OFFICIAL STATEMENT

NEW ISSUE
Book-Entry Only

Ratings: S&P "AA" (Insured)
Moody's "Aa3" (Underlying)

In the opinion of Bond Counsel, based on existing law and assuming compliance with certain tax covenants of the Authority, interest on the Series 2026 Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Series 2026 Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. Under existing law and subject to certain exceptions, the Series 2026 Bonds and the income therefrom will be exempt from state, county and municipal taxation in the State of Tennessee. (See "Tax Matters" herein).

$49,895,000
GREENEVILLE ENERGY AUTHORITY (TENNESSEE)
Electric System Revenue Bonds, Series 2026

Dated: Date of Delivery

Due: June 1, as shown below

The Greeneville Energy Authority (Tennessee) (the "Authority") will issue its Electric System Revenue Bonds, Series 2026 (the "Series 2026 Bonds") as fully registered bonds, without coupons, in denominations of $5,000 or any integral multiple thereof and will bear interest at the annual rates shown below. Interest on the Series 2026 Bonds will be payable semi-annually on June 1 and December 1, commencing December 1, 2026. Principal of and interest on the Series 2026 Bonds will be payable at the designated corporate trust office of U.S. Bank Trust Company, National Association, Nashville, Tennessee, as Paying Agent and Registration Agent, provided that interest may be paid by check or draft mailed by the Registration Agent to each registered owner as of the record date.

The Series 2026 Bonds shall be payable solely from and secured by a pledge of the Net Revenues (as defined herein) of the Authority's electric distribution system, on parity with the Authority's remaining outstanding Electric System Revenue Bonds, Series 2022 (the "Series 2022 Bonds"). The punctual payment of principal of and premium, if any, and interest on the Series 2026 Bonds shall be secured equally and ratably by the Net Revenues without priority by reason of series, number or time of sale or delivery. The Net Revenues are irrevocably pledged to the punctual payment of such principal, premium, if any, and interest as the same become due. The Series 2026 Bonds are not obligations of the State of Tennessee, or any of its political subdivisions, other than the Authority, nor is the State of Tennessee, or any of its political subdivisions, other than the Authority, liable for the payment of the principal of or interest on the Series 2026 Bonds. The Authority does not have taxing power.

The scheduled payment of principal and interest on the Series 2026 Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Series 2026 Bonds by ASSURED GUARANTY INC.

The Series 2026 Bonds are subject to optional redemption on June 1, 2036 and thereafter at a price of par, as set forth herein. The Series 2026 Bonds are payable on June 1 of each year as follows:

Maturity (June 1)	Amount	Rate	Yield	CUSIP	Maturity (June 1)	Amount	Rate	Yield	CUSIP
2027	$1,915,000	5.000%	2.500%	394822AW0	2037	$2,440,000	5.000%	3.460%[c]	394822BG4
2028	1,575,000	5.000	2.590	394822AX8	2038	2,565,000	5.000	3.550[c]	394822BH2
2029	1,655,000	5.000	2.680	394822AY6	2039	2,690,000	5.000	3.640[c]	394822BJ8
2030	1,735,000	5.000	2.790	394822AZ3	2040	2,825,000	5.000	3.710[c]	394822BK5
2031	1,820,000	5.000	2.900	394822BA7	2041	2,970,000	5.000	3.770[c]	394822BL3
2032	1,915,000	5.000	2.990	394822BB5	2042	3,115,000	5.000	3.810[c]	394822BM1
2033	2,010,000	5.000	3.080	394822BC3	2043	3,270,000	5.000	3.870[c]	394822BN9
2034	2,110,000	5.000	3.180	394822BD1	2044	3,435,000	4.125	4.200	394822BP4
2035	2,215,000	5.000	3.270	394822BE9	2045	3,580,000	4.250	4.300	394822BQ2
2036	2,325,000	5.000	3.350	394822BF6	2046	3,730,000	4.375	4.430	394822BR0

c = Yield to par call date of June 1, 2036

The Series 2026 Bonds are offered when, as and if issued, subject to the approval of legality by Bass, Berry & Sims PLC, Nashville, Tennessee, Bond Counsel. Certain legal matters will be passed upon for the Authority by Ron Wood, Esq., Greeneville, Tennessee, Counsel to the Authority. Stephens Inc. is serving as municipal advisor to the Authority. It is expected that the Series 2026 Bonds in book-entry form will be available for delivery through The Depository Trust Company on or about August 6, 2026.

July 21, 2026

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, this document, as the same may be supplemented or amended (collectively, the "Official Statement") by the Greeneville Energy Authority (Tennessee) (the "Authority"), is an Official Statement with respect to the Series 2026 Bonds described herein that is deemed final by the Authority as of the date hereof (or of any such supplement or amendment).

No dealer, broker, salesman or other person has been authorized by the Authority or by Stephens Inc. (the "Municipal Advisor") to give any information or make any representations other than those contained in this Official Statement and, if given or made, such information or representations with respect to the Authority or the Series 2026 Bonds must not be relied upon as having been authorized by the Authority or the Municipal Advisor. This Official Statement does not constitute an offer to sell, or solicitation of an offer to buy, any securities other than the securities offered hereby to any person in any jurisdiction where such offer or solicitation of such offer would be unlawful.

This Official Statement should be considered in its entirety and no one factor should be considered more or less important than any other by reason of its position in this Official Statement. Where statutes, reports or other documents are referred to herein, reference should be made to such statutes, reports or other documents for more complete information regarding the rights and obligations of parties thereto, facts and opinions contained therein and the subject matter thereof.

The information and expressions of opinion in this Official Statement are subject to change without notice and neither the delivery of this Official Statement nor any sale made under it shall, under any circumstances, create any implication that there has been no change in the affairs of the Authority since the date as of which information is given in this Official Statement.

In making an investment decision investors must rely on their own examination of the Authority and the terms of the offering, including the merits and risks involved. No registration statement relating to the Series 2026 Bonds has been filed with the Securities and Exchange Commission or with any state securities agency. The Series 2026 Bonds have not been approved or disapproved by the Commission or any state securities agency, nor has the Commission or any state securities agency passed upon the accuracy or adequacy of this Official Statement. Any representation to the contrary is a criminal offense.

Any CUSIP numbers presented herein have been assigned by Standard & Poor's CUSIP Service Bureau, a Division of The McGraw Hill Companies, Inc., and are included solely for the convenience of the Bondholders. Neither the Municipal Advisor, the Underwriter nor the Authority is responsible for the selection or use of these CUSIP numbers, nor is any representation made as to their correctness on the Series 2026 Bonds or as indicated herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2026 Bonds as a result of various subsequent actions, including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2026 Bonds.

Assured Guaranty Inc. ("AG") makes no representation regarding the Series 2026 Bonds or the advisability of investing in the Series 2026 Bonds. In addition, AG has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AG supplied by AG and presented under the heading "Bond Insurance" and "Appendix F - Specimen Municipal Bond Insurance Policy".

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OFFICIALS

GREENEVILLE ENERGY AUTHORITY
(TENNESSEE)

BOARD OF DIRECTORS

Tim Teague
Justin Jeffers
Shane Hite
Chuck Whitefield
Vacant

CHIEF OFFICIALS

Dwayne Wells – President and Chief Executive Officer
Paige Mengel – Chief Financial Officer

AUTHORITY COUNSEL

Ron Wood, Esq.
Greeneville, Tennessee

AUDITOR

ClearPoint CPAs PC
Greeneville, Tennessee

BOND COUNSEL

Bass, Berry & Sims PLC
Nashville, Tennessee

REGISTRATION AND PAYING AGENT

U.S. Bank Trust Company, National Association
Nashville, Tennessee

MUNICIPAL ADVISOR

Stephens Inc.
Nashville, Tennessee

UNDERWRITER

TD Financial Products LLC
New York, New York

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Summary Statement

This Summary is expressly qualified by the entire Official Statement, which should be viewed in its entirety by potential investors.

ISSUER……………………………….	Greeneville Energy Authority (Tennessee) (the "Authority").
ISSUE….	$49,895,000 Electric System Revenue Bonds, Series 2026 (the "Series 2026 Bonds").
PURPOSE	Fund the cost of capital improvements and extensions to the Authority's electrical power transmission and distribution system and pay costs incident to the issuance and sale of the Series 2026 Bonds.
DATED DATE....................................	August 6, 2026.
INTEREST DUE	Each June 1 and December 1, commencing December 1, 2026.
PRINCIPAL DUE	June 1, 2027 through June 1, 2046, as set forth on the cover.
OPTIONAL REDEMPTION	The Series 2026 Bonds shall be subject to redemption at the option of the Authority on and after June 1, 2036 at the price of par.
SECURITY	The Series 2026 Bonds are limited obligations of the Authority, payable solely from and secured by a lien upon and pledge of the Net Revenues of the System pursuant to the provisions of the Resolution (capitalized terms having the meanings ascribed herein) on parity with the Authority's remaining outstanding Series 2022 Bonds. The Resolution does not grant to owners of the Series 2026 Bonds any mortgage on or security interest in any real or personal property of the Authority. The Series 2026 Bonds do not constitute a debt of the State of Tennessee, or any political subdivision, agency, or instrumentality thereof, other than the Authority, and no owner or holder of any of the Series 2026 Bonds shall have recourse to the taxing power of any such entities. The Authority has no taxing power.
BOND INSURANCE..........................	Concurrently with the issuance of the Series 2026 Bonds, Assured Guaranty Inc. ("AG") will issue its Municipal Bond Insurance Policy for the Series 2026 Bonds (the "Policy"). The Policy guarantees the scheduled payment of principal of and interest on the Series 2026 Bonds when due as set forth in the form of the Policy included as Appendix F to the Official Statement.
RATING..	S&P Global Ratings (S&P) is expected to assign their municipal bond rating of "AA" to the Series 2026 Bonds solely on the understanding that upon delivery of the Series 2026 Bonds, a policy guaranteeing the payment when due of principal of and interest on the Series 2026 Bonds will be issued by AG. The Series 2026 Bonds have also been assigned an underlying rating of "Aa3" by Moody's Investors Service. Inc. ("Moody's") based on documents and other information provided by the Authority. The ratings reflect only the view of S&P or Moody's, as applicable, and neither the Authority, the Municipal Advisor nor the

Underwriter make any representations as to the appropriateness of such ratings.

There is no assurance that such ratings will continue for any given period of time or that either rating will not be lowered or withdrawn entirely by S&P or Moody's, as applicable. Any such downward change in or withdrawal of the rating may have an adverse effect on the secondary market price of the Series 2026 Bonds. Any explanation of the significance of the rating may be obtained from Moody's. See "Rating" herein.

TAX MATTERS................................. In the opinion of Bond Counsel, based on existing law and assuming compliance with certain tax covenants of the Authority, interest on the Series 2026 Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Series 2026 Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. Under existing law and subject to certain exceptions, the Series 2026 Bonds and the income therefrom will be exempt from state, county and municipal taxation in the State of Tennessee. (See "Tax Matters" herein).

REGISTRATION AND PAYING AGENT.. U.S. Bank Trust Company, National Association, Nashville, Tennessee.

MUNICIPAL ADVISOR .... Stephens Inc., Nashville, Tennessee.

UNDERWRITER .... TD Financial Products LLC, New York, New York

$49,895,000

Greeneville Energy Authority
(Tennessee)

Electric System Revenue Bonds, Series 2026

INTRODUCTION

The purpose of this Official Statement, which includes the cover page and the Appendices hereto, is to furnish certain information in connection with the sale by Greeneville Energy Authority (Tennessee) (the "Authority") of $49,895,000 in aggregate principal amount of its Electric System Revenue Bonds, Series 2026 (the "Series 2026 Bonds"). Capitalized terms used but not defined herein shall have the meanings assigned to them in the Resolution (hereinafter defined). (See Appendix A - Summary of Certain Provisions of the Resolution.)

This introduction is not a summary of this Official Statement and is intended only for quick reference. It is only a brief description of and guide to, and is qualified in its entirety by reference to, more complete and detailed information contained in the entire Official Statement, including the cover page and the Appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement and of the documents summarized or described herein, if necessary. The offering of the Series 2026 Bonds to potential investors is made only by means of the entire Official Statement, including the Appendices hereto. No person is authorized to detach this Introduction from the Official Statement or to otherwise use it without the entire Official Statement, including the Appendices hereto.

The Authority, the issuer of the Series 2026 Bonds, is a governmental authority and public corporation pursuant to the Municipal Energy Authority Act, Sections 7-36-101 et seq., Tennessee Code Annotated. The Authority owns and operates an electrical power transmission and distribution system (the "System"). See Appendix B.

The Series 2026 Bonds are being issued in accordance with the Constitution of the State of Tennessee and laws of the State of Tennessee, and pursuant to a resolution of the Board of Directors (the "Board") of the Authority adopted on May 19, 2026 (the "Resolution"). A summary of certain provisions of the resolution is attached hereto as Appendix A.

Audited financial statements for the System's fiscal year ended June 30, 2025 are attached hereto as Appendix C and certain statistical and demographic information regarding the System is attached hereto as Appendix B.

This Official Statement and the Appendices hereto contain brief descriptions of, among other matters, the Authority, the Series 2026 Bonds, and the security and sources of payment for the Series 2026 Bonds. Such descriptions and information do not purport to be comprehensive or definitive. The summaries of various constitutional provisions, statutes, the Resolution, and other documents are intended as summaries only and are qualified in their entirety by reference to such documents, and references herein to the Series 2026 Bonds are qualified in their entirety to the form thereof included in the Resolution. Copies of the Resolution and other documents and information are available, upon request, from the Chief Financial Officer, Greeneville Energy Authority, P.O. Box 1690, Greeneville, Tennessee 37744.

PLAN OF FINANCING

The Series 2026 Bonds are being issued for the purpose of funding the costs of capital improvements and extensions to the System and paying the costs of issuing the Series 2026 Bonds.

Estimated Sources and Uses of Funds

The sources and uses of funds in connection with the issuance of the Series 2026 Bonds are estimated below.

Sources of Funds:	
Par Amount of Series 2026 Bonds	$49,895,000.00
Net Original Issue Premium	3,860,082.65
Total Sources of Funds	$53,755,082.65
Uses of Funds:	
Deposit to Construction Fund	$53,004,017.18
Costs of Issuance(1)	751,065.47
Total Uses of Funds	$53,755,082.65

(1) Includes legal and accounting fees, underwriter's fees, municipal advisory fees, municipal bond insurance premium, rating agency fees, printing, and other costs of issuance.

The Project; Relationship Between the Project and the Authority's Broadband Network

The proceeds of the Series 2026 Bonds are being used to finance capital improvements and extensions to the System (the "Project"). Pursuant to the Resolution, the proceeds of the Series 2026 Bonds, net of any amounts used to pay costs of issuance, will be deposited in a Construction Fund (the "Construction Fund") to be held and invested by the Authority and used to pay costs of the Project. Monies in the Construction Fund may be invested as permitted by Tennessee law and may not be used for any purpose other than the Project.

The Project will be used to finance the purchase and installation of fiber-based communications infrastructure (the "Fiber Infrastructure"). The Fiber Infrastructure will primarily benefit the System and will be recorded as an asset of the System. The Fiber Infrastructure will connect, directly or indirectly, to each electric meter of the System within the footprint of the Fiber Infrastructure, and will enhance the quality and efficiency of the System's electric service by, among other things, (i) allowing the System to read electric meters remotely, (ii) allowing the System to remotely connect and disconnect meters, (iii) providing real-time outage reports, thereby enabling the System to respond more quickly to power outages, (iv) providing real-time usage reports that will allow the System's customers to tailor their electric power needs more effectively and (v) allowing the System to better manage its peak power load, thereby reducing the demand for additional electric generation facilities and reducing costs to the System's customers.

The Fiber Infrastructure is also expected to be used by the broadband telecommunications network previously established by the Authority. The broadband telecommunications network (the "Broadband Division") is operated as a separate division of the Authority and is not a part of the System, which is operated as the "Electric Division". The Broadband Division offers high-speed internet and voice services that are unrelated to the transmission and distribution of electricity. The Broadband Division will be permitted to use the Fiber Infrastructure (and certain other assets of the Electric Division) only upon the payment by the Broadband Division to the Electric Division of a monthly use charge equal to not less than the portion of the cost of the Fiber Infrastructure (and other assets) allocable to the Broadband Division. The portion of the Fiber Infrastructure allocable to the Broadband Division is expected to continue grow as customers are added to the Broadband Division. This allocation will be based upon the actual number of customers utilizing the services of the Broadband Division and will be periodically reallocated to assure proper division of costs.

The Authority cannot predict or guarantee the future success of the Broadband Division. If the Broadband Division is unsuccessful, it may have difficulty making scheduled monthly use payments. Accordingly, the Authority cannot guarantee the amount of monthly use payments that will be made by the Broadband Network to the System.

Any monthly use charges payable to the System by the Broadband Division will be treated as revenues of the Electric Division. However, revenues derived from sales of the services of the Broadband Division will not constitute revenues of the Electric Division and will not be available for the payment of or the security for the Series 2026 Bonds.

DESCRIPTION OF THE SERIES 2026 BONDS

General

The Series 2026 Bonds are dated as of the date of their delivery, and bear interest from such date at the rates per annum set forth on the cover page of this Official Statement (computed on the basis of a 360-day year of twelve 30-day months). Interest on the Series 2026 Bonds is payable on each June 1 and December 1, commencing December 1, 2026.

Payment of the principal of and interest on the Series 2026 Bonds will be made by the Registration Agent directly to Cede & Co., as nominee of DTC, and will subsequently be disbursed to DTC Participants and thereafter to Beneficial Owners of the Series 2026 Bonds. See "Book-Entry Only Bonds."

When not in book-entry form, interest on the Series 2026 Bonds will be paid by check or draft on the Registration Agent, and will be mailed on the date due by first class mail to the registered owners of record as of the 15th day of the calendar month (the "Regular Record Date") immediately preceding the applicable Interest Payment Date, at the address shown on the registration books of the Authority maintained by the Registration Agent. When not in book-entry form, the principal of and redemption premium (if any) on the Series 2026 Bonds will be paid upon the presentation and surrender of the Series 2026 Bonds at the principal corporate trust office of the Registration Agent.

Any interest on any Series 2026 Bond that is payable but is not punctually paid or duly provided for on an Interest Payment Date (the "Defaulted Interest") will cease to be payable to the registered owner on the relevant Regular Record Date; and, in lieu thereof, such Defaulted Interest will be paid by the Authority to the persons in whose names the Series 2026 Bonds are registered at the close of business on a date (the "Special Record Date") for the payment of such Defaulted Interest, which date will be fixed in the following manner: the Authority will notify the Registration Agent of the amount of Defaulted Interest proposed to be paid on each Series 2026 Bond and the date of the proposed payment. Thereupon, not less than ten days after the receipt by the Registration Agent of the notice of the proposed payment, the Registration Agent will fix a Special Record Date for the payment of such Defaulted Interest, which date will be not more than 15 nor less than 10 days prior to the date of the proposed payment to the registered owners. The Registration Agent will promptly notify the Authority of such Special Record Date, and in the manner and at the expense of the Authority, not less than ten days prior to such Special Record Date, will cause notice of the proposed payment of such Defaulted Interest and the Special Record Date to be mailed, first-class postage prepaid, to each registered owner at the address thereof as it appears in the registration records maintained by the Registration Agent as to the date of such notice.

