851	130,194
17		142,137	129,547
18		141,426	128,902
19		140,719	128,261
20		140,016	127,623
21	5	139,315	126,988
22		138,619	126,356
23		137,926	125,727
24		137,236	125,102
25		136,550	124,479
26	6	135,867	123,860
27		135,188	123,244
28		134,512	122,631
29		133,839	122,021
30		133,170	121,414

ATTACHMENT 2

AMENDED AND RESTATED EXHIBIT C TO AGREEMENT

EXHIBIT C
LIQUIDATED DAMAGES

a. Deficient Energy

The formulas for calculating the amount of any liquidated damages (LD) owed to LPC by Seller under Section 8.1 for Deficient Energy for any Production Period during the Term are as follows:

$$\mathbf{LD_k = DE_k \ x \ CP}$$

Where:

k = The applicable Production Period number 1 through 6 (i.e., 30 Delivery Periods ÷ 5), as set forth in the table on Exhibit B

CP = the Contract Price.

DE_k = Deficient Energy in MWh and is calculated as:

$$\mathbf{DE_k = SG_k - EO_k}$$

Where:

SG_k = Supply Guarantee in MWh for the applicable Production Period, as calculated in accordance with Exhibit B

EO_k = The sum of the actual Energy Output (inclusive of Section 8.4 curtailment Energy Output) in MWh for the applicable Production Period.

For any Production Period in which the calculation of Deficient Energy above yields a negative number, there shall be no Deficient Energy for that Delivery Period, and there shall be no (zero) liquidated damages with regard to supply performance during that Production Period. Further, there shall be no further calculations using the formulas above with respect to said Production Period.

b. RECs

For each Production Period in which there is Deficient Energy, the LPC will have the option, at no cost to LPC, to receive from Seller either (a) solar RECs equivalent to LPC's Fraction of the total MWh of the Deficient Energy on a MWh-for-MWh basis, if available, or (b) LPC's Fraction of the then-current Alternative Compliance Payment, regardless of whether Seller otherwise owes a LD payment to LPC under this Exhibit.

Example Calculation for First Production Period (Delivery Periods 1 through 5):

Delivery Period (n)	**Production Period (k)**	**Guaranteed Energy Output (MWh)** *(from table above)*	**Excused Hours** *(assumption)*	**Adjusted Guaranteed Energy Output Taking into Account Excused Hours** *(rounded)*	**Energy Output (MWh)** *(Metered Energy Output plus Sec. 8.4 Curtailment) (assumption)*
1	1	140,308	60	139,347	121,006
2		139,610	60	138,654	153,236
3		138,916	40	138,282	130,470
4		138,224	90	136,804	151,707
5		137,537	60	136,595	120,949
			Totals:	689,681	677,368

$\text{Supply Guarantee}_1 = 50\% \times 689{,}681 \text{ MWh} = 344{,}841 \text{ MWh}$

$\text{Energy Output}_1 = 50\% \times 677{,}368 \text{ MWh} = 338{,}684 \text{ MWh}$

$DE_1 = 6{,}157 \text{ MWh}$

$LD_1 = 6{,}157 \text{ MWh} \times \$56.00 = \$344{,}792$

ATTACHMENT 3

AMENDED AND RESTATED EXHIBIT H OF THE PPA

PROJECT DEVELOPMENT MILESTONE SCHEDULE

Milestone Description	Dates
Completed all Interconnection Studies and requisite agreements, including System Impact Study and Facility Study	12/31/2024
Initiate all applicable NEPA, state, and local environmental permitting and approvals for the Project	05/28/2026
Receive all applicable NEPA, state, and local environmental permitting and approvals for the Project	12/31/2026
Receive all local, state, and federal permits and regulatory approvals required to construct the Project (other than applicable NEPA, state, and local environmental permitting and approvals)	12/31/2026
Executed all Real Property Agreements necessary to establish sufficient control of the real property to construct or cause any facilities on the site to be constructed	07/21/2026
Provide, in P6, Microsoft Project, or other industry accepted schedule format, Engineering/Design schedule	07/20/2026
Engineering/Design Start	06/01/2026
Engineering/Design finish (IFC Design)	05/11/2027
NTP request to LPC	04/04/2027
RFPs for owner-furnished major material acquisition, including main power transformer, solar panels and tracking systems have been issued (if applicable)	10/31/2025
EPC contract(s) executed	04/30/2027
Provide in P6 or other industry accepted schedule format, detailed construction schedule	04/30/2027
Construction start	05/11/2027
Provide dates that major materials, including, but not limited to, switch house, transformers, solar panels, inverters, racking, and associated systems, tracking systems, and piling	02/15/2027
Ready for backfeed	07/06/2028
Provide, in P6 or other industry accepted schedule format, the schedule for	05/05/2028

Milestone Description	Dates
all commissioning requirements and testing, to include all requirements contained in TVA's OASIS commissioning requirements: https://www.oasis.oati.com/woa/docs/TVA/TVAdocs/Interconnection_-_Commissioning_Checklist_and_Guidelines_-_v0.pdf	
Commissioning and testing start	07/20/2028
Expected Initial Delivery Date	12/15/2028