Denominations, Registration, Transfers and Exchanges

The Series 2026 Bonds will be issued in fully registered form in the denomination of $5,000 each or integral multiples thereof. The Series 2026 Bonds will be registered as to principal and interest on the registration books kept by the Registration Agent. The registered owner thereof shall be treated as the absolute owner thereof for all purposes, including payment, and payment to the registered owner thereof shall satisfy all liability thereon to the extent of sums so paid.

When in book-entry form, Series 2026 Bonds held by DTC or Cede & Co., as its nominee, on behalf of the Beneficial Owners thereof, are transferable upon delivery to DTC or Cede & Co., as its nominee, of an assignment executed by the Beneficial Owner or the Beneficial Owner's duly authorized attorney. See "Book-Entry Only Bonds."

When not in book-entry form, ownership of any Series 2026 Bond will be transferable upon surrender thereof to the Registration Agent, together with an assignment duly executed by the registered owner or his attorney, in such form as shall be satisfactory to the Registration Agent. Upon any such transfer of ownership, the Registration Agent will cause to be authenticated and delivered a new Series 2026 Bond or Series 2026 Bonds registered in the name of the transferee in the authorized denomination in the same aggregate principal amount and interest rate as the Series 2026 Bonds surrendered for such transfer. When not in book-entry form, the Series 2026 Bonds may be exchanged for a like principal amount of Series 2026 Bonds of the same interest rate of other authorized denominations. For every exchange or registration of transfer, the Registration Agent, may charge an amount sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration or transfer, but no other charge may be made to the owner for any exchange or registration of transfer of the Series 2026 Bonds.

Optional Redemption

The Series 2026 Bonds are subject to redemption prior to maturity at the option of the Authority on or after June 1, 2036, in whole or in part at any time, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date.

If less than all the Series 2026 Bonds shall be called for redemption, the maturities to be redeemed shall be selected by the President and Chief Executive Officer and the Chairman of the Authority in their discretion. If less than all of the Series 2026 Bonds within a single maturity shall be called for redemption, the interests within the maturity to be redeemed shall be selected as follows:

(i) if the Series 2026 Bonds are being held under a Book-Entry System by DTC, or a successor Depository, the Series 2026 Bonds to be redeemed shall be determined by DTC, or such successor Depository, by lot or such other manner as DTC, or such successor Depository, shall determine; or

(ii) if the Series 2026 Bonds are not being held under a Book-Entry System by DTC, or a successor Depository, the Series 2026 Bonds within the maturity to be redeemed shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall determine.

Notice of Redemption

Notice of call for redemption shall be given by the Registration Agent not less than twenty (20) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the Series 2026 Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the registration records of the Registration Agent as of the date of the notice; but neither failure to mail such notice nor any defect in any such notice so mailed shall affect the sufficiency of the proceedings for the redemption of any of the Series 2026 Bonds for which proper notice was given. An optional redemption notice may state that it is conditioned upon the deposit of moneys in an amount equal to the amount necessary to affect the redemption with the Registration Agent no later than the redemption date ("Conditional Redemption"). As long as DTC, or a successor Depository, is the registered owner of the Series 2026 Bonds, all redemption notices shall be mailed by the Registration Agent to DTC, or such successor Depository, as the registered owner of the Series 2026 Bonds, as and when above provided, and neither the Authority nor the Registration Agent shall be responsible for mailing notices of redemption to DTC Participants or Beneficial Owners. Failure of DTC, or any successor Depository, to provide notice to any DTC Participant will not affect the validity of such redemption. From and after any redemption date, all Series 2026 Bonds called for redemption shall cease to bear interest if funds are available at the office of the Registration Agent for the payment thereof and if notice has been duly provided as set forth in the Resolution. In the case of a Conditional Redemption, the failure of the Authority to make funds available in part or in whole on or before the redemption date shall not constitute an event of default, and the Registration Agent shall give immediate notice to the Depository or the affected Bondholders that the redemption did not occur and that the Series 2026 Bonds called for redemption and not so paid remain outstanding.

Book-Entry Only System

Except as otherwise provided in the Detailed Notice of Sale, the Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Series 2026 Bonds. The Series 2026 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2026 Bond certificate will be issued for each maturity of the Series 2026 Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instrument from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation, and Emerging Markets Clearing Corporation (NSCC, FICC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Series 2026 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2026 Bonds on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2026 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Series 2026 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2026 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2026 Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2026 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Series 2026 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Series 2026 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2026 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2026 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from Issuer or Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of County or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2026 Bonds at any time by giving reasonable notice to the Authority or Registration Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2026 Bond certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Authority believes to be reliable, but the Authority takes no responsibility for the accuracy thereof.

THE AUTHORITY AND THE REGISTRATION AGENT HAVE NO RESPONSIBILITY OR OBLIGATION TO PARTICIPANTS, OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (I) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY PARTICIPANT; (II) THE PAYMENT BY DTC OR ANY PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OF OR INTEREST ON THE SERIES 2026 BONDS; (III) THE DELIVERY OR TIMELINESS OF DELIVERY BY ANY PARTICIPANT OR ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE RESOLUTION TO BE GIVEN TO BONDHOLDERS; OR (IV) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC OR CEDE & CO. AS BONDHOLDER.

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SECURITY AND SOURCES OF PAYMENT OF THE SERIES 2026 BONDS

Neither the full faith and credit nor the taxing power of the State of Tennessee or any political subdivision thereof, including the Authority, is pledged to the payment of the Series 2026 Bonds. The Series 2026 Bonds are limited obligations of the Authority and are payable solely from the Net Revenues (as described below and as defined in Appendix A hereto) of the System on parity with the Authority's remaining outstanding Electric System Revenue Bonds, Series 2022 (the "Series 2022 Bonds") and any bonds of the Authority hereafter issued on a parity therewith (the "Parity Bonds"). The Series 2026 Bonds do not constitute a charge, lien or encumbrance upon any other property of the Authority.

Pledge of Net Revenues

Under the terms of the Resolution, the Series 2026 Bonds are secured by a pledge of and lien on the Net Revenues on parity with the Series 2022 Bonds. Generally, Net Revenues means all revenues of the System, from whatever source, minus System operating expenses other than depreciation, amortization and interest expense. See Appendix A for a more detailed definition of Net Revenues. See Appendix B for information regarding the System, and "DEBT SERVICE SCHEDULE" for information regarding the Authority's debt service obligations.

Flow of Funds

Pursuant to the Resolution, the Authority has agreed to deposit all revenues derived from the operation of the System into the Revenue Fund and to apply such moneys as follows:

- First, to pay operating expenses
- Next, to pay debt service on the Series 2026 Bonds, the Series 2022 Bonds and any Parity Bonds
- Next, to fund debt service reserves for any Parity Bonds, if applicable (the Authority has not established a debt service reserve for the Series 2026 Bonds or the Series 2022 Bonds)
- Last, to pay debt service on Subordinate Lien Bonds and to pay any other legal purpose

See Appendix A for a more detailed description of the flow of funds.

Rate Covenant

Under the terms of the Resolution, prior to the commencement of each Fiscal Year, the Authority must estimate the revenues and expenditures for the upcoming Fiscal Year, based on rates then in effect, and, based on such estimate, adjust rates to the extent necessary to produce Net Revenues for the upcoming Fiscal Year (i) equal to not less than 1.20 times the debt service payable during the upcoming Fiscal Year on the Series 2026 Bonds, the Series 2022 Bonds and any Parity Bonds, (ii) sufficient, in addition, to provide for any required deposits during the upcoming Fiscal Year to the Reserve Fund and any other funds established by the Authority pursuant to the Resolution and the resolutions authorizing any Subordinate Lien Bonds or pursuant to sound and prudent operating practices as determined by Authority, (iii) sufficient to pay debt service on any Subordinate Lien Bonds, and (iv) sufficient to pay any amounts payable during such Fiscal Year under any Financial Guaranty Agreement, with respect to any Reserve Fund Credit Facility or under any financial guaranty agreement entered into pursuant to the resolutions authorizing the Series 2026 Bonds, the Series 2022 Bonds, any Parity Bonds or any Subordinate Lien Bonds.

Bond Fund and Reserve Fund

The Resolution establishes a Bond Fund for the Series 2026 Bonds, the Series 2022 Bonds and any Parity Bonds. The Resolution requires the Authority to make monthly deposits to the Bond Fund sufficient to accumulate funds necessary to pay scheduled debt service on the Series 2026 Bonds, the Series 2022 Bonds and any Parity Bonds. The money on deposit in the Bond Fund will be used to pay the principal of and interest on the Series 2026 Bonds, the Series 2022 Bonds and any Parity Bonds as the same become due.

No Debt Service Reserve Fund will be funded by the Authority upon issuance of the Series 2026 Bonds. In the event that an Authority audit reflects that Net Revenues for the applicable fiscal year, after providing for the payment of Operating Expenses, are less than 200% of the debt service on the Series 2026 Bonds during such fiscal year, the Resolution requires the Authority to fund the Reserve Fund for the benefit of the Series 2026 Bonds, in the amounts and in the manner described in "Appendix A – Summary of Certain Provisions of the Resolution – Debt Service Reserve Fund". Any amounts on deposit in the Reserve Fund may be used solely for the purpose of curing deficiencies in the Revenue Fund for the payment when due of the principal of and interest on the Series 2026 Bonds. If funds on deposit in the Reserve Fund or the available amount under a Reserve Fund Credit Facility on deposit in the Reserve Fund exceed in the aggregate the Reserve Requirement, the excess cash shall be deposited into the Revenue Fund. Upon the initial delivery of the Series 2026 Bonds the Reserve Fund shall be unfunded, and the Authority shall only be required to fund the Reserve Fund upon the occurrence of the condition described above. If at any time the Authority is required to fund the Reserve Fund, the amount may be funded in up to twenty-four substantially equal consecutive monthly deposits commencing not later than the month following the receipt of audited financial statements which reflect the revenue deficiency.

Parity Bonds

The Authority may, from time to time, issue Parity Bonds under the terms of the Resolution. Parity Bonds will have a lien on the Net Revenues of the System on a parity with the lien on the Net Revenues of the System securing the Series 2026 Bonds and the Series 2022 Bonds. See Appendix A for the conditions under which such Parity Bonds may be issued. The Authority may not issue bonds payable from or secured by a lien on the Net Revenues senior to that securing the payment of the Series 2026 Bonds, the Series 2022 Bonds and any Parity Bonds.

Subordinate Lien Bonds

The Authority may, from time to time, issue Subordinate Lien Bonds under the terms of the Resolution. Subordinate Lien Bonds will either (i) have a lien on the Net Revenues of the System subordinate to the lien on the Net Revenues of the System securing the Series 2026 Bonds, or (ii) be payable from, but not have a lien on the Net Revenues of the System.

Additional Borrowing Plans

The Authority has no additional borrowing plans at this time.

BOND INSURANCE

Bond Insurance Policy

Concurrently with the issuance of the Series 2026 Bonds, Assured Guaranty Inc. ("AG") will issue its Municipal Bond Insurance Policy (the "Policy") for the Series 2026 Bonds. The Policy guarantees the scheduled payment of principal of and interest on the Series 2026 Bonds when due as set forth in the form of the Policy included as an appendix to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, Maryland, California, Connecticut or Florida insurance law.

Assured Guaranty Inc.

AG is a Maryland domiciled financial guaranty insurance company and an indirect subsidiary of Assured Guaranty Ltd. ("AGL" and together with its subsidiaries, "Assured Guaranty"), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol "AGO." AGL, through its subsidiaries, provides credit enhancement products to the U.S. and non-U.S. public finance (including infrastructure) and structured finance markets, and participates in the asset management business through ownership interests in Sound Point Capital Management, LP and certain of its investment management affiliates, and in the annuity reinsurance business through Assured Life Reinsurance Ltd. Only AG is obligated to pay claims under the insurance policies AG has issued, and not AGL or any of its shareholders or other affiliates.

AG's financial strength is rated "AA" (stable outlook) by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"), "AA+" (stable outlook) by Kroll Bond Rating Agency, Inc. ("KBRA") and "A1" (stable outlook) by Moody's Investors Service, Inc. ("Moody's"). Each rating of AG should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of AG in its sole discretion. In addition, the rating agencies may at any time change AG's long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by AG. AG only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by AG on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

Current Financial Strength Ratings

On July 17, 2026, S&P announced that it had affirmed AG's financial strength rating of "AA" (stable outlook).

On August 4, 2025, KBRA announced that it had affirmed AG's insurance financial strength rating of "AA+" (stable outlook).

On July 10, 2024, Moody's announced that it had affirmed AG's insurance financial strength rating of "A1" (stable outlook).

AG can give no assurance as to any further ratings action that S&P, Moody's and/or KBRA may take. For more information regarding AG's financial strength ratings and the risks relating thereto, see AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

Capitalization of AG

At March 31, 2026:

- The policyholders' surplus of AG was approximately $3,158 million.
- The contingency reserve of AG was approximately $1,539 million.
- The net unearned premium reserves and net deferred ceding commission income of AG and its subsidiaries (as described below) were approximately $2,402 million. Such amount includes (i) 100% of the net unearned premium reserve and net deferred ceding commission income of AG and (ii) the net unearned premium reserves and net deferred ceding commissions of AG's wholly owned subsidiary Assured Guaranty UK Limited ("AGUK"), and its 99.9999% owned subsidiary Assured Guaranty (Europe) SA ("AGE").

The policyholders' surplus, contingency reserve, and net unearned premium reserves and net deferred ceding commission income of AG were determined in accordance with statutory accounting principles. The net unearned premium reserves and net deferred ceding commissions of AGUK and AGE were determined in accordance with accounting principles generally accepted in the United States of America.

Incorporation of Certain Documents by Reference

Portions of the following documents filed by AGL with the Securities and Exchange Commission (the "SEC") that relate to AG are incorporated by reference into this Official Statement and shall be deemed to be a part hereof:

(i) the Annual Report on Form 10-K for the fiscal year ended December 31, 2025 (filed by AGL with the SEC on February 27, 2026); and

(ii) the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2026 (filed by AGL with the SEC on May 8, 2026).

All information relating to AG included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, excluding Current Reports or portions thereof "furnished" under Item 2.02 or Item 7.01 of Form 8-K, after the filing of the last document referred to above and before the termination of the offering of the Series 2026 Bonds shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC's website at http://www.sec.gov, at AGL's website at http://www.assuredguaranty.com, or will be provided upon request to Assured Guaranty Inc.: 1633 Broadway, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100)Except for the information referred to above, no information available on or through AGL's website shall be deemed to be part of or incorporated in this Official Statement.

Any information regarding AG included herein under the caption "BOND INSURANCE – Assured Guaranty Inc." or included in a document incorporated by reference herein (collectively, the "AG Information") shall be modified or superseded to the extent that any subsequently included AG Information (either directly or through incorporation by reference) modifies or supersedes such previously included AG Information. Any AG Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

Miscellaneous Matters

AG makes no representation regarding the Series 2026 Bonds or the advisability of investing in the Series 2026 Bonds. In addition, AG has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AG supplied by AG and presented under the heading "BOND INSURANCE".

LEGAL MATTERS

Pending Litigation

The Authority, like other similar bodies, is subject to a variety of suits and proceedings arising in the ordinary conduct of its affairs. The Authority, after reviewing the current status of all pending and threatened litigation with its counsel believes that, while the outcome of litigation cannot be predicted, the final settlement of all lawsuits which have been filed and of any actions or claims pending or threatened against the Authority or its officials in such capacity are adequately covered by insurance or sovereign immunity or will not have a material adverse effect upon the financial position or results of operations of the System.

There is no litigation now pending or, to the knowledge of the Authority, threatened which restrains or enjoins the issuance or delivery of the Series 2026 Bonds, the use of Net Revenues for the payment of the Series 2026 Bonds, or the use of the proceeds of the Series 2026 Bonds or which questions or contests the validity of the Series 2026 Bonds or the proceedings and Authority under which they are to be issued. Neither the creation, organization, or existence of the Authority, nor the title of the present members or other officials of the Authority to their respective offices, is being contested or questioned.

Opinion of Bond Counsel

Legal matters incident to the authorization, validity, and issuance of the Series 2026 Bonds are subject to the approving opinion of Bass, Berry & Sims PLC, Nashville, Tennessee, Bond Counsel. The form of opinion of Bond Counsel is attached to this Official Statement as Appendix D. Copies of the opinion will be available at the time of the initial delivery of the Series 2026 Bonds. Certain legal matters will be passed upon for the Authority by Ron Wood, Esq., Greeneville, Tennessee, counsel to the Authority.

TAX MATTERS

Federal

General. Bass, Berry & Sims PLC, Nashville, Tennessee, is Bond Counsel for the Series 2026 Bonds. Their opinion under existing law, relying on certain statements by the Authority and assuming compliance by the Authority with certain covenants, is that interest on the Series 2026 Bonds:

- is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"); and
- is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Series 2026 Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations.

The Code imposes requirements on the Series 2026 Bonds that the Authority must continue to meet after the Series 2026 Bonds are issued. These requirements generally involve the way that the Series 2026 Bond proceeds must be invested and ultimately used. If the Authority does not meet these requirements, it is possible that a bondholder may have to include interest on the Series 2026 Bonds in its federal gross income on a retroactive basis to the date of issue. The Authority has covenanted to do everything necessary to meet these requirements of the Code.

A bondholder or who is a particular kind of taxpayer may also have additional tax consequences from owning the Series 2026 Bonds. This is possible if a bondholder is:

- an S corporation,
- a United States branch of a foreign corporation,
- a financial institution,
- a property and casualty or a life insurance company,
- an individual receiving Social Security or railroad retirement benefits,
- an individual claiming the earned income credit or
- a borrower of money to purchase or carry the Series 2026 Bonds.

If a bondholder is in any of these categories, it should consult its tax advisor.

Bond Counsel is not responsible for updating its opinion in the future. It is possible that future events or changes in applicable law could change the tax treatment of the interest on the Series 2026 Bonds or affect the market price of the Series 2026 Bonds. See also "Changes in Federal and State Tax Law" below in this heading.

Bond Counsel expresses no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel on the federal income tax treatment of interest on the Series 2026 Bonds, or under State, local or foreign tax law.

Bond Premium. If a bondholder purchases a Series 2026 Bond for a price that is more than the principal amount, generally the excess is "bond premium" on that Series 2026 Bond. The tax accounting treatment of bond premium is complex. It is amortized over time and as it is amortized a bondholder's tax basis in that Series 2026 Bond will be reduced. The holder of a Series 2026 Bond that is callable before its stated maturity date may be required to amortize the premium over a shorter period, resulting in a lower yield on such Series 2026 Bonds. A bondholder in certain circumstances may realize a taxable gain upon the sale of a Series 2026 Bond with bond premium, even though the Series 2026 Bond is sold for an amount less than or equal to the owner's original cost. If a bondholder owns any Series 2026 Bonds with bond premium, it should consult its tax advisor regarding the tax accounting treatment of bond premium.

Original Issue Discount. A Series 2026 Bond will have "original issue discount" if the price paid by the original purchaser of such Series 2026 Bond is less than the principal amount of such Series 2026 Bond. Bond Counsel's opinion is that any original issue discount on these Series 2026 Bonds as it accrues is excluded from a bondholder's federal gross income under the Internal Revenue Code. The tax accounting treatment of original issue discount is complex. It accrues on an actuarial basis and as it accrues a bondholder's tax basis in these Series 2026 Bonds will be increased. If a bondholder owns one of these Series 2026 Bonds, it should consult its tax advisor regarding the tax treatment of original issue discount.

Information Reporting and Backup Withholding. Information reporting requirements apply to interest on tax-exempt obligations, including the Series 2026 Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with a Form W-9, "Request for Taxpayer Identification Number and Certification," or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding," which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a Series 2026 Bond through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Series 2026 Bonds from gross income for Federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner's Federal income tax once the required information is furnished to the Internal Revenue Service.

State Taxes

Under existing law, the Series 2026 Bonds and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) Tennessee excise taxes on interest on the Series 2026 Bonds during the period the Series 2026 Bonds are held or beneficially owned by any organization or entity, or other than a sole proprietorship or general partnership doing business in the State of Tennessee, and (b) Tennessee franchise taxes by reason of the inclusion of the book value of the Series 2026 Bonds in the Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee.

Changes in Federal and State Tax Law

From time to time, there are presidential proposals, proposals of various federal and Congressional committees, and legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to herein or adversely affect the marketability or market value of the Series 2026 Bonds or otherwise prevent holders of the Series 2026 Bonds from realizing the full benefit of the tax exemption of interest on the Series 2026 Bonds. It cannot be predicted whether, or in what form, these proposals might be enacted or if enacted, whether they would apply to Series 2026 Bonds prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Series 2026 Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Series 2026 Bonds would be impacted. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Series 2026 Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

Prospective purchasers of the Series 2026 Bonds should consult their own tax advisors regarding the foregoing matters.

CONTINUING DISCLOSURE

The Authority will at the time the Series 2026 Bonds are delivered execute a Continuing Disclosure Agreement under which it will covenant for the benefit of holders and beneficial owners of the Series 2026 Bonds to provide certain financial information and operating data relating to the Authority and the System by not later than twelve months after the end of each fiscal year commencing with the fiscal year ending June 30, 2026 (the "Annual Report"), and to provide notice of the occurrence of certain enumerated events. All continuing disclosure filings will be made with the Municipal Securities Rulemaking Board ("MSRB") at www.emma.msrb.org and any State Information Depository ("SID"). If the Authority is unable to provide the Annual Report to the MSRB and the SID, if any, by the date set forth above for the filing of the Annual Report, notice of such failure shall be sent to the MSRB and the SID, if any, on or before such date. The specific nature of the information to be contained in the Annual Report or the notices of enumerated events is set forth in the form of Continuing Disclosure Agreement attached hereto as Appendix E. These covenants have been made in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b), as it may be amended from time to time (the "Rule").

The Authority is not aware of any failure to comply with its continuing disclosure undertakings in the last five years.

RATINGS

S&P is expected to assign their municipal bond rating of "AA" to the Series 2026 Bonds based solely on the understanding that upon delivery of the Series 2026 Bonds, a policy guaranteeing the payment when due of the principal of and interest on the Series 2026 Bonds will be issued by Assured Guaranty Inc. The Series 2026 Bonds have also been assigned an underlying rating of "Aa3" by Moody's Investors Service ("Moody's") based on documents and other information provided by the Authority. An explanation of the significance of each rating may be obtained from the applicable Rating Agency. Neither rating is a recommendation to buy, sell or hold the Series 2026 Bonds. Generally, rating agencies base their ratings on information and materials furnished to the agencies and on investigations, studies and assumptions by the agencies. There is no assurance that either rating will be maintained for any given period of time or that either rating will not be revised downward or withdrawn entirely by the applicable Rating Agency if, in such agency's judgment, circumstances so warrant. Any such downward revision or withdrawal of either rating may have an adverse effect on the market price of the Series 2026 Bonds. Neither the Authority, the Municipal Advisor nor the Underwriter has undertaken any responsibility to oppose any revision or withdrawal of the ratings.

MUNICIPAL ADVISOR

Stephens Inc. is serving as Municipal Advisor to the Authority in connection with the issuance of the Series 2026 Bonds. Stephens Inc., in its capacity as Municipal Advisor, has relied on the opinion of Bond Counsel and has not verified and does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal or state income tax status of the Series 2026 Bonds or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies. The information set forth herein has been obtained from the Authority and other sources believed to be reliable, but has not been independently verified by Municipal Advisor.

The Municipal Advisor's fee for services rendered with respect to the sale of the Series 2026 Bonds is contingent upon the issuance and delivery of the Series 2026 Bonds.

The Municipal Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the Authority and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Municipal Advisor does not guarantee the accuracy or completeness of such information.

UNDERWRITING

TD Financial Products LLC, New York, New York, acting for and on behalf of itself and such other securities dealers as it may designate, will purchase the Series 2026 Bonds for an aggregate purchase price of $53,215,063.43, which is par, less $540,019.22 underwriter's discount (which includes the municipal bond insurance premium), plus net original issue premium of $3,860,082.65.

The Underwriter may offer and sell the Series 2026 Bonds to certain dealers (including dealer banks and dealers depositing the Series 2026 Bonds into investment trusts) and others at prices different from the public offering prices stated on the cover page of this Official Statement. Such initial public offering prices may be changed from time to time by the Underwriter.

INDEPENDENT AUDITORS

The financial statements of the Authority as of June 30, 2025 and for the year then ended, attached hereto as Appendix C, have been audited by ClearPoint CPAs PC, Greeneville, Tennessee, independent auditors, as stated in their report thereon and are included in reliance upon the Authority of such firm as independent auditors.

MISCELLANEOUS

Use of the words "shall" or "will" in this Official Statement in summaries of documents to describe future events or continuing obligations is not intended as a representation that such event or obligation will occur but only that the document contemplates or requires such event to occur or obligation to be fulfilled.

Any statements made in this Official Statement involving estimates or matters of opinion, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates or matters of opinion will be realized. Neither this Official Statement nor any statement which may have been made orally or in writing is to be construed as a contract with the owners of the Series 2026 Bonds.

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AUTHORIZATION OF AND CERTIFICATION CONCERNING OFFICIAL STATEMENT

The Official Statement has been authorized by the President and Chief Executive Officer and the Chairman of the Authority. Concurrently with the delivery of the Series 2026 Bonds, the undersigned will furnish an Agreement to the effect that nothing has come to the undersigned's attention which would lead the undersigned to believe that this Official Statement contained, as of the date of delivery of the Series 2026 Bonds, any untrue statement of a material fact or omitted to state a material fact which should be included herein for the purposes for which this Official Statement is intended to be used or which is necessary to make the statements contained herein, in light of the circumstances under which they were made, not misleading.

/s/ Dwayne Wells
Dwayne Wells, President and Chief Executive Officer

/s/ Tim Teague
Tim Teague, Chairman

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APPENDIX A

SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION

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SUMMARY OF RESOLUTION

The following information is a brief summary of certain provisions of the Resolution, as hereinafter defined, copies of which are available at the offices of the Authority. This summary is not to be considered a complete statement of the Resolution, and, accordingly, is qualified by reference thereto and is subject to the full text thereof.

Definitions of Certain Terms

The following are definitions of certain terms used in the Resolution and in this Official Statement.

"Acquired System" shall mean any electrical power generation, transmission and/or distribution system acquired by the Authority and/or any such facilities hereafter constructed or otherwise established by the pursuant to the Act.

"Act" shall mean Sections 7-36-101 et seq., Tennessee Code Annotated, as amended.

"Authority" means the Greeneville Energy Authority.

"Balloon Indebtedness" shall mean any bonds, notes or other indebtedness, other than Short-Term Indebtedness, 25% or more of the initial principal amount of which matures (or must be redeemed at the option of the holder) during any twelve month period, if such 25% or more is not to be amortized to below 25% by mandatory redemption prior to the beginning of such twelve month period.

"Board" means the Board of Directors of the Authority.

"Bond Fund" shall mean the Series 2026 Principal and Interest Sinking Fund established by the Resolution.

"Bonds" means the Series 2022 Bonds, the Series 2026 Bonds and any Parity Bonds.

"Capital Appreciation Bonds" shall mean bonds which bear interest at a stated interest rate of 0.0% per annum, have a value on any applicable date equal to the Compound Accreted Value thereof on that date, and are payable only at maturity or earlier redemption.

"Code" means the Internal Revenue Code of 1986, as amended, and any lawful regulations promulgated or proposed thereunder.

"Compound Accreted Value" shall mean the value at any applicable date of any Capital Appreciation Bonds computed as the original principal amount thereof for each maturity date plus an amount equal to interest on said principal amount (computed on the basis of a 360-day year of twelve 30-day months) compounded semiannually on such dates as shall be established by the resolution authorizing Capital Appreciation Bonds, from the dated date to said applicable date at an interest rate which will produce at maturity the Maturity Amount for such maturity date.

"Credit Facility" means any municipal bond insurance policy, letter of credit, surety bond, line of credit, guarantee, or other agreement under which any person other than the Authority provides additional security for any Bonds and guarantees timely payment of or purchase price equal to the principal of and interest on all or a portion of any Bond and shall include any Reserve Fund Credit Facility.

"Debt Service Requirement" means the total principal, Maturity Amounts and interest coming due, whether at maturity or upon mandatory redemption (less any amount of interest that is capitalized and payable with the proceeds of debt on deposit with the Authority or any paying agent for the Bonds or other obligations of the Authority payable from all or some portion of Gross Earnings), for any period of 12 consecutive calendar months for which such a determination is made, provided:

(a) The Debt Service Requirement with respect to Variable Rate Indebtedness shall be determined as if the variable rate in effect at all times during future periods equaled, at the option of the Authority, either (A) the average of the actual variable rate which was in effect (weighted according to the length of the period during which each such variable rate was in effect) for the most recent 12-month period immediately preceding the date of calculation for which such information is available (or shorter period if such information is not available for a 12-month period), or (B) the current average annual fixed rate of interest on securities of similar quality having a similar maturity date, as certified by a Financial Advisor.

(b) For the purpose of calculating the Debt Service Requirement on Balloon Indebtedness and Short-Term Indebtedness, at the option of the Authority, (i) the actual principal and interest on such Balloon Indebtedness and Short Term Indebtedness shall be included in the Debt Service Requirement, subject to the other assumptions contained herein, or (ii) such Balloon Indebtedness and Short Term Indebtedness shall be assumed to be amortized in substantially equal annual amounts to be paid for principal and interest over an assumed amortization period of 20 years at an assumed interest rate (which shall be the interest rate certified by a Financial Advisor to be the interest rate at which the Authority could reasonably expect to borrow the same amount by issuing bonds with the same priority of lien as such Balloon Indebtedness and Short Term Indebtedness and with a 20-year term); provided, however, that if the maturity of such Balloon Indebtedness is in excess of 20 years from the date of issuance, then such Balloon Indebtedness shall be assumed to be amortized in substantially equal annual amounts to be paid for principal and interest over an assumed amortization period of years equal to the number of years from the date of issuance of such Balloon Indebtedness to maturity and at the interest rate applicable to such Balloon Indebtedness; provided further that this paragraph shall not be applicable for purposes of determining the Debt Service Requirement for purposes of the resolution unless the Authority has a written commitment from a bank, underwriting firm or other financial institution to refinance at least 90% of the principal amount of such Balloon Indebtedness or Short-Term Indebtedness coming due in the relevant Fiscal Year.

"Defeasance Obligations" shall mean direct obligations of, or obligations, the principal of and interest on which are guaranteed by, the United States of America, which bonds or other obligations shall not be subject to redemption prior to their maturity other than at the option of the registered owner thereof.

"Financial Advisor" means an investment banking or financial/municipal advisory firm, commercial bank, or any other person who or which is retained by the Authority for the purpose of passing on questions relating to the availability and terms of specified types of debt obligations or the financial condition or operation of the System and is actively engaged in and, in the good faith opinion of the Authority, has a favorable reputation for skill and experience in providing financial advisory services of the type with respect to which the Financial Advisor has been retained.

"Financial Guaranty Agreement" shall mean any Financial Guaranty Agreement authorized herein to be executed in connection with a Reserve Fund Credit Facility.

"Fiscal Year" means the twelve-month period commencing July 1st of each year and ending June 30th of the following year.

"Gross Earnings" means all revenues, rentals, earnings and income of the System from whatever source, determined in accordance with generally accepted accounting principles; proceeds from the sale of System property; proceeds of System-related insurance and condemnation awards and compensation for damages, to the extent not applied to the payment of the cost of repairs, replacements and improvements; and all amounts realized from the investment of funds of the System, including money in any accounts and funds created by the Resolution, and resolutions authorizing any Parity Bonds or subordinate lien bonds (excluding any investment earnings from construction or improvement funds created for the deposit of bond proceeds pending use, to the extent such income is applied to the purposes for which the bonds were issued, and funds created to defease any outstanding obligations of the System); provided, however, at the election of the Board, the term "Gross Earnings" as used herein shall not include any revenues, rentals, earnings or other income received from the operation of an Acquired System, and any bonds or other obligations issued in connection with such Acquired System shall not be payable from or secured by Net Revenues or be deemed to be Parity Bonds.

"Loan Agreement" shall mean any agreement or contract entered into by the Authority whereby a third party agrees to advance funds to the Authority and the Authority agrees to repay those funds with interest from all or a portion of Gross Earnings.

"Maturity Amount" shall mean the Compound Accreted Value on the stated maturity date of a Capital Appreciation Bond.

"Maximum Annual Debt Service Requirement" means the maximum annual Debt Service Requirement for any Fiscal Year.

"Moody's" means Moody's Investors Service, Inc.

"Net Revenues" shall mean (i) Gross Earnings, excluding any profits or losses on the sale or other disposition, not in the ordinary course of business, of investments or fixed or capital assets and further excluding non-cash items, including but not limited to, non-cash contributions in aid of construction, less (ii) Operating Expenses.

"Operating Expenses" means and shall include but not be limited to, expenses for ordinary repairs, removals and replacements of the System, salaries and wages, employees' health, hospitalization, pension and retirement expenses, fees for services, materials and supplies, rents, administrative and general expenses (including legal, engineering, accounting and financial advisory fees and expenses and costs of other consulting or technical services not funded with proceeds of bonds, notes or other debt obligations), insurance expenses, taxes and other governmental charges, the imposition or amount of which is not subject to control of the Board, any payments made by the Authority during any Fiscal Year to purchase electrical power for distribution and sale during or after the end of that Fiscal Year, and other payments made under any electrical power supply contract or commodity swap or other hedging mechanism, and any principal or interest payments made by the Authority during any Fiscal Year on bonds, notes or other obligations, including loan agreements, issued or entered into for the purpose of financing the purchase of electrical power, and to the extent so provided by the resolution authorizing such bonds, notes or obligations and to the extent not inconsistent with generally accepted accounting principles. Operating Expenses do not include depreciation or obsolescence charges or reserves therefore, amortization of intangibles or other bookkeeping entries of a similar nature, on bonds, notes or other debt obligations of the System payable from Net Revenues of the System, costs or charges made therefor, capital additions, replacements, betterments, extensions or improvements to or retirement from the System which under generally accepted accounting principles are properly chargeable to the capital account or the reserve for depreciation, and do not include losses from the sale, abandonment, reclassification, revaluation or other disposition of any properties of the System, nor such property items, including taxes and fuels, which are capitalized pursuant to the then existing accounting practices of the Authority or expenses of an Acquired System if revenues of the Acquired System are not included in Gross Earnings at the election of the Board.

"Parity Bonds" means bonds, notes, Loan Agreements, and other debt obligations, including Balloon Indebtedness, Short-Term Indebtedness and Variable Rate Indebtedness, issued or entered into by the Authority on a parity with the Series 2022 Bonds and the Series 2026 Bonds herein authorized in accordance with the restrictive provisions of the Resolution, including any bonds or other obligations secured by a pledge of and/or lien on an Acquired System and the revenues derived from the operation of such Acquired System (provided such pledge and lien are subject only to normal and customary expenses of operating, maintaining, repairing and insuring any such System), so long as the Acquired System is not being operated separately from the System as is permitted herein or the revenues from such Acquired System are not excluded from Gross Earnings.

"Rate Covenant Requirement" means an amount of Net Revenues which is equal to the sum of: (a) 120% of the Debt Service Requirement for the forthcoming Fiscal Year, plus (b) 100% of (i) the amounts, if any, required by the Resolution to be deposited by the Authority into the Reserve Fund during the forthcoming Fiscal Year, and (ii) debt service payable on, or reserve fund funding requirements for, any subordinate lien indebtedness.

"Rating" means a rating in one of the categories by a Rating Agency, disregarding pluses, minuses, and numerical gradations.

"Rating Agencies" or "Rating Agency" means Moody's and S&P, or any successors thereto and any other nationally recognized credit rating agency.

"Reserve Fund" shall mean the Debt Service Reserve Fund established in the Resolution.

"<u>Reserve Fund Credit Facility</u>" means a municipal bond insurance policy, surety bond, letter of credit, line of credit, guarantee or other agreement provided by a Reserve Fund Credit Facility which provides for payment of amounts equal to all or any portion of the Reserve Fund Requirement in the event of an insufficiency of moneys in the Bond Fund to pay when due principal of and interest on all or a portion of the Bonds.

"<u>Reserve Fund Credit Facility Issuer</u>" means the issuer of a Reserve Fund Credit Facility that is, at the time such Reserve Fund Credit Facility is procured by the Authority, assigned a financial strength rating of at least "AA-" by S&P or "Aa3" by Moody's.

"<u>Reserve Fund Requirement</u>" means an amount determined from time to time by the Authority as a reasonable reserve, if any, for the payment of principal of and interest on a series of Bonds pursuant, which shall be set forth in the supplemental resolution authorizing such Bonds. With respect to the Series 2022 Bonds and the Series 2026 Bonds, the "Reserve Fund Requirement" shall be as follows: there shall be no Reserve Fund Requirement until such time as the Authority shall have failed, for two consecutive Fiscal Years and as reflected on the audited financial statements of the System, to produce Net Revenues sufficient to provide 200% coverage of the Debt Service Requirement on all outstanding Bonds. At such time, the Reserve Fund Requirement with respect to the Series 2022 Bonds and the Series 2026 Bonds shall be the least of (a) 10% of the original stated principal amount of the Series 2022 Bonds and the Series 2026 Bonds; (b) the remaining Maximum Annual Debt Service Requirement on the Series 2022 Bonds and the Series 2026 Bonds, on a Fiscal Year basis; or (c) 125% of the remaining average Debt Service Requirement on the Series 2022 Bonds and the Series 2026 Bonds, on a Fiscal Year basis; and shall be funded over a 24-month period in the same manner as other deficiencies in the Reserve Fund, commencing with the first month following receipt of the relevant audited financial statements. Thereafter, if the Authority in any Fiscal Year produces Net Revenues sufficient to provide at least 200% coverage of the Debt Service Requirement on all outstanding Bonds, as reflected on the audited financial statements of the System, then the Reserve Fund Requirement shall immediately cease to be in effect (until such further subsequent time, if any, that the Reserve Fund Requirement is triggered in the manner described above), and all funds in the Reserve Fund may be immediately released from any restriction of the Resolution..

"<u>Revenue Fund</u>" shall mean the Revenue Fund established in the Resolution.

"<u>Series 2022 Bonds</u>" means the Authority's remaining outstanding Electric System Revenue Bonds, Series 2022;

"<u>Series 2026 Bonds</u>" means not to exceed $49,895,000 in aggregate principal amount of Electric System Revenue Bonds, Series 2026, authorized in the Resolution.

"<u>Short-Term Indebtedness</u>" means bonds, notes, Loan Agreements or other debt obligations, including Variable Rate Indebtedness, maturing five years or less from their date of issuance, issued by the Authority as Parity Bonds in accordance with the restrictive provisions of the Resolution.

"<u>State</u>" means the State of Tennessee.

"<u>System</u>" means the electrical power distribution system operated by the Authority, any electrical power distribution and/or transmission system hereafter acquired, constructed or otherwise established, including all improvements and extensions made by the Authority while the Bonds remain outstanding, and including all real and personal property of every nature comprising part of or used or useful in connection with the foregoing, and including all appurtenances, contracts, leases, franchises, and other intangibles; provided, however, at the election of the Board, an Acquired System may be included within the System as defined herein and become a part thereof or, at the election of the Board, not become a part of the System but be operated as a separate and independent system by the Authority with the continuing right, upon the election of the Board, to incorporate such separately Acquired System within the System. In no event shall the term "System" include the facilities and operations of any broadband department of division established by the Authority.

"<u>S&P</u>" means S&P Global Ratings.

"Variable Rate Indebtedness" means any Parity Bonds, the interest rate on which is subject to periodic adjustment, at intervals, at such times and in such manner as shall be determined by resolution authorizing such Parity Bonds; provided that if the interest rate shall have been fixed for the remainder of the term thereof, it shall no longer be Variable Rate Indebtedness.

Source of Payment and Security

The Bonds shall be payable solely from and secured by a pledge of the Net Revenues. The punctual payment of principal of and premium, if any, and interest on the Bonds shall be secured equally and ratably by the Net Revenues without priority by reason of series, number or time of sale or delivery. The Net Revenues are hereby irrevocably pledged to the punctual payment of such principal, premium, if any, and interest as the same become due.

Application of Revenues

Application of Revenues. From and after the delivery of any of the Series 2026 Bonds hereunder, and as long as any of the Bonds shall be outstanding and unpaid either as to principal or as to interest, or until the discharge and satisfaction of all the Bonds, the Gross Earnings of the System shall be deposited as collected by the Authority to the Revenue Fund established by the Resolution, administered and controlled by the Board. The funds so deposited in the Revenue Fund created under this Series 2026 Resolution shall be used only as follows:

Operating Expenses. The money in the Revenue Fund shall be used first from month to month for the payment of Operating Expenses.

Bond Fund. The money thereafter remaining in the Revenue Fund shall next be used to make deposits into a separate and special fund, to be known as the "Bond Fund" (the "Bond Fund") to be kept separate and apart from all other funds of the Authority and used to pay principal of and interest on the Bonds as the same become due, either by maturity or mandatory redemption. Such deposits shall be made monthly until the Bonds are paid in full or discharged and satisfied pursuant to the Resolution, beginning in the month next following delivery of the Series 2026 Bonds.

For the period commencing with the month next following the delivery of any Bonds, to and including the month of the next interest payment date for such Bonds, each monthly deposit as to interest shall be an amount that, together with all other monthly deposits of approximately equal amounts during such period and amounts otherwise in said Fund, will be equal to interest due on such Bonds on the next interest payment date, and for each six month period thereafter, each monthly deposit as to interest for such Bonds shall be an equal to not less than one-sixth (1/6th) of the interest coming due on such Bonds on the next interest payment date net of any interest earnings on such amounts.

For the period commencing with the month next following the delivery of any Bonds to and including the month of the next principal payment for such Bonds, each monthly deposit as to principal shall be an amount that, together with all other monthly deposits during such period and amounts otherwise in said Fund, will be equal to the principal due on such Bonds on the next principal payment date (provided that, in the event that the next principal payment date is more than 12 months following the month next following delivery of such Bonds, monthly deposits to the Bond Fund in respect of principal shall begin in the month which is 12 months prior to the month of the next principal payment date), and for each twelve-month period thereafter, each monthly deposit as to principal for such Bonds shall be an amount equal to not less than one-twelfth (1/12th) of the principal amount or Maturity Amount, as the case may be, coming due on such Bonds, whether by maturity or mandatory redemption, on the next principal payment date net of any interest earnings on such amounts.

No further deposit shall be required as to any Bonds when the Bond Fund balance is equal to or greater than the amount needed to pay interest on the next interest payment date, the total of the principal amounts payable, either by maturity or mandatory redemption, during the applicable twelve-month period. Notwithstanding the foregoing, deposits for payment of interest and principal on Variable Rate Indebtedness shall be made as set forth in the resolution authorizing such Variable Rate Indebtedness, and if interest is not paid semi-annually and/or principal is not paid annually with respect to any Bonds, the deposits may be adjusted by the Authority as provided in the resolution authorizing the issuance of such Bonds. Money in the Bond Fund shall be used and is hereby expressly pledged for the purpose of paying principal of and interest on the Bonds.

Repayment of Reserve Fund Credit Facility Issuers. The next available money in the Revenue Fund shall be paid to any Reserve Fund Credit Facility Issuer or Issuers (pro rata, if more than one) to the extent needed to reimburse the Reserve Fund Credit Facility Issuer for amounts advanced by the Reserve Fund Credit Facility Issuer or Issuers under the Reserve Fund Credit Facility, including any amounts payable under any Financial Guaranty Agreement, together with reasonable related expenses incurred by the Reserve Fund Credit Facility Issuer and interest as provided in the Financial Guaranty Agreement.

Reserve Fund. To the extent any series of the Bonds has a Reserve Fund Requirement and such Reserve Fund Requirement is not fully satisfied by a Reserve Fund Credit Facility or Facilities or funds of the Authority, or a combination thereof, the next available money in the Revenue Fund shall be used to make deposits into the applicable subaccount of the Reserve Fund. No deposit shall be required to be made to the Reserve Fund unless the amount in the Reserve Fund, together with the Reserve Fund Credit Facility or Facilities, if any, becomes less than the applicable Reserve Fund Requirement. In the event deposits to the Reserve Fund shall be required pursuant to the preceding sentence, said deposits shall be payable monthly as hereafter provided and each deposit shall be in a minimum amount equal to 1/24th of the difference between the Reserve Fund Requirement and the amount in each subaccount of said Fund, together with the Reserve Fund Credit Facility or Facilities, if any, immediately following the occurrence of such deficiency, so that any deficiency in any subaccount of said Fund shall be replenished over a period of not greater than twenty four (24) consecutive months; provided, any monthly payments in excess of said minimum payments shall be a credit against the next ensuing payment or payments. Any deposits required to be made thereunder shall be made monthly at the same time as deposits are made to the Bond Fund, commencing the first month in which the amount in the Fund, together with the Reserve Fund Credit Facility or Facilities, if any, is less than the Reserve Fund Requirement. All deposits to the Reserve Fund shall be made from the first money in the Revenue Fund thereafter received which shall not then be required to pay Current Expenses, be transferred into the Bond Fund, or to be paid to the Reserve Fund Credit Facility Issuer or Issuers as above provided. Money in the Reserve Fund shall be used solely for the purpose of paying principal of or interest on the Bonds for the payment of which funds are not available in the Bond Fund. Funds in excess of the Reserve Fund Requirement may be released to be used by the Authority for legally permissible purposes.

At the option of the Authority, the Authority may satisfy the Reserve Fund Requirement applicable to a series of Bonds, or a portion thereof, by providing for the benefit of owners of such series of Bonds a Reserve Fund Credit Facility or Facilities, at any time, in an amount not greater than the Reserve Fund Requirement applicable to such series of Bonds and release an equal amount of funds on deposit in the corresponding subaccount of the Reserve Fund to be used by the Authority for legally permissible purposes. At any time during the term hereof, the Authority shall have the right and option to substitute a new Reserve Fund Credit Facility or Facilities for any Reserve Fund Credit Facility or Facilities previously delivered, upon notice to the Registration Agent and the Reserve Fund Credit Facility Issuer or Issuers and delivery of a Reserve Fund Credit Facility or Facilities in substitution therefor. In the event of the issuance of Parity Bonds pursuant to the restrictive provisions of the Resolution with a Reserve Fund Requirement or the substitution of a Reserve Fund Credit Facility or Facilities for less than the full amount of the Reserve Fund Requirement, the Authority shall satisfy the applicable Reserve Fund Requirement by depositing funds to the Reserve Fund or obtaining a Reserve Fund Credit Facility or Facilities, or any combination thereof, in an aggregate amount equal to the applicable Reserve Fund Requirement for the series of Bonds taking into account any funds then held therein or the amount of any Reserve Fund Credit Facility or Facilities then in effect.

In the event of the necessity of a withdrawal of funds from the Reserve Fund during a time when the Reserve Fund Requirement is being satisfied by a Reserve Fund Credit Facility or Facilities and funds of the Authority, the funds shall be disbursed completely before any demand is made on the Reserve Fund Credit Facility. In the event all or a portion of the Reserve Fund Requirement is satisfied by more than one Reserve Fund Credit Facility, any demand for payment shall be pro rata between or among the Reserve Fund Credit Facilities. If a disbursement is made by demand on a Reserve Fund Credit Facility, the Authority, from

Revenues after payment of Current Expenses and required deposits to the Bond Fund, shall reimburse the Reserve Fund Credit Facility Issuer for all amounts advanced under the Reserve Fund Credit Facility (pro rata, if more than one Reserve Fund Credit Facility), including all amounts payable under any Financial Guaranty Agreement or Agreements, and then replenish the Reserve Fund as provided herein.

In the event the Reserve Fund Requirement, or any part thereof, shall be satisfied with a Reserve Fund Credit Facility or Facilities, notwithstanding the terms of the Resolution, the terms, covenants, liability and liens provided or created herein or in any resolution supplemental hereto shall remain in full force and effect and said terms, covenants, liability and liens shall not terminate until all amounts payable under any Financial Guaranty Agreement have been paid in full and all obligations thereunder performed in full. If the Authority shall fail to pay when due all amounts payable under any Financial Guaranty Agreement, the Reserve Fund Credit Facility Issuer shall be entitled to exercise any and all remedies available at law or under this Resolution other than remedies that would adversely affect owners of Bonds.

It shall be the responsibility of the Registration Agent to maintain adequate records, verified with the Reserve Fund Credit Facility Issuer or Issuers, as to the amount available to be drawn at any given time under the Reserve Fund Credit Facility or Facilities and as to the amounts paid and owing to the Reserve Fund Credit Facility Issuer or Issuers under the terms of any Financial Guaranty Agreement and to provide notice to the Reserve Fund Credit Facility Issuer at least two days before any payment is due. The Reserve Fund Credit Facility Issuer shall receive notice of the resignation or removal of the Registration Agent and the appointment of a successor thereto.

Notwithstanding anything herein to the contrary, the Authority may issue Parity Bonds without a Reserve Fund Requirement, as shall be specified in the bond resolution authorizing such Parity Bonds.

Surplus Funds*.* The next available money in the Revenue Fund shall be used for the purpose of the payment of principal of and interest on (including reasonable reserves therefor) any bonds or other obligations payable from revenues of the System, but junior and subordinate to the Bonds, and for any legally permissible purpose, as the Board shall determine.

Investments and Maintenance of Funds. Money on deposit in the Funds described in this Section may be invested by the Authority in such investments as shall be permitted by applicable law, as determined by an authorized representative of the Authority, all such investments to mature not later than the date on which the money so invested shall be required for the purpose for which the respective Fund was created. All income derived from such investments shall be regarded as revenues of the System and shall be deposited in the Revenue Fund. Such investments shall at any time necessary be liquidated and the proceeds thereof applied to the purpose for which the respective Fund was created; provided, however, that in no event shall moneys in the Reserve Fund be invested in instruments that mature or are subject to repurchase more than two years from the date the money is so invested. The Authority is authorized to enter into contracts with third parties for the investment of funds in any of the Funds described herein.

The Revenue Fund, the Bond Fund, and the Reserve Fund (except to the extent funded with a Reserve Fund Credit Facility or Facilities) shall be held and maintained by the Authority and, when not invested, kept on deposit with a bank or financial institution regulated by and the deposits of which are insured by the Federal Deposit Insurance Corporation or similar federal agency. All moneys in such Funds so deposited shall at all times be secured to the extent and in the manner required by applicable State law.

Covenants Regarding the Operation of System

Charges for Services Supplied by the System. While the Bonds remain outstanding and unpaid, the Authority covenants and agrees that charges for all services supplied through the medium of the System to all consumers and users shall be reasonable and just, taking into account and consideration the cost and value of the System and the cost of maintaining, operating, repairing and insuring the System, a proper and necessary allowance for the depreciation thereof, and the amounts necessary for the payment of principal of and interest on all obligations payable from revenues of the System; and that there shall be charged against the users of the services of the System such rates and amounts as shall be fully adequate to comply with the covenants of the Resolution. The Authority covenants that the

Authority will bill customers of the System on a monthly basis and will establish and maintain policies and procedures for discontinuing service to customers with delinquent bills.

Insurance. The Authority shall maintain insurance on the properties of the System of a kind and in an amount which would normally be carried by private companies engaged in a similar type and size of business, provided, the Authority shall not be required to insure beyond the limits of immunity provided by Sections 29-20-101 et seq., Tennessee Code Annotated, or other applicable law. The proceeds of any such insurance, except public liability insurance, shall be used to replace the part or parts of the System damaged or destroyed, or, if not so used, shall be placed in the Revenue Fund.

Books and Accounts; Audits. The Authority will cause to be kept proper books and accounts adapted to the System, will cause the books and accounts to be audited in accordance with GAAP at the end of each Fiscal Year by a recognized independent certified public accountant or a firm of such accountant or accountants and, upon written request, will make available to any registered owner of the Bonds the balance sheet and the profit and loss statement of the Authority as certified by such accountant or accountants.

All expenses incurred in the making of the audits required by this subsection shall be regarded and paid as Operating Expenses. The Authority further agrees to cause copies of such audits to be furnished to the registered owner of any of the Bonds, at the written request thereof, within one year after the close of each Fiscal Year. The registered owner of any of the Bonds shall have at all reasonable times the right to inspect the System and the records, accounts and data of the Authority relating thereto. If the Authority fails to provide the audits and reports required by this subsection, the registered owner or owners of twenty-five percent (25%) in principal amount of the Bonds may cause such audits and reports to be prepared at the expense of the Authority.

Rate Covenant. The Authority shall, through the Board, establish, fix, prescribe and collect rates, charges and fees for the sale or use of System services furnished by the Authority which, together with other income, are reasonably expected to yield Net Revenues which are at least equal to the Rate Covenant Requirement for the forthcoming Fiscal Year. The Authority agrees that should the annual financial statement made in accordance with the provisions of the Resolution disclose that during the period covered by such financial statement the Net Revenues were not at least equal to the Rate Covenant Requirement, the Authority shall revise the schedule of rates, charges and fees insofar as is practicable and further revise Operating Expenses so as to produce the necessary Net Revenues as herein required. The Authority shall revise the schedules of rates, charges and fees as provided in the preceding sentence within 120 days after the filing of the financial statements pursuant to the Resolution. The Authority shall diligently pursue all required regulatory approvals of rates, charges and fees necessary to implement such rates, charges and fees.

Sale or Disposal of System. The Authority will not sell, lease, mortgage, or in any manner dispose of the System, or any part thereof, including any and all extensions and additions that may be made thereto, or any facility necessary for the operation thereof; provided, however, the use of any of the System facilities may at any time be permanently abandoned or otherwise disposed of or any of the System facilities sold at fair market value, provided that:

(a) The Authority is in full compliance with all covenants and undertakings in connection with all bonds, notes and other obligations then outstanding and payable from the revenues of the System and any required reserve funds for such bonds, notes and other obligations have been fully established and contributions thereto are current;

(b) Any sale proceeds will be applied either (A) to redemption of Bonds in accordance with the provisions governing repayment of Bonds in advance of maturity, or (B) to the purchase of Bonds at the market price thereof so long as such price does not exceed the amount at which the Bonds could be redeemed on such date or the next optional redemption date as set forth herein or in the resolutions authorizing the Parity Bonds, or (C) to the construction or acquisition of facilities in replacement of the facilities so disposed of or other facilities constituting capital improvements to the System, or (D) the deposit to a replacement fund to be used to make capital improvements to the System;

(c) (i) The abandonment, sale or disposition is for the purpose of disposing of facilities which are no longer necessary or no longer useful to the operation of the System or (ii) the operation of the System or revenue producing capacity of the System is not materially impaired by such abandonment, sale or disposition or any facilities acquired in replacement thereof are of equivalent or greater value; and

(d) If the facilities are being sold or disposed to an entity that is not a state or local government and the facilities were financed with the proceeds of Bonds the interest on which is excludable from gross income for federal income tax purposes, the Authority shall have received an opinion of nationally recognized bond counsel to the effect that such sale, lease, mortgage or other disposition will not jeopardize the exclusion from federal income taxation of interest on any Bonds then outstanding intended to be excludable from gross income for federal income tax purposes.

Nothing herein is intended to prohibit the lease purchase of equipment or facilities of the System hereafter to be put in service or to prohibit the transfer or exchange of service areas to provide for more efficient operation of the System so long as the Authority is in full compliance with the covenants set forth herein immediately following such transfer or exchange.

Budgets. Prior to the beginning of each Fiscal Year, the Board shall prepare, or cause to be prepared, and adopted an annual budget of estimated revenues, Operating Expenses, and capital expenditures for the System for the ensuing Fiscal Year in compliance with the rate covenant requirement set forth in the Resolution, and will undertake to operate the System within such budget to the best of its ability. Copies of such budgets and amendments thereto will be made available to any registered owner of a Bond upon written request.

Franchises. The Authority will not construct, finance or grant a franchise for the development or operation of facilities that compete for service with the services to be provided by the System or consent to the provision of any such services in the area currently or hereafter served by the Authority by any other public or private entity and will take all steps necessary and proper, including appropriate legal action to prevent any such entity from providing such service; provided, nothing herein contained shall prohibit the transfer or exchange of service areas to provide for more efficient operation of the System so long as the Authority is in full compliance with the covenants set forth herein immediately following such transfer or exchange.

Remedies of Bond Owners

Any registered owner of any of the Bonds may either at law or in equity, by suit, action, mandamus or other proceedings, in any court of competent jurisdiction enforce and compel performance of all duties imposed upon the Authority by the provisions of this resolution, including the making and collecting of sufficient rates, the proper application of and accounting for revenues of the System, and the performance of all duties imposed by the terms hereof.

If any default be made in the payment of principal of, premium, if any, or interest on the Bonds, then upon the filing of suit by any registered owner of said Bonds, any court having jurisdiction of the action may appoint a receiver to administer the System on behalf of the Authority with power to charge and collect rates sufficient to provide for the payment of all bonds and obligations outstanding against the System and for the payment of Operating Expenses, and to apply the income and revenues thereof in conformity with the provisions of this resolution.

Prohibition of Prior Lien; Parity Bonds

Prohibition of Prior Liens. The Authority will not issue other bonds or obligations of any kind or nature payable from or enjoying a lien on any portion of the Gross Earnings of the System having priority over the Bonds.

Parity Bonds. Additional bonds, notes, Loan Agreements or obligations may hereafter be issued on a parity with the Bonds under the following conditions but not otherwise:

(a) Any portion (including any maturities or portions thereof whether or not in chronological order and any amounts subject to mandatory redemption) or all of a series of the Bonds may be refunded at maturity, upon redemption in accordance with their terms, or upon payment, prepayment or redemption with the consent of the owners of such bonds, and the refunding bonds so issued shall constitute Parity Bonds secured on a parity with the Bonds thereafter outstanding, if all of the following conditions are satisfied:

(i) The Authority shall have obtained a report from a Financial Advisor demonstrating that the refunding is expected to reduce the total debt service payments on the Bonds, including payments on related Credit Facilities; and

(ii) The requirements of subsections (b)(ii) and (iv) below are met with respect to such refunding.

(b) Parity Bonds (including refunding Parity Bonds which do not meet the requirements of (a)) may also be issued on a parity with outstanding Bonds, and the Parity Bonds so issued shall be secured on a parity with such outstanding Bonds, if all of the following conditions are satisfied:

(i) There shall have been procured and filed with the Authority a report by a Financial Advisor or a certificate by the Chairman of the Board, or his designee, to the effect that the historical Net Revenues for either (i) a period of 12 consecutive months of the most recent 18 consecutive months prior to the issuance of the proposed Parity Bonds or (ii) the most recent audited Fiscal Year, were equal to at least 120% of the Maximum Annual Debt Service Requirement on all Bonds which will be outstanding immediately after the issuance of the proposed Parity Bonds, in the then current and each succeeding Fiscal Year, provided, however, (w) the report or certificate may contain pro forma adjustments to historical related Net Revenues equal to the increased annual amount of Net Revenues attributable to improvements to the System that had been placed in service prior to the delivery of the proposed Parity Bonds and that are not fully reflected in the historical related Net Revenues actually received during such historical period used, (x) the report or certificate may contain pro forma adjustments to historical related Net Revenues equal to 100% of the increased annual amount attributable to any revision in the schedule of rates, fees, and charges for the services and facilities furnished by the System, imposed prior to the date of delivery of the proposed Parity Bonds and not fully reflected in the historical related Net Revenues actually received during such historical period used; (y) if the Authority has a contract to purchase or otherwise acquire an Acquired System that will become part of the System, the historical Net Revenues may be adjusted to include the anticipated Net Revenues from the Acquired System; and (z) if the Authority has entered into a contract to furnish services of the System that is not fully reflected in the historical Net Revenues of the System, such historical Net Revenues may be adjusted to include the anticipated Net Revenues from such contract.

(ii) The Authority shall have received, at or before issuance of the Parity Bonds, a report from a Financial Advisor or a certificate of the Chairman of the Board, or his designee, to the effect that (x) the payments required to be made into the Bond Fund have been made and the balance in the Bond Fund is not less than the balance required hereby as of the date of issuance of the proposed Parity Bonds; and (y) the Reserve Fund is funded to the Reserve Fund Requirement and will be funded to the Reserve Fund Requirement immediately following the issuance of the proposed Parity Bonds.

(iii) The resolution authorizing the proposed Parity Bonds must require the proceeds of such proposed Parity Bonds to be used to make capital improvements to or capital acquisitions for the System, to pre-purchase supplies of electrical power, to fund interest on the proposed Parity Bonds, to refund other obligations issued for such purposes (whether or not such refunding Parity Bonds satisfy the requirements of (a)), for any other legal purpose under applicable law as evidenced by an opinion of Bond Counsel, and/or to pay expenses incidental thereto and to the issuance of the proposed Parity Bonds.

(iv) The Chairman of the Board shall have certified, by written certificate dated as of the date of issuance of the Parity Bonds, that the Authority is in compliance with all requirements of this resolution.

(c) Upon the determination of the Authority to combine an Acquired System into the System, all outstanding Bonds and any bonds, notes and other obligations of the Acquired System outstanding upon such combination may, at the election of the Authority, be payable from Net Revenues of the combined System on a parity and equality of lien with each other, provided that there shall be filed with the Authority:

(i) a report by a Financial Advisor or a certificate by the Chairman of the Board, or his designee the Net Revenues of such combined System for a period of 12 consecutive months of the most recent 18 consecutive months prior to such combination were equal to at least 120% of the Maximum Annual Debt Service Requirement on all Bonds and any bonds, notes and other obligations of the Acquired System which will be outstanding immediately after the combination, provided, however, (w) the report or certificate may contain pro forma adjustments to historical related Net Revenues equal to the increased annual amount of Net Revenues attributable to improvements to the System that had been placed in service prior to the combination and that are not fully reflected in the historical related Net Revenues actually received during such historical period used, (x) the report or certificate may contain pro forma adjustments to historical related Net Revenues equal to 100% of the increased annual amount attributable to any revision in the schedule of rates, fees, and charges for the services and facilities furnished by the System, imposed prior to the date of the combination and not fully reflected in the historical related Net Revenues actually received during such historical period used; and (y) if the Authority has entered into a contract to furnish services of the System that is not fully reflected in the historical Net Revenues of the System, such historical Net Revenues may be adjusted to include the anticipated Net Revenues from such contract.

(ii) A certificate of the Chairman of the Board, as of the date of the combination, that the Authority is in compliance with all requirements of this resolution.

Applicability of Resolution to Parity Bonds. All the provisions and covenants of this resolution relating to negotiability and registration of Bonds, creation and investment of funds and the application of revenues, the operation of the System and charges for services of the System, the remedies of owners of the Bonds, the issuance of additional bonds, modification of this resolution, the defeasance of Bonds, and such other provisions hereof as are appropriate may be incorporated by reference into supplemental resolutions authorizing additional bonds, and said provisions, when so incorporated, shall be equally applicable to the additional bonds issued pursuant to the terms of this Article IX in all respects and with like force and effect as though said provisions were recited in full in said supplemental resolutions and shall continue to be applicable so long as any such bonds remain outstanding.

Discharge and Satisfaction of Bonds

If the Authority shall pay and discharge the indebtedness evidenced by all or any portion of the Bonds in any one or more of the following ways:

(a) By paying or causing to be paid, by deposit of sufficient funds as and when required with the Registration Agent, the principal of and interest on such Bonds as and when the same become due and payable;

(b) By depositing or causing to be deposited with any trust company or financial institution whose deposits are insured by the Federal Deposit Insurance Corporation or similar federal agency and which has trust powers ("an Agent"; which Agent may be the Registration Agent) in trust or escrow, on or before the date of maturity or redemption, sufficient money or Defeasance Obligations, the principal of and interest on which, when due and payable, will provide sufficient moneys to pay or redeem such Bonds and to pay premium, if any, and interest thereon when due until the maturity or redemption date (provided, if such Bonds are to be redeemed prior to maturity thereof, proper notice of such redemption shall have been given or adequate provision shall have been made for the giving of such notice);

(c) By delivering such Bonds to the Registration Agent, for cancellation by it;

and if the Authority shall also pay or cause to be paid all other sums payable hereunder by the Authority with respect to such Bonds, or make adequate provision therefor, and by resolution of the Board instruct any such Escrow Agent to pay amounts when and as required to the Registration Agent for the payment of principal of and interest and redemption premiums, if any, on such Bonds when due, then and in that case the indebtedness evidenced by such Bonds shall be discharged and satisfied and all covenants, agreements and obligations of the Authority to the holders of such Bonds shall be fully discharged and satisfied and shall thereupon cease, terminate and become void.

If the Authority shall pay and discharge the indebtedness evidenced by any of the Bonds in the manner provided in either clause (a) or clause (b) above, then the registered owners thereof shall thereafter be entitled only to payment out of the money or Defeasance Obligations deposited as aforesaid.

Except as otherwise provided in this Section, neither Defeasance Obligations nor moneys deposited with the Registration Agent pursuant to this Section nor principal or interest payments on any such Defeasance Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal and interest on said Bonds; provided that any cash received from such principal or interest payments on such Defeasance Obligations deposited with the Registration Agent, (A) to the extent such cash will not be required at any time for such purpose, shall be paid over to the Authority as received by the Registration Agent and (B) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Defeasance Obligations maturing at times and in amounts sufficient to pay when due the principal and interest to become due on said Bonds on or prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the Authority, as received by the Registration Agent.

Modification of Resolution

Amendment Without Bondholder Consent. The Resolution may be amended without the consent of or notice to the registered owners of the Bonds for the purpose of curing any ambiguity or formal defect or omission herein; provided such amendment shall not adversely affect the registered owners, without taking into account any bond insurance policy.

Other Amendments. In addition to the amendments to the Resolution without the consent of registered owners as referred to in the Resolution, the registered owners of a majority in aggregate principal amount of the Bonds at any time outstanding (not including in any case any Bonds which may then be held or owned by or for the account of the Authority but including such refunding bonds as may have been issued for the purpose of refunding any of such Bonds if such refunding bonds shall not then be owned by the Authority) shall have the right from time to time to consent to and approve the adoption by the Board of a resolution or resolutions modifying any of the terms or provisions contained in the Resolution; provided, however, that the Resolution may not be so modified or amended in such manner, without the consent of 100% of the registered owners of the Bonds, as to:

(a) Make any change in the maturities or redemption dates of the Bonds;

(b) Make any change in the rates of interest borne by the Bonds;

(c) Reduce the amount of the principal payments or redemption premiums payable on the Bonds;

(d) Modify the terms of payment of principal of or interest on the Bonds or impose any conditions with respect to such payments;

(e) Affect the rights of the registered owners of less than all of the Bonds then outstanding; or

(f) Reduce the percentage of the principal amount of the Bonds the consent of the registered owners of which is required to effect a further modification.

Procedure for Modification. Whenever the Authority shall propose to amend or modify the Resolution under the provisions of the Resolution, it shall cause notice of the proposed amendment to be mailed by first-class mail, postage prepaid, to the owner of each Bond then outstanding. Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy of the proposed amendatory resolution is on file in the office of the Authority for public inspection.

Whenever at any time within one year from the date of mailing of said notice there shall be filed with the Secretary an instrument or instruments executed by the registered owners of at least a majority in aggregate principal amount of the Bonds then outstanding as in this Section defined, which instrument or instruments shall refer to the proposed amendatory resolution described in said notice and shall specifically consent to and approve the adoption thereof, thereupon, but not otherwise, the Authority may adopt such amendatory resolution and such resolution shall become effective and binding upon the owners of all Bonds.

If the registered owners of at least a majority in aggregate principal amount of the Bonds outstanding as in this section defined, at the time of the adoption of such amendatory resolution, or the predecessors in title of such owners, shall have consented to and approved the adoption thereof as herein provided, no registered owner of any Bonds, whether or not such owner shall have consented to or shall have revoked any consent as in this Section provided, shall have any right or interest to object to the adoption of such amendatory resolution or to object to any of the terms or provisions therein contained or to the operation thereof or to enjoin or restrain the Authority from taking any action pursuant to the provisions thereof.

Any consent given by the registered owner of a Bond pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the publication of the notice above provided for and shall be conclusive and binding upon all future registered owners of the same Bond during such period. Such consent may be revoked at any time after six months from the date of publication of such notice by the registered owner who gave such consent or by a successor in title by filing notice of such revocation at the Authority office, but such revocation shall not be effective if the registered owners of a majority in aggregate principal amount of the Bonds outstanding as in this Section defined shall have, prior to the attempted revocation, consented to and approved the amendatory resolution referred to in such revocation.

The fact and date of the execution of any instrument under the provisions of this Section may be proved by the certificate of any officer in any jurisdiction who by the laws thereof is authorized to take acknowledgments of deeds within such jurisdiction, that the person signing such instrument acknowledged before him the execution thereof, or may be proved by an affidavit of a witness to such execution sworn to before such officer.

The amount (number(s)) of the Bonds owned by any person executing such instrument and the date of the ownership of the same shall be proved by reference to the Bond registration records maintained by the Registration Agent, which records shall constitute conclusive proof of the ownership thereof.

Notwithstanding the foregoing, if any Bonds are insured by a bond insurance policy, the bond insurer issuing such bond insurance policy shall be entitled to consent to any modifications to this Resolution on behalf of the owners of the Bonds insured by such bond insurer, provided that no bond insurer shall be entitled to consent to any modifications to this Resolution that require the unanimous consent of the owners of the Bonds as described above.

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APPENDIX B

STATISTICAL AND DEMOGRAPHIC INFORMATION REGARDING THE SYSTEM

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THE AUTHORITY

For over seventy-five years, Greeneville Energy Authority (the "Authority"), or its predecessor, the Greeneville Light & Power System, has served the people of the Town of Greeneville and Greene County with electricity.

In July of 2019, Greeneville Light and Power System reorganized to form the Greeneville Energy Authority. The Authority is a political subdivision of the State of Tennessee and is no longer a fund of the Town of Greeneville. The Authority provides electric service to all of Greene County, Tennessee using the best principles of public power: not-for-profit rates, local control, and responsiveness to community concerns.

The five-member Board has general supervision and control of the Authority. Each member is appointed by the Authority to staggered five-year terms of office. The Board appoints a General Manager of the Authority. Set forth below are the members of the board and the expiration of their terms of office.

Member	Expiration of Term
Tim Teague – Chairman	7/1/2027
Justin Jeffers - Vice Chairman	7/1/2030
Shane Hite - Secretary	7/1/2028
Chuck Whitfield	7/1/2031
Vacant	

Dwayne Wells is the President and CEO of the Greeneville Energy Authority, taking on that role in 2024. Mr. Wells has been with GEA for over 30 years and served as the power services director before taking on the role as President and CEO.

Paige Mengel is a CPA and has held the position of CFO of the Greeneville Energy Authority for over 14 years. Ms. Mengel has more than 30 years' experience in the accounting field, including over 10 years in the public accounting arena, where she specialized in governmental auditing before joining the Greeneville Energy Authority. She holds a Bachelor of Science degree in Business Administration with an Accounting Concentration from Tusculum University and has achieved the designations of Certified Power Executive and Certified Utility Accountant from the Tennessee Valley Public Power Association.

Service Area

The Authority serves approximately 41,000 customers within Greene County, Tennessee with electricity.

Retirement Commitments

See Page 18, Note 9 of Audited Financial Statements for Fiscal Year Ended June 30, 2025

Other Post-employment Benefits ("OPEB") Disclosure Statement

See Page 22, Note 14 of Audited Financial Statements for Fiscal Year Ended June 30, 2025

Cybersecurity

The Authority utilizes various computer information systems, software, and networking technology to perform its vital day-to-day operations. Day to day operations include the storage and transmission of sensitive personal data, and as a result, the Authority could be a targeted entity for a cyberattack. In addition to cyberattacks, the Authority employees have access to personal customer data and could be exploited to gain access to the information. It is also possible for unintentional breaches to occur due to employee errors. The Authority has no knowledge of, nor historical record of any successful cybersecurity breach or attack. Cybersecurity attacks, whether anonymous or targeted, are not uncommon to organizations or agencies with similar characteristics. Therefore, the Authority must take the precautions necessary to safeguard its information systems.

In an effort to mitigate the risk of a successful cybersecurity attack or data breach, the Authority engages a third-party consultant to monitor and enhance cybersecurity. This engagement includes annual security audits. The Authority also utilizes filtering and firewall procedures. In addition, the Authority engages in security awareness training. Lastly, the Authority maintains a level of cybersecurity insurance against cybersecurity incidents. Despite the measures taken to safeguard its network infrastructure, there are no guarantees that such measures will be 100% successful.

Source of Electric Power

The Authority does not generate any electric power but purchases most of its supply from the Tennessee Valley Authority ("TVA") pursuant to a power contract (the "Power Contract") and is subject to certain restrictions and conditions as provided in the contract. The Authority has a supplemental agreement with TVA which allows the Authority to purchase up to 5% of its power from other sources. The Authority has signed three power purchase agreements with Silicon Ranch to provide four solar sites in Greene County.

The cost and availability of power to the Authority may be affected by, among other things, factors relating to TVA's nuclear program, fuel supply, environmental considerations such as future legislation regulating the mining of coal, the construction and financing of future generating and transmission facilities and other factors relating to TVA's ability to supply the power demands of its customers, including the Authority. The power sold to the Authority is supplied from the entire TVA system and not one specific generating facility.

The Power Contract provides that TVA shall make every reasonable effort to increase the generating capacity of its system and to provide the transmission facilities required to deliver the output thereof so as to be in a position to supply additional power when and to the extent needed by the Authority. Neither TVA nor the Authority is liable for breach of contact if the availability or use of power is interrupted or curtailed or if either party is prevented from performing under the Power Contract by circumstances beyond its control. The amount of power supplied by TVA and the contractual obligation to supply such power are limited by the capacity of TVA's generating and transmission facilities.

The Power Contract specifies the wholesale purchase rates and monthly resale rates to be adhered to by the Authority, which may be revised periodically by TVA, through the publication of an Adjustment Addendum, to cover increased costs to TVA. See "Electric Rates".

The Tennessee Valley Authority

TVA was established as a wholly owned corporate agency and instrumentality of the United States of America by the Tennessee Valley Authority Act of 1933, as amended. The Act's objective is the development of the resources of the Tennessee Valley and adjacent areas in order to strengthen the regional and national economy and the national defense. Its specific purposes include: (1) flood control on the Tennessee River and its tributaries, and assistance to flood control on the lower Ohio and the Mississippi Rivers; (2) a modern navigable channel for the Tennessee River; (3) ample supply of power within an area of 80,000 square miles; (4) development and introduction of more efficient soil fertilizers; and (5) greater agricultural and industrial development and improved forestry in the region. All powers of TVA are vested in its nine-member board appointed by the President of the United States and confirmed by the United States Senate for five-year terms.

Electric Rates

The Private Act creating the Authority authorizes the Board of the Authority to fix, levy and collect fees and charges consistent with the provision of services at a reasonable cost based on sound economy, public good and prudent business operations. Pursuant to the Act, the rates, fees or charges shall be such as will produce revenue at least sufficient to provide for the payment of all expenses of operation and maintenance of the system, pay principal of, and interest on, all bonds of the Authority payable from revenues of the system, pay any payments of in-lieu-of-taxes and establish or maintain proper reserves.

The Authority obtains power for the System through the Power Contract. Pursuant to the Power Contract, the Authority has agreed to adhere to the resale rates set forth in certain schedules established by TVA. The schedules include the provision that the customer billings will be adjusted in accordance with the Adjustment Addenda published by TVA. The Authority is not otherwise subject to rate regulation under existing law, and the Authority is not aware of any pending legislation to make its electric rates subject to regulation. The Power Contract provides further that if the resale rates set forth therein do not provide sufficient revenues for the operation and maintenance of the system on a self-supporting, financially sound basis, including debt service, the Authority and TVA shall agree to changes in rates to provide increased revenues. In like manner, if the rates and charges produce excess revenues, the parties shall agree to rate reductions. Since the dates of the Power Contract, the wholesale and resale rates have been adjusted from time to time through TVA's publication of Adjustment Addenda.

The Authority routinely passes along any increases in the TVA wholesale rates to the customers of the Authority. The last local rate adjustment was implemented in October 2025.

Current Rate Schedule

The residential, commercial and industrial rates for the fiscal year ended June 30, 2025, are outlined in pages 38-40 of the Authority's audit for the fiscal year ending June 30, 2025, in **Appendix C**.

Customers and Usage

Set forth below are the number of customers for the last ten years and the power usage for the last ten years. On the following page are the top ten customers for Fiscal Year 2025.

Number of Customers

Fiscal Year	Residential	Gen. Power - 50kW & under	Gen. Power - over 50 kW	Street & athletic	Outdoor lighting	Total Customers
2016	30,881	6,626	458	59	93	38,117
2017	30,915	6,698	465	59	84	38,221
2018	31,003	6,786	454	58	84	38,385
2019	31,070	6,828	448	58	96	38,500
2020	31,222	6,927	423	58	94	38,724
2021	31,518	7,081	419	55	91	39,164
2022	31,738	7,301	433	55	93	39,620
2023	32,083	7,480	428	54	92	40,137
2024	32,349	7,606	430	54	90	40,529
2025	32,640	7,723	442	58	91	40,954

Source: Greeneville Energy Authority officials.

Power Usage kWh

Fiscal Year	Residential	Gen. Power - 50kW & under	Gen. Power - over 50 kW	Street & athletic	Outdoor lighting	Total
2016	445,859,471	69,177,594	556,444,840	4,118,081	6,987,497	1,082,587,483
2017	445,294,160	70,425,958	611,413,440	4,076,791	6,781,890	1,137,992,239
2018	472,877,440	73,175,160	647,996,479	4,057,109	6,616,334	1,204,722,522
2019	464,297,218	72,950,389	633,405,779	4,068,989	6,476,605	1,181,198,980
2020	455,285,153	71,461,169	594,364,531	4,037,506	6,100,109	1,131,248,468
2021	469,750,294	73,845,253	597,717,759	2,051,281	5,630,057	1,148,994,644
2022	469,298,224	75,728,935	592,591,662	1,737,572	5,300,580	1,144,656,973
2023	453,677,209	75,552,651	544,752,155	1,722,499	4,983,350	1,080,687,864
2024	461,885,598	77,825,080	547,763,624	1,684,972	4,844,412	1,094,003,686
2025	482,349,549	80,151,010	541,985,782	1,769,486	4,648,016	1,110,903,843

Source: Greeneville Energy Authority officials.

Top Electric Customers

2025 Top Electric Customers

Customer Name	Annual Usage (kWh)	Annual Sales	% of Total Revenues
US Nitrogen, LLC	74,307,968	$4,970,784	3.95%
Artazn, LLC	38,612,268	3,096,616	2.46%
Imerys Fused Minerals	47,008,949	2,425,636	1.93%
SumiRiko TN	27,557,414	2,075,433	1.65%
Old Castle Bldg Envelope, LLC	16,771,632	1,913,083	1.52%
Parker Hannifin Corp.	17,249,400	1,900,866	1.51%
Imerys Zirconia	26,944,234	1,569,191	1.25%
John Deere Power Products	12,864,085	1,544,771	1.23%
Premium Waters, Inc	13,252,940	1,416,430	1.13%
Walmart Distribution Center	11,145,600	1,195,348	0.95%
Total	**285,714,490**	**$22,108,158**	**17.58%**

Source: Greeneville Energy Authority officials.

Summary of Operations and Debt Service Coverage
Fiscal Year ended June 30

	2025	2024	2023	2022	2021
Operating Revenues					
Residential Electricity	$60,964,128	$54,717,840	$55,115,765	$52,496,586	$47,985,703
Large Lighting and Power	47,528,677	45,497,249	47,434,151	44,967,433	40,986,250
Smal Lighting ad Power	11,889,381	10,875,335	11,050,697	10,034,707	9,136,669
Street Lighting	3,773,686	1,465,425	1,511,944	1,404,809	1,348,049
Other Electric Revenue	1,574,932	3,661,740	3,323,251	3,277,501	3,179,404
Total Operating Revenues	$125,730,804	$116,217,589	$118,435,808	$112,181,036	$102,636,075
Operating Expenses:					
Purchased Power	$91,560,645	$85,430,415	$88,968,763	$83,212,085	$76,198,713
Distribution Expense	7,652,371	7,399,904	6,539,976	5,530,795	5,419,194
Provision for Depreciation	7,046,550	6,135,919	5,786,878	5,553,830	5,335,417
Maintenance for Distribution Facilities	7,537,790	5,939,507	5,229,085	5,975,421	4,935,761
Customer Account Expense	2,041,272	2,146,505	2,310,474	2,213,658	2,272,018
Administrative and General Expenses	2,588,602	3,004,246	2,132,060	1,291,359	1,774,140
OPEB expense (negative)	0	0	729,480	869,149	1,471,731
Maintenance of General Plant	172,660	132,610	134,819	115,698	124,942
Sales Expense	111,157	110,683	93,221	83,534	78,798
Transmission Expense	69,372	20,081	44,267	18,230	44,381
Loss on Disposition of Electric Plant	0	0	(65,089)	2,415	29,522
Tax Equivalent Payments	2,546,542	2,316,192			
Total Operating Expenses	$121,326,961	$112,636,062	$111,903,934	$104,866,174	$97,684,617
Operating Income/ (Loss)	$4,403,843	$3,581,527	$6,531,874	$7,314,862	$4,951,458
Nonoperating Revenues/(Expenses)					
Contributions in aid of construction	$0	$0	$2,312,874	$857,572	$560,503
Reduction of plant costs recovered through contributions in aid of construction	$0	$0	($2,312,874)	($857,572)	($560,503)
Gain(loss) on disposition of electric plant	$17,938	$6,888			
Grant Income	0	0	500,000		
Interest Expense	(513,791)	(529,012)	(409,834)	(6,847)	(4,998)
Interest Income	960,814	795,956	452,449	25,133	42,940
Expense of merchandising, jobbing, and contract work	83,108	(37,232)	22,415	(14,591)	(62,227)
Total Nonoperating Revenues/(Expenses)	$548,069	$236,600	$565,030	$3,695	($24,285)
Income (Loss) before Transfers	$4,951,912	$3,818,127	$7,096,904	$7,318,557	$4,927,173
Transfers and Contributions:					
Transfers, in lieu of taxes	$0	$0	($1,995,277)	($2,126,706)	($2,056,458)
Total (Transfers) Contributions	$0	$0	($1,995,277)	($2,126,706)	($2,056,458)
Net Income (Loss)	$4,951,912	$3,818,127	$5,101,627	$5,191,851	$2,870,715
Net Assets, July 1	$105,613,730	$101,795,603	$96,693,976	$91,502,125	$88,631,410
Restatement	0	0	0	0	0
Net Assets, June 30	$110,565,642	$105,613,730	$101,795,603	$96,693,976	$91,502,125
Net Income (Loss)	$4,951,912	$3,818,127	$5,101,627	$5,191,851	$2,870,715
Plus Depreciation and Amortization	7,046,550	6,135,919	5,786,878	5,553,830	5,335,417
Plus Interest Expense	513,791	529,012	409,834	6,847	4,998
Income Available for Debt Service	$12,512,253	$10,483,058	$11,298,339	$10,752,528	$8,211,130
Maximum Annual Debt Service	$1,016,769	$1,016,769	$1,016,769	$1,016,769	$1,016,769
Estimated Total Debt Service Coverage	12.3 x	10.3 x	11.1 x	10.6 x	8.1 x

Sources: Annual Financial Reports prepared by Rodefer Moss & Co, PLLC, for fiscal years ending June 30, 2021 to 2025.

Greeneville Energy Authority
Debt Service[1]

Fiscal Year (6/30)	Series 2022 Bonds			Series 2026 Bonds			Proposed Total Debt Service		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2026	525,000	491,769	1,016,769				525,000	491,769	1,016,769
2027	545,000	470,769	1,015,769	1,915,000	1,978,574	3,893,574	2,460,000	2,449,343	4,909,343
2028	565,000	448,969	1,013,969	1,575,000	2,318,781	3,893,781	2,140,000	2,767,750	4,907,750
2029	590,000	426,369	1,016,369	1,655,000	2,240,031	3,895,031	2,245,000	2,666,400	4,911,400
2030	610,000	402,769	1,012,769	1,735,000	2,157,281	3,892,281	2,345,000	2,560,050	4,905,050
2031	635,000	378,369	1,013,369	1,820,000	2,070,531	3,890,531	2,455,000	2,448,900	4,903,900
2032	660,000	352,969	1,012,969	1,915,000	1,979,531	3,894,531	2,575,000	2,332,500	4,907,500
2033	690,000	326,569	1,016,569	2,010,000	1,883,781	3,893,781	2,700,000	2,210,350	4,910,350
2034	710,000	302,419	1,012,419	2,110,000	1,783,281	3,893,281	2,820,000	2,085,700	4,905,700
2035	740,000	274,019	1,014,019	2,215,000	1,677,781	3,892,781	2,955,000	1,951,800	4,906,800
2036	770,000	244,419	1,014,419	2,325,000	1,567,031	3,892,031	3,095,000	1,811,450	4,906,450
2037	800,000	213,619	1,013,619	2,440,000	1,450,781	3,890,781	3,240,000	1,664,400	4,904,400
2038	835,000	181,619	1,016,619	2,565,000	1,328,781	3,893,781	3,400,000	1,510,400	4,910,400
2039	865,000	148,219	1,013,219	2,690,000	1,200,531	3,890,531	3,555,000	1,348,750	4,903,750
2040	900,000	113,619	1,013,619	2,825,000	1,066,031	3,891,031	3,725,000	1,179,650	4,904,650
2041	935,000	77,619	1,012,619	2,970,000	924,781	3,894,781	3,905,000	1,002,400	4,907,400
2042	975,000	40,219	1,015,219	3,115,000	776,281	3,891,281	4,090,000	816,500	4,906,500
2043				3,270,000	620,531	3,890,531	3,270,000	620,531	3,890,531
2044				3,435,000	457,031	3,892,031	3,435,000	457,031	3,892,031
2045				3,580,000	315,338	3,895,338	3,580,000	315,338	3,895,338
2046				3,730,000	163,188	3,893,188	3,730,000	163,188	3,893,188
	12,350,000	4,894,319	17,244,319	49,895,000	27,959,881	77,854,881	62,245,000	32,854,200	95,099,200

(1) - As of June 30, 2025 and adjusted for Series 2026 Bonds.

GREENE COUNTY AND THE TOWN OF GREENEVILLE

Greene County (the "County") is located in the southwest portion of Northeast Tennessee and is bordered to the south and southeast by the State of North Carolina. Neighboring counties in Tennessee include Washington and Unicoi Counties to the east; Hawkins County to the north; and Hamblen and Cocke Counties to the west. The Town of Greeneville (the "Town"), which is the County seat, is approximately 70 miles northeast of Knoxville and 250 miles east of Nashville, the State capital. The Town is about 50 miles southwest of Bristol, Tennessee/Virginia and approximately 50 miles north of Asheville, North Carolina. Other incorporated areas in the County are Tusculum, Mosheim and Baileyton.
.

Greeneville is the second oldest Town in the State of Tennessee. The Town was the home and burial place of Andrew Johnson, the seventeenth President of the United States. Frontiersman Davy Crockett was born in the County in 1786. The U.S. Department of the Interior maintains various sites pertaining to these historical events.

The Town is accessed by Interstate Highway 81, U.S. Highway 11-E and 321 and State Highways 70, 34, 93, 107 and 172. The Norfolk Southern Railway serves as the Town's railway. The Greeneville Municipal Airport is owned by the Town. The airport has a 6,300-foot lighted runway and provides 24-hour fuel service, aircraft maintenance, car rental and overnight aircraft lodging. Commercial flights are available at the McGhee Tyson Airport near Knoxville, Tri-Cities Regional Airport in Blountville, Tennessee and also at the Asheville Airport.

DEMOGRAPHIC DATA

Population

	Town	Greene County	Tennessee
1990 U.S. Census	13,532	55,990	4,890,626
2000 U.S. Census	15,198	63,049	5,703,719
2010 U.S. Census	15,062	68,834	6,355,518
2020 U.S. Census	15,488	70,339	6,927,736
2021 U.S. Census Estimate	15,436	70,582	6,966,687
2022 U.S. Census Estimate	15,527	71,286	7,063,325
2023 U.S. Census Estimate	15,748	72,518	7,153,029
2024 U.S. Census Estimate	15,984	73,345	7,251,291
2025 U.S. Census Estimate	16,141	73,831	7,315,076

Source: U.S. Bureau of Census

ECONOMIC DATA

Income

The statistics below are for Greene County.

	Greene County	Tennessee	% of State
2015 Per Capita Personal Income	$34,842	$41,937	83.1%
2016 Per Capita Personal Income	$33,675	$42,938	78.4%
2017 Per Capita Personal Income	$34,638	$44,407	78.0%
2018 Per Capita Personal Income	$35,478	$46,449	76.4%
2019 Per Capita Personal Income	$37,218	$48,903	76.1%
2020 Per Capita Personal Income	$39,481	$51,979	76.0%
2021 Per Capita Personal Income	$42,569	$57,707	73.8%
2022 Per Capita Personal Income	$43,709	$59,097	74.0%
2023 Per Capita Personal Income	$45,594	$63,437	71.9%
2024 Per Capita Personal Income	$48,197	$66,288	72.7%

Source: Bureau of Economic Analysis, CA1-3 Personal Income Summary

Employment

			Total Labor	Unemployment Percent		
Year	Employment	Unemployment	Force	County	State	U.S.
2016	28,967	1,718	30,685	5.6%	4.7%	4.9%
2017	28,667	1,414	30,081	4.7%	3.7%	4.4%
2018	28,177	1,390	29,567	4.7%	3.5%	3.9%
2019	28,259	1,394	29,653	4.7%	3.3%	3.7%
2020	26,299	2,380	28,679	8.3%	7.5%	8.1%
2021	27,387	1,321	28,708	4.6%	4.4%	5.4%
2022	27,720	1,155	28,875	4.0%	3.4%	3.7%
2023	27,280	1,196	28,476	4.2%	3.3%	3.6%
2024	27,252	1,284	28,536	4.5%	3.4%	4.0%
2025	27,798	1,371	29,169	4.7%	3.5%	4.3%
Mar-26	27,183	1,192	28,375	4.2%	3.6%	4.3%

Source: Bureau of Labor Statistics

Local Industry

Greene County is one of the largest manufacturing counties in Tennessee and ranks highly in the number of manufacturing jobs per capita. The Town is the location of many industries, several of which are divisions of Fortune 500 companies.

The Greene County Partnership was formed in 1993 to promote, preserve and enhance the quality of life and economic well-being of all Greene Countians by providing collective leadership and serving as a facilitator, catalyst and unifying force to achieve common community goals.

The County and Town are home to three separate industrial parks. The Hardin Industrial Complex, located within the city limits of Greeneville, has over 150 total acres of industrial properties. The Mount Pleasant Industrial Park, built in 1991, is located just 5 miles west of downtown Greeneville and has a total of 175 acres. Elk Creek Industrial Park is located adjacent to the Mount Pleasant Industrial Park and has 60 total acres of land.

In March of 2021, Miller Industries announced a $15.4 million renovation and upgrade of their existing facilities in Greene County. Miller Industries produces innovative and high-quality towing and recovery equipment. This investment is expected to result in 80 new jobs over the next five years.

In January of 2022, Parkway Products, LLC announced a $5.7 million expansion to their existing injection molding facility in Greene County. They expect to add 160 new jobs to this facility over the next five years.

In May of 2023, Meco Corporation announced a $27 million expansion of its Greeneville headquarters, creating an additional 70 jobs.

In August of 2024, John Deere Power Products announce a $15 million investment in the expansion of their manufacturing facility in Greeneville which will result in approximately 25 new jobs.

Major Employers in Greene County

Employer	Employees	Product/Service
Walmart Logistics	1,000	Retail Distribution Center
SumiRiko Tennessee, Inc.	1,000	Automotive Parts
Laughlin Memorial Hospital	750	Healthcare
Greene County Government	738	Government
Deere & Company	601	Ag. And Lawn Equipment
Landair Transport	450	Logistics
Greeneville City Schools	420	Education
Taxi Workhorse Holdings, LLC	403	Automotive
Parker Hannifin	401	Steering Gears
American Greetings	392	Paper Products

Source: Tennessee Department of Economic and Community Development

EDUCATION

Public Education

In the County there are two public school systems and several private schools. The Town of Greeneville School System is composed of 7 schools of which 4 are elementary schools, 1 is a middle school, 1 is a high school and 1 is a vocational school. The Greene County School System is composed of 15 schools of which 7 are elementary schools, 4 are middle schools and 4 are high schools.

The following table shows enrollment figures for the past ten years.

Average Daily Membership

School Year	Greene County	Greeneville
2015-2016	6,672	2,769
2016-2017	6,561	2,739
2017-2018	6,421	2,739
2018-2019	6,277	2,800
2019-2020	6,118	2,819
2020-2021	5,794	2,725
2021-2022	5,822	2,803
2022-2023	5,886	2,863
2023-2024	5,753	2,881
2024-2025	5,716	2,858

Source: Tennessee Department of Education.

Higher Education

East Tennessee State University was founded in 1910 in the northeast corner of Tennessee. The 366-acre main campus is located in southwest Johnson City, approximately 20 minutes from the Town of Greeneville and adjacent to the Veterans Administration and the Johnson City Medical Center Hospital. The university offers nearly 200 undergraduate, graduate, and medical programs of study. Extended regional campuses are in Kingsport, Elizabethton and Greeneville.

Tusculum College was founded in 1794 in Greeneville. Tusculum College is the oldest college in Tennessee, the twenty-eighth oldest college in the nation, and the oldest coeducational institution affiliated with the Presbyterian Church (USA). The wooded 140-acre Tusculum College campus has eight buildings and the Tusculum Arch that are listed on the National Register of Historic Places. Located in Greeneville, Tennessee, Tusculum College lies in the foothills of the Great Smoky Mountains. Tusculum also maintains offices in Knoxville, Tennessee, for its Graduate and Professional Studies Program, in addition to other class sites across East Tennessee.

Tennessee Technology Center at Greeneville-Greene County is a satellite facility of the Tennessee Technology Center at Morristown (TTC-M) and offers courses in electronics, computer skills, auto mechanics, and job skills training. The Center also offers a cooperative program with Walters State Community College for college credits.

The TTC-M is one of the 26 Technology Centers located throughout Tennessee. TTC-M is governed by the Tennessee Board of Regents, a system which is comprised of six universities, thirteen community colleges, and twenty -six technology centers. Training is provided for entry-level employment in business and industry. Each instructor is constantly updating the equipment and curriculum of its programs. Business and industries provide input to the school in order that course work parallels local industrial needs.

Walters State Community College Greeneville/Greene County Campus serves as an extension of the main campus in Morristown offering both credit and non-credit courses. The facility includes general education classrooms, administrative offices, computer, chemistry and biology laboratories, student lounge areas, and media center. In addition, the center is home to the Regional Police Academy and Respiratory Care program. East Tennessee State University also offers classes in the Walters State facility. Over 1,000 students are enrolled at the Greeneville facility each semester.

Walters State Community College is a public two-year higher education institution founded in 1970 and is located in Morristown, Tennessee. The college offers programs of study that lead to Associate of Science, Associate of Arts, and Associate of Applied Science degrees. There are four principal campuses in Hamblen, Sevier, Greene, and Claiborne counties.

MEDICAL SERVICES

In 2018, Mountain States Alliance and Wellmont Health System merged to create Ballad Health. With this merger came the merger of the two hospitals located in Greeneville and their renaming to the Greeneville Community Hospital East and West Campuses.

In March 2021 Ballad Health announced the launch of the Niswonger Children's Network and with it the transformation of The West campus, formerly the Takoma Regional Hospital, into the new home to Ballad Health Niswonger Children's Network Strong Futures, the addiction-treatment program for women and families. The East campus, formerly the Laughlin Memorial Hospital, was renamed to Greeneville Community Hospital and has served the community since 1939 and is located in a state-of-the-art $38 million facility that was opened in 1995 with a total of 140 beds. Greeneville Community Hospital serves as an acute inpatient facility, with a wide variety of additional services including diagnostic imaging, ICU, surgery and women's services, including obstetrics and imaging.

TOURISM

Greeneville is located in the foothills of the Great Smoky Mountains. Due to the proximity to the mountains and the history of Greeneville, tourism is an important industry to the Town. Following are some of the nearby sites for tourists:

Andrew Johnson National Historic Site and National Cemetery - Andrew Johnson National Historic Site honors the life of the 17th President. Andrew Johnson's presidency, 1865-1869, illustrates the United States Constitution at work following President Lincoln's assassination and during attempts to reunify a nation torn by civil war. Andrew Johnson owned the home twenty-four years, both before and after his presidency. Today the house is furnished extensively with original furnishings and belongings. The Visitor Center houses a museum collection and Andrew Johnson's Tailor Shop. The site was also used during the Civil War. The National Cemetery contains the remains of Andrew Johnson and his family. The cemetery continues today as a burial ground for the nation's veterans.

Appalachian National Scenic Trail (the "AT") – is a 2,175-mile-long footpath stretching through 14 eastern states from Maine to Georgia. It can be accessed in Greene County through the Cherokee National Forest. Conceived in 1921 and first completed in 1937, it traverses the wild, scenic, wooded, pastoral, and culturally significant lands of the Appalachian Mountains. The AT is enjoyed by an estimated 4 million people each year.

Cherokee National Forest - The Cherokee National Forest is located in Eastern Tennessee and stretches from Chattanooga to Bristol along the North Carolina border. The 640,000-acre forest is the largest tract of public land in Tennessee. It lies in the heart of the Southern Appalachian Mountain range, one of the world's most diverse areas. These mountains are home to more than 20,000 species of plants and animals. Each year millions of people visit Tennessee's Cherokee National Forest. It is a place of scenic beauty that provides opportunities for anyone interested in nature and history.

Davy Crockett Birthplace State Park – consists of 105 partially wooded acres of land along the Nolichucky River in Greene County. The museum at the park contains exhibits which tell of the different aspects of the life of Davy Crockett. Visitors can hear about Crockett the hunter, the politician, the businessman and the legendary hero. In addition to the museum, a replica of the cabin he was born in is a short walking distance from the museum. The park also offers campsites, picnic facilities and a swimming pool. Fishing and boating on the Nolichucky River is also a popular attraction.

Nathanael Greene Museum – is located in Greeneville. The museum was begun in 1993 and incorporated in 1986. At present the museum consists of ten galleries and numerous independent exhibits. The museum is named for the outstanding Revolutionary War general for whom the town and county are named.

President Andrew Johnson Museum and Library is located in "Old College". Built in 1841, the Museum is located at Tusculum College. The facility contains the personal library of President Johnson, along with exhibits of personal artifacts of the President and his family and the history of the College. It is listed on the National Register of Historic Places and is part of the campus' National Historic District.

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APPENDIX C

AUDITED FINANCIAL STATEMENTS FOR THE SYSTEM
FOR FISCAL YEAR ENDED JUNE 30, 2025

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GREENEVILLE ENERGY AUTHORITY

Financial Statements
With Supplementary Information

Year Ended June 30, 2025

Audited by:

CLEAR POINT
CERTIFIED PUBLIC ACCOUNTANTS

GREENEVILLE ENERGY AUTHORITY
Financial Statements
With Supplementary Information
Year Ended June 30, 2025

Table of Contents

INTRODUCTORY SECTION

GREENEVILLE ENERGY AUTHORITY
Roster of Officials and Board Members
June 30, 2025

Officials

Mr. Dwayne Wells	President/CEO
Mrs. Paige Mengel, CPA	Chief Financial Officer

Board Members

Mr. Tim Teague, Chairman

Mrs. Sarah Webster, Vice Chairman

Mr. Shane Hite, Secretary

Mr. Willie Anderson

Mr. Justin Jeffers

FINANCIAL SECTION

CLEARPOINT CPAs
The Clear Path to Financial Success.

Independent Auditors' Report

Greeneville Energy Authority
Greeneville, Tennessee

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Greeneville Energy Authority (the "Authority") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority, as of June 30, 2025, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in the net pension liability and related ratios, schedule of contributions based on participation in the public employee pension plan of TCRS, and schedule of changes in the total OPEB liability and related ratios as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The supplementary information, as listed in the table of contents, and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, as listed in the table of contents, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditors' report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2025, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

ClearPoint CPAs PC

Greeneville, Tennessee
December 12, 2025

This discussion presents a broad view of the Greeneville Energy Authority's ("GEA") financial position and activities for fiscal year ended June 30, 2025. This information is provided in compliance with Governmental Auditing Standards. The discussion and analysis included in this document relate to electric and broadband services provided by GEA.

GEA is a municipal entity of the State of Tennessee and provides electric service to all of Greene County, Tennessee using the best principles of public power: not-for-profit rates, local control, and responsiveness to community concerns. Beginning in 2023, GEA initiated the broadband buildout. As of June 2024, the broadband infrastructure within the Town of Greeneville was completed. In 2024, GEA began expanding broadband service to the western portion of Greene County.

"Not-for-profit rates" means that the retail price of electricity includes only the cost of procuring wholesale power from the Tennessee Valley Authority, the cost of day-to-day operations, and funding for capital improvements. There is no "profit" for distribution to private owners or shareholders. Low rates encourage economic development by helping to attract new jobs, securing existing ones, and by putting more disposable income in the hands of local consumers.

"Local control" means that those who can make decisions are readily available to those served by GEA. Decisions regarding GEA policies and rates are made by a five member Board, members of which are confirmed by Greeneville's Mayor and City Council. The individuals on the GEA board are local people who understand and share local concerns; in fact they are subject to the same policies and pay the same electric rates as do other GEA Customers.

"Responsiveness to community concerns" means more than just holding rates as low as possible so Customers can save money. Cost is always important, but our Customers also place a value on safety and reliability. We're proud that our Customers rarely think about how we serve them; when they want comfort, security, entertainment, or convenience, GEA instantly provides it at the flip of a switch. We make every effort to be proactive in addressing Customer concerns about the quality of our service. Most of what we do focuses on maintaining an ever-growing distribution network that provides safe and reliable electric power.

GEA is a relatively small organization, locally owned and controlled, and dedicated to meeting the needs and expectations of the citizens of Greeneville and Greene County.

Financial Statement Overview

The financial statements included in this report are comprised of the Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, and Statement of Cash Flows for Greeneville Energy Authority. GEA is a proprietary fund type, and its activities are conducted on a fee for service basis in a manner as approved by TVA and operated under the guidelines of the Federal Energy Regulatory Commission ("FERC").

Highlights

- Number of electric customers on our system was 40,954 as of June 30, 2025 compared to 40,529 as of June 30, 2024, an increase of 425. Number of broadband customers was 1,643 as of June 30, 2025 compared to 567 as of June 30, 2024, an increase of 1,076. Fiscal year 2024 was the Authority's first year with broadband customers.
- Paid to the Town of Greeneville, Tennessee tax equivalent payments of $2,546,542 and $2,316,192 in tax equivalent payments for fiscal years 2025 and 2024.
- Normal cost for upgrades and expansions to power lines and service areas are approximately $22.3 million and $19.5 million for fiscal years 2025 and 2024. The increase in 2025 is due to the continued broadband expansion. The Town of Greeneville buildout was completed in 2024, and during 2025 the Authority began extending broadband service to the western portion of Greene County. The Authority continues the work on the rebuild of the Chuckey Substation.

Financial Analysis of the System

<u>Statements of Net Position</u>

Net position may serve over time as a useful indicator of a governmental entity's financial position. Greeneville Energy Authority, assets and deferred outflows exceeded liabilities and deferred inflows of resources by $109.8 and $105.1 million at the end of fiscal years 2025 and 2024.

Statements of Net Position (Continued)

By far the largest portion of the Authority's net position of $104.9 million and $99.8 million reflects its net investment in capital assets (land, buildings, equipment, transmission and distribution systems, etc.) at the end of fiscal years 2025 and 2024. Because capital assets are used to provide services to customers, the assets are not available for future spending. The Authority has the remaining unrestricted balances of approximately $4.9 million and $5.3 million at the end of fiscal years 2025 and 2024.

The following is a summary of the Statements of Net Position of the Authority during the fiscal years ended June 30, 2025 and 2024:

	2025	2024	% Change
Current assets	$ 36,171,721	$ 35,091,251	3.08%
Utility plant, net of depreciation	117,364,054	112,781,678	4.06%
Other assets	1,611,676	1,674,017	-3.72%
Total assets	155,147,451	149,546,946	3.74%
Deferred outflows of resources	3,993,287	5,330,699	-25.09%
Current liabilities	12,849,646	11,109,811	15.66%
Long-term liabilities	32,306,935	35,576,662	-9.19%
Total liabilities	45,156,581	46,686,473	-3.28%
Deferred inflows of resources	4,179,366	3,101,139	34.77%
Net investment in capital assets	104,897,045	99,807,786	5.10%
Unrestricted	4,907,746	5,282,247	-7.09%
Total net position	$ 109,804,791	$ 105,090,033	4.49%

Current assets for 2025 increased approximately $1.1 million compared to 2024. The Authority's cash balances decreased as approximately $5 million was used to fund the broadband buildout, while grant receivables increased $2.3 million, and inventory increased $1.4 million. Other assets for 2025 compared to 2024 remained relatively stable with a decrease of $62,341. Deferred outflows decreased for 2025 approximately $1.3 million due to changes in the actuary calculation for pension and OPEB. Current liabilities for the Authority increased for 2025 approximately $1.7 million due to the amount due to TVA increased $1 million compared to 2024. Long-term liabilities decreased approximately $3.3 million for 2025 compared to 2024 due to decreases in the pension, other post-employment benefits, and payment on bonds payable. Deferred inflows increased for 2025 approximately $1.1 million due to changes in the actuary calculation for pension and OPEB.

Statements of Revenues, Expenses, and Changes in Net Position

The following is a summary of the financial activities of the Authority during the fiscal years ended June 30, 2025 and 2024.

	2025	2024	% Change
Operating revenues	$ 126,898,352	$ 116,379,127	9.04%
Operating expenses	115,519,283	106,924,422	8.04%
Operating income before depreciation	11,379,069	9,454,705	20.35%
Depreciation	7,209,101	6,187,999	16.50%
Operating income	4,169,968	3,266,706	27.65%
Nonoperating income (expense)	544,790	157,907	245.01%
Increase in net position	$ 4,714,758	$ 3,424,613	37.67%

Net position increased $4,714,758 for 2025 compared to the increase in 2024 of $3,424,613. Operating revenue increased by approximately $10.5 million during 2025 compared to 2024. The Authority raised rates 1.5% in October 2024 to offset TVA's rate increase of 5.25%. As a result of the new division of broadband, the Authority also received revenue during 2025 of approximately $1.2 million. As a result of increased costs, purchased power paid to the TVA increased approximately $6.2 million during 2025 compared to 2024. Other nonoperating income increased approximately $386,000 in 2025 compared to 2024, due to a $241,000 increase in investment interest income.

Capital Assets

At the end of the fiscal years 2025 and 2024, the Authority had $117.4 million and $112.8 million (net of accumulated depreciation) invested in capital assets, including land and land rights, construction in progress, buildings, equipment, and the electric and broadband distribution system. The main projects in 2025 was the buildout of broadband for the western portion of Greene County and continuing the relocation of the Tusculum substation to Chuckey Highway, a project that began in 2023. The main projects in 2024 was the buildout of broadband for the Town of Greeneville and the ongoing work on the Tusculum substation relocation.

	2025	2024	% Change
Land and land rights	$ 1,898,176	$ 1,898,176	0.00%
Construction in progress	5,158,169	5,729,216	-9.97%
Buildings and permanent improvements	5,043,781	4,549,196	10.87%
Equipment and electric distribution system	203,434,455	192,771,650	5.53%
Less accumulated depreciation	(98,170,527)	(92,166,560)	6.51%
Total capital assets	$ 117,364,054	$ 112,781,678	4.06%

Debt

	2025	2024	% Change
General obligation bond	$ 12,467,009	$ 12,973,892	-3.91%

The Authority's debt decreased approximately $500,000 compared to 2024 because of a principal payment of $500,000 in fiscal year 2025.

Facts, decisions, or conditions expected to have a significant effect on financial position

The Authority implemented a demand cost recovery adjustment referred to as "DCRA," effective October 1, 2021. The DCRA is a variable charge or credit applied to residential and small commercial customers. These customer classes do not pay a demand charge. To protect margins for operational and capital spending, this adjustment was created to recover excess demand charges paid to TVA. The adjustment will also pay out a credit to customers when lower demand charges are paid to TVA. The Authority based the adjustment on the recent history of its normal load factor. When the monthly load factor is better than the normal monthly load factor, customers receive a credit adjustment and when the monthly load factor is lower than the normal monthly load factor, customers receive a charge adjustment.

The Authority implemented a 1.5% rate increase effective October 1, 2025.

The Board of Directors and TVA approved a business plan for a new Greeneville Energy Authority division for the retail sale of broadband services. The new division was created in fiscal year 2023 and the broadband construction will be completed in phases with the first phase providing broadband to the Town of Greeneville that was completed in 2024. As a result, the Authority had 1,643 customers at June 30, 2025 and expects more customers to sign up for fiscal year 2026.

The Authority was also awarded $8.3 million in grant funding to provide broadband internet access to unserved parts of western Greene County. The grant requires a 30% match of $3.5 million in local funding. Greene County, Tennessee approved to allocate $2 million in American Recue Plan funds as a match to the Authority to expand broadband to western Greene County. The Authority plans to have this project complete in fiscal year 2026.

The Authority was also provisionally awarded a Broadband Equity Access and Deployment Program ("BEAD") grant totaling $10.35 million, for additional expansion of broadband services across Greene County to unserved and underserved areas. The grants require a 25% match of $2.6 million in local funding.

On September 27, 2024, Hurricane Helene impacted Greeneville Energy Authority's service area, resulting in extensive flooding throughout the region. The severe weather caused widespread outages, necessitating the engagement of multiple emergency contractors to restore services. Total costs related to the damages were approximately $1.3 million, which includes repair and restoration efforts. These costs are partially offset by FEMA grant funding. Management continues to evaluate the overall financial impact of the event and will recognize additional amounts as more information becomes available.

Contacting the Authority's Financial Management

This financial report is designed to provide our customers and interested parties with a general overview of Greeneville Energy Authority's financial position, and to demonstrate accountability for the revenues it receives. Questions regarding this report or requests for additional financial information should be addressed to Greeneville Energy Authority, Post Office Box 1690, Greeneville, Tennessee 37744.

GREENEVILLE ENERGY AUTHORITY
Statement of Net Position
June 30, 2025

ASSETS		
Current Assets		
Cash	$ 12,991,767	
Accounts receivable, net	7,343,870	
Unbilled revenue receivable	3,273,897	
Grant receivable	2,343,136	
Materials and supplies	5,104,356	
Other current assets	5,114,695	
Total current assets		$ 36,171,721
Non-Current Assets		
Certificates of deposit	695,050	
Designated funds		
Industrial Park fund cash	244,935	
Industrial Park fund receivable	625,065	
TVA Home Insulation Program receivable	46,626	
Total non-current assets		1,611,676
Capital assets, not being depreciated	7,056,344	
Capital assets, being depreciated	208,478,236	
Less accumulated depreciation	(98,170,526)	
Total capital assets, net		117,364,054
Total assets		155,147,451
DEFERRED OUTFLOWS OF RESOURCES		
Other post employment benefits	958,986	
Pension	3,034,301	
Total deferred outflows		3,993,287

(Continued)

GREENEVILLE ENERGY AUTHORITY

Statement of Net Position (Continued)

LIABILITIES		
Current Liabilities		
Accounts payable	$ 2,471,344	
Accrued tree trimming	583,835	
Due to TVA for power, net	8,163,277	
Accrued wages and other accrued liabilities	101,607	
Accrued compensated absences, current portion	963,602	
Accrued interest	40,981	
Bond payable series 2022, current portion	525,000	
Total current liabilities		$ 12,849,646
Non-Current Liabilities		
Customer deposits	4,367,940	
Pension liability	2,904,322	
Accrued compensated absences	972,201	
Bond payable series 2022, non-current portion	11,942,009	
Net OPEB obligation	12,069,904	
TVA Home Insulation Program	50,559	
Total non-current liabilities		32,306,935
Total liabilities		45,156,581
DEFERRED INFLOWS OF RESOURCES		
Other post employment benefits	3,184,387	
Pension	419,146	
Pole rental	575,833	
Total deferred inflows		4,179,366
NET POSITION		
Net investment in capital assets	104,897,045	
Unrestricted	4,907,746	
Total net position		$ 109,804,791

GREENEVILLE ENERGY AUTHORITY

Statement of Revenues, Expenses, and Changes in Net Position

Year Ended June 30, 2025

Operating Revenues		
Residential electricity	$ 60,964,128	
Large lighting and power	47,528,677	
Small lighting and power	11,889,381	
Street lighting	3,773,686	
Other electric income	1,574,932	
Residential internet	883,682	
Business internet	277,613	
Other broadband income	6,253	
Total operating revenues		$ 126,898,352
Operating Expenses		
Purchased power	91,560,645	
Distribution expense	8,809,732	
Provision for depreciation	7,546,318	
Maintenance of distribution facilities	7,209,101	
Customer accounts expense	2,638,702	
Administrative and general expenses	2,546,542	
Maintenance of general plant	2,064,155	
Sales expense	172,660	
Transmission expense	111,157	
Tax equivalents	69,372	
Total operating expenses		122,728,384
Operating income		4,169,968
Non-Operating Revenues (Expenses)		
Gain on disposition of electric plant	17,938	
Interest expense	(513,791)	
Interest on investments	957,535	
Expense from merchandising, jobbing, and contract work - net	83,108	
Net non-operating revenues		544,790
Increase in net position		4,714,758
Net position as of July 1		105,090,033
Net position as of June 30		$ 109,804,791

See accompanying notes to financial statements.

GREENEVILLE ENERGY AUTHORITY
Statement of Cash Flows
Year Ended June 30, 2025

Cash Flows From Operating Activities		
Cash receipts from customers	$ 122,660,645	
Cash paid to suppliers for goods and services	(105,688,322)	
Cash paid to employees for services	(9,871,918)	
Net cash flows from operating activities		$ 7,100,405
Cash Flows From Non-Capital Financing Activities		
Decrease in Home Insulation Program receivables	62,352	
Decrease in Home Insulation Program liabilities	(64,665)	
Interest paid	(513,791)	
Net cash flows from non-capital financing activities		(516,104)
Cash Flows From Capital and Related Financing Activities		
Acquisition and construction of capital assets	(11,791,475)	
Principal payment on bond - series 2022	(500,000)	
Net revenues from merchandising and jobbing and other	83,108	
Net cash flows from capital and related financing activities		(12,208,367)
Cash Flows From Investing Activities		
Interest received	968,579	
Net cash flows from investing activities		968,579
Net change in cash		(4,655,487)
Cash at the beginning of the year		17,892,189
Cash at the end of the year		$ 13,236,702
Reconciliation of cash and cash equivalents from Statement of Cash Flows to Statement of Net Position		
Cash	$ 12,991,767	
Designed funds - Industrial Park fund cash	244,935	
Cash at the end of the year		$ 13,236,702
Non-Cash Capital and Related Financing Activities		
Amortization of bond premium	$ (17,956)	
Amortization of bond issuance costs	11,073	
Non-Cash Capital and Related Financing Activities		$ (6,883)

(Continued)

Cash Flows From Operating Activities	
Operating income	$ 4,169,968
Adjustments to reconcile operating income	
to cash flows from operating activities	
Depreciation	7,209,101
(Increase) Decrease in Assets:	
Accounts receivable	(973,632)
Unbilled revenue	(741,697)
Grant receivable	(2,343,136)
Materials and supplies	(1,437,984)
Other current assets	(239,510)
Deferred outflows of resources	1,337,412
Increase (decrease) in Liabilities:	
Accounts payable	281,052
Accrued tree trimming	(7,369)
Due to TVA for power	1,006,687
Accrued wages and other accrued liabilities	158,468
Accrued interest	(1,666)
Customer deposits	269,946
Accrued compensated absences	135,344
Net OPEB obligation	(1,740,592)
Pension liability	(1,060,214)
Deferred inflows of resources	1,078,227
Net cash flows from operating activities	$ 7,100,405

NOTE 1 - REPORTING ENTITY

Greeneville Energy Authority (the "Authority") is an energy authority created under the Municipal Energy Authority Act with the responsibility to provide electricity to the citizens of Greeneville and Greene County, Tennessee. Beginning in 2023, the Authority began preparing to offer broadband services in addition to power in Greene County, Tennessee.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation - The Authority is an enterprise fund which is a proprietary type fund used to account for operations 1) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or 2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or change in net position is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Authority applies all applicable GASB standards as well as FASB Standards that do not conflict with or contradict GASB pronouncements. The Authority has implemented Governmental Accounting Standards Board Statement No. 62, "*Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*."

Measurement Focus, Basis of Accounting, and Financial Statement Presentation - Measurement focus is a term used to describe which transactions are recorded within the various financial statements. Basis of accounting refers to when transactions are recorded regardless of the measurement focus applied.

The accompanying financial statements are reported using the "economic resources measurement focus," and the "accrual basis of accounting". Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Accounting Policies - The Authority follows accounting policies for public electric utilities as prescribed by the Federal Energy Regulatory Commission and the Tennessee Valley Authority ("TVA").

Materials and Supplies - Materials and supplies are recorded at average cost.

Cash Equivalents - The Authority considers all highly liquid debt instruments with original maturities of three months or less to be cash equivalents.

Capital Assets - Land and land rights, buildings and permanent improvements and equipment and electric distribution system are stated at historical cost. Expenses for maintenance and repairs, which do not improve or extend the life of the asset are charged to expense as incurred. The capital assets, including Broadband, are being depreciated on the straight-line method over the useful lives per guidelines of the TVA. Following Federal Energy Regulation Commission ("FERC") guidelines, when property is retired or otherwise disposed of, its average cost, together with its cost of removal less salvage, is charged to accumulated depreciation; no gain or loss is recognized as required by FERC guidelines, which defers from generally accepted accounting principles. The FERC guideline methods are also followed for Broadband.

Estimated useful lives of the various classes of depreciable capital assets are as follows:

Buildings and permanent improvements	33 - 50 years
Equipment and electric distribution system	28.5 - 50 years

Compensated Absences - The costs of vacation pay and sick leave benefits are recognized as earned by employees. In the event of termination or retirement, an employee is reimbursed for accumulated vacation days. Employees can accumulate sick leave and upon retirement or termination, are reimbursed for one-third of their accumulated sick leave benefits. Employees can apply the remaining two-thirds of unused sick leave toward service time for retirement purposes.

Self-Insurance Reserve - The Authority is self-insured for the purpose of paying medical claims for the Authority's employees and their covered dependents to minimize the total cost of annual medical insurance to the Authority.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Self-Insurance Reserve (Continued) - Medical claims exceeding the minimum aggregate deductible of $25,000 per individual are covered through a private insurance carrier to the Authority.

Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Accounts Receivable - Receivables are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amount through a provision for uncollectible accounts. Balances outstanding after reasonable collection efforts are written off to this allowance account. At June 30, 2025, the balance in allowance for uncollectible accounts was approximately $36,000. Amounts past due 90 days or greater at June 30, 2025 was approximately $59,000.

Revenues and Expenses - The Authority distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and delivering electricity and broadband in connection with ongoing operations. The principal operating revenues of the Authority are charges to customers for sales and services. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. Revenues are recognized on monthly cycle billings to customers, and any unbilled revenues and power costs are accrued.

Pensions - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Authority's participation in the Public Employee Retirement Plan of the Tennessee Consolidated Retirement System "TCRS", and additions to/deductions from the Authority's fiduciary net position have been determined on the same basis as they are reported by the TCRS for the Public Employee Retirement Plan. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Public Employee Retirement Plan of TCRS. Investments are reported at fair value.

Postemployment Benefits Other Than Pensions ("OPEB") - For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Greeneville Energy Authority Post-Retirement Welfare Benefit Plan (the "Plan") and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are report by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. The Plan has no investments as the net OPEB liability is not funded but expenses are paid as incurred.

Subscription-Based Information Technology Arrangements - The Authority has adopted the provisions of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). It (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The Authority currently has no leases that meet this definition.

Leases - The Authority accounts for leases under GASB Statement No. 87 - *Leases*, the primary objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The Authority currently has no leases that meet this definition.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impact of Recently Issued Accounting Pronouncements - In June 2022, the Governmental Accounting Standards Board ("GASB") issued Statement No. 101 - *Compensated Absences*, which revises the recognition and measurement guidance for compensated absences. Effective for financial statements for periods beginning after December 15, 2023, the objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. Additionally, that objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previous required disclosures. There was no impact on the current financial statements from the implementation of this Statement.

Reclassifications - Certain accounts in the prior-year financial statements have been reclassified to conform with the presentation in the current-year financial statements. These changes do not impact previously reported net position or changes in net position.

Date of Management's Review - Management has evaluated events and transactions for items that should potentially be recognized or disclosed in these financial statements. The evaluation was conducted through December 12, 2025, which is the date these financial statements were available to be issued.

NOTE 3 - CASH AND INVESTMENTS

State statutes require that all deposits with financial institutions must be collateralized by securities whose market value is equal to 105% of the deposits, less amounts insured by federal deposit insurance. The collateral must be held by the Authority, its agent, or by the Federal Reserve, in the Authority's name.

Statutes also authorize the Authority to invest in bonds, notes, or treasury bills of the United States or any of its agencies, certificates of deposit at Tennessee state chartered banks and savings and loan associations and federally chartered banks and savings and loan associations, repurchase agreements utilizing obligations of the United States or its agencies as the underlying securities, state pool investment funds, and money market mutual funds. Statutes require that securities underlying repurchase agreements must have a market value at least equal to the amount of funds invested in the repurchase transaction.

The Authority's deposits at June 30, 2025 consisted of cash and certificates of deposit at various financial institutions. At June 30, 2025, the bank balances aggregated approximately $12.6 million, of which $945,050 was covered by federal depository insurance, and $11.6 million was covered through the banks' participation in the Tennessee Bank Collateral Pool or through securities held by the Authority's agent in the Authority's name. All of the bank balances were in interest bearing accounts.

A summary of the carrying amount of these deposits follows:

	Undesignated	Designated	Total
June 30, 2025			
Cash	$ 12,991,767	$ 244,935	$ 13,236,702
Certificates of Deposit	695,050	-	695,050
	$ 13,686,817	$ 244,935	$ 13,931,752

NOTE 4 - PREPAID POWER

The Authority has an agreement with TVA by which the Authority maintains an interest-earning prepaid power account for its purchases of electricity. At June 30, 2025, the Authority had deposits with TVA totaling $9,888,881, and had a liability for purchased power equaling $13,637,524. The account yielded an interest rate of 4.3% at June 30, 2025.

NOTE 5 - CAPITAL ASSETS

Capital assets for the year ended June 30, 2025 consisted of the following:

	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets not being depreciated				
Land and land rights	$ 1,898,176	$ -	$ -	$ 1,898,176
Construction in progress	5,729,216	9,591,647	(10,162,694)	5,158,169
Total capital assets not being depreciated	7,627,392	9,591,647	(10,162,694)	7,056,345
Capital assets being depreciated				
Buildings and permanent improvements	4,549,196	494,585	-	5,043,781
Equipment and electric distribution system	192,771,650	12,200,941	(1,538,136)	203,434,455
Total capital assets being depreciated	197,320,846	12,695,526	(1,538,136)	208,478,236
Less accumulated depreciation	(92,166,560)	(7,209,101)	1,205,134	(98,170,527)
Total capital assets being depreciated, net	105,154,286	5,486,425	(333,002)	110,307,709
Total capital assets, net	$ 112,781,678	$ 15,078,072	$ (10,495,696)	$ 117,364,054

In 2025, depreciation totaled $7,881,197 of which $7,209,101 was charged to income as depreciation and $672,096 was charged to clearing accounts.

NOTE 6 - POWER CONTRACT

The Authority has a power contract with TVA whereby the Authority purchases most of its electric power from TVA and is subject to certain restrictions and conditions as provided in the contract. The Authority has a supplemental agreement with TVA which allows the Authority to purchase up to 5% of its power from other sources. The Authority has signed three power purchase agreements with Silicon Ranch to provide four solar sites in Greene County. Silicon Ranch began providing solar energy in 2023.

NOTE 7 - INCOME TAX STATUS

The Authority is a non-profit organization and is exempt from federal income tax under Internal Revenue Code Section 501(c)(12).

NOTE 8 - LONG-TERM DEBT

Long-term debt activity for the year ended June 30, 2025, is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Series 2022 revenue bonds	$ 12,850,000	$ -	$ (500,000)	$ 12,350,000	$ 525,000
Unamortized bond premium	323,202	-	(17,956)	305,246	-
Unamortized bond cost	(199,310)	-	11,073	(188,237)	-
Accrued compensated absences	1,632,661	303,142	-	1,935,803	963,602
Total	$ 14,606,553	$ 303,142	$ (506,883)	$ 14,402,812	$ 1,488,602

The Authority has outstanding general revenue bonds totaling $12,350,000 at June 30, 2025.

NOTE 8 - LONG-TERM DEBT (Continued)

The net revenues of the Authority secure the 2022 revenue bonds. Upon event of default, the bonds are in many aspects dependent upon judicial actions. If any default be made in the payment of principal, of premium, if any, or interest on the Bonds, then upon the filing of suit by any registered owner of said Bonds, any court having jurisdiction of the action may appoint a receiver to administer the System on behalf of the Authority with power to charge and collect rates sufficient to provide for the payment of all bonds and obligations outstanding against the System and for the payment of Operating Expenses, and to apply the income and revenues thereof in conformity with the provisions of this resolution. The Authority is required to set rates in the upcoming fiscal year to produce net revenues each year sufficient to provide for 120% of the debt service on the Series 2022 revenue bonds and any parity bonds and 100% of the payment of operating costs, subordinate lien debt service and payments in lieu of taxes. The Authority also must establish a debt service reserve fund in the event that net revenues, after providing for the payment of operating expenses, are less than 200% of annual debt service requirements. Net revenues for the Authority met 200% of annual debt service requirements for the year ended June 30, 2025 so no debt service reserve fund was established during the year.

Long-term debt consisted of the following at June 30, 2025:

Series 2022 revenue bonds, interest rate at June 30, 2025 of 4%, due in varying amounts through June 2042.	$ 12,350,000
Amounts due within one year	(525,000)
Unamortized bond premium	305,246
Unamortized bond cost	(188,237)
Amounts due greater than one year	$ 11,942,009

Future maturities of the Series 2022 revenue bonds as of June 30, 2025, are as follows:

Year Ended June 30	Principal	Interest	Total
2026	$ 525,000	$ 491,769	$ 1,016,769
2027	545,000	470,769	1,015,769
2028	565,000	448,969	1,013,969
2029	590,000	426,369	1,016,369
2030	610,000	402,769	1,012,769
2031-2035	3,435,000	1,634,345	5,069,345
2036-2040	4,170,000	901,492	5,071,492
2041-2042	1,910,000	117,836	2,027,836
Total	$ 12,350,000	$ 4,894,318	$ 17,244,318

NOTE 9 - RETIREMENT PLAN

General Information about the Pension Plan

Plan Description - Employees of the Greeneville Energy Authority are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer defined benefit pension plan administered by TCRS. The TCRS was created by state statue under Tennessee Code Annotated Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies.

NOTE 9 - RETIREMENT PLAN (Continued)

Benefits Provided - Tennessee Code Annotated Title 8, Chapters 34-37 establishes the benefit terms and can be amended only by the Tennessee General Assembly. The chief legislative body may adopt the benefit terms permitted by statute. Members are eligible to retire with an unreduced benefit at age 60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's service credit. Reduced benefits for early retirement are available at age 55 and vested. Members vest with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced 10 percent and include projected service credits. A variety of death benefits are available under various eligibility criteria.

Employees Covered by Benefit Terms - At the measurement date of June 30, 2024, the following employees were covered by the benefits terms:

Inactive employees or beneficiaries currently receiving benefits	66
Inactive employees entitled to but not yet receiving benefits	14
Active employees	88
	168

Contributions **-** Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees are non-contributory. The Authority makes employer contributions at the rate set by the Board of Trustees as determined by actuarial valuation. For the year ended June 30, 2025, employer contributions for the Authority were $1,438,901 based on a rate of 16.00 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept the Authority's state shared taxes if required employer contributions are not remitted. The employer's actuarially determined contributions "ADC" and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Net Pension Liability

The Authority's net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions - The total pension liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25 percent
Salary increases	Graded salary ranges from 8.72 to 3.44 percent based on age, including inflation, averaging 4.00 percent
Investment rate of return	6.75 percent, net of pension plan investment expenses, including inflation

Mortality rates were based on actual experience including an adjustment for some anticipated improvement.

The actuarial assumptions used in the June 30, 2024 actuarial valuation were based on the results of an actuarial experience study performed for the period of July 1, 2016 through June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020 actuarial experience study. A blend of future capital market projections and historical market returns was used in a building-block method in which a best estimate of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) is developed for each major asset class. These best-estimates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25

NOTE 9 - RETIREMENT PLAN (Continued)

percent. The best estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return	Target Allocation
U.S. equity	4.88%	31%
Developed market international equity	5.37%	14%
Emerging market international equity	6.09%	4%
Private equity and strategic lending	6.57%	20%
U.S. fixed income	1.20%	20%
Real estate	4.38%	10%
Short-term securities	0.00%	1%
		100%

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 6.75 percent based on a blending of the factors described above.

Discount Rate - The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current rate and that contributions from the Authority will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The following table is the change in the net pension liability:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at 7/1/23	$ 34,101,600	$ 30,137,064	$ 3,964,536
Changes for the year:			
Service cost	614,973	-	614,973
Interest	2,294,980	-	2,294,980
Differences between expected and actual experience	283,100	-	283,100
Contributions - employer	-	1,327,672	(1,327,672)
Contributions - employees	-	583	(583)
Net investment income	-	2,936,384	(2,936,384)
Benefit payments, inc. refunds of employee contributions	(1,433,725)	(1,433,725)	-
Administrative expense	-	(11,372)	11,372
Net changes	1,759,328	2,819,542	(1,060,214)
Balances at 6/30/24	$ 35,860,928	$ 32,956,606	$ 2,904,322

NOTE 9 - RETIREMENT PLAN (Continued)

Sensitivity of the net pension liability to changes in the discount rate - The following presents the net position liability of the Authority calculated using the discount rate of 6.75 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percent-point lower (5.75 percent) or 1-percent-point higher (7.75) than the current rate:

	1 % Decrease (5.75)	Current Discount Rate (6.75)	1 % Increase (7.75)
Net pension liability (asset)	$ 7,427,380	$ 2,904,322	$ (895,155)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Pension expense - For the year ended June 30, 2025, the Authority recognized pension expense of $1,267,854.

Deferred outflows of resources and deferred inflows of resources - For the year ended June 30, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 820,531	$ 72,854
Net difference between projected and actual earnings on pension plan investments	-	346,292
Changes in assumptions	774,869	-
Contributions subsequent to measurement date of June 30, 2024	1,438,901	-
Total	$ 3,034,301	$ 419,146

The amount shown above for "Contributions subsequent to the measurement date of June 30, 2024," will be recognized as a reduction (increase) to net pension liability (asset) in the following measurement period.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2026	$ 219,743
2027	1,058,950
2028	2,622
2029	(152,246)
2030	47,185
Total	$ 1,176,254

In the table shown above, positive amounts will increase pension expense while negative amounts will decrease pension expense.

Payable to the Pension Plan - At June 30, 2025, the Authority reported a payable of $120,164 for the outstanding amount of contributions to the pension plan required at the year ended June 30, 2025.

NOTE 10 - TVA HOME INSULATION PROGRAM

Under a contract with the Tennessee Valley Authority, the Authority participated in a home insulation program providing for advances to qualified customers for installing heat pumps in their homes to TVA specifications. Funds for advances to customers were provided from financial institution advances to the Authority. Customer repayments are remitted to the applicable financial institution by the Authority.

NOTE 11 - RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority's risks of loss are covered by its commercial package insurance policies. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

In addition, the Authority provides medical insurance to employees through a partially self-funded health insurance plan. Under the Plan, the employee and employer share the cost of eligible medical expenses that are applied toward the deductible and/or coinsurance of the high deductible health plan provided by the Authority. Once the deductible amount and/or coinsurance under the fully-insured plan are exceeded, covered expenses become reimbursable at 100% under the partially self-insured plan.

The Authority also has stop-loss insurance coverage for excess medical liabilities. The stop-loss coverage provides reimbursement to the Authority once a covered individual has exceeded $25,000 in medical claims. Claims incurred during the June 30, 2025 were approximately $1.3 million and claims paid were approximately $1.2 million. There were no claims accrued as of June 30, 2025. For the fiscal year ended June 30, 2025, reimbursements received under the excess coverage were $186,280.

NOTE 12 - CONCENTRATIONS OF CREDIT RISK

Financial instruments which potentially subject the Authority to concentrations of credit risk consist primarily of customer accounts receivable and cash. Management does not believe cash is subject to significant risk, as all deposits are guaranteed either by federal deposit insurance or through bank participation in the Tennessee Bank Collateral Pool. The Authority requires a deposit if a customer is considered a credit risk and therefore, management does not believe significant credit risk for accounts receivable exists at June 30, 2025.

NOTE 13 - COMMITMENTS AND CONTINGENCIES

The Board has allocated $870,000 of its reserves to advance as needed to the Industrial Park Agency, the Town of Greeneville/Greene County Board which is developing Phase II of the Mt. Pleasant Industrial Park and Hardin Industrial Complex. The funds are to be repaid without interest to the Authority as developed property is sold or as development expenses are recovered through grant proceeds received by the Agency. As of June 30, 2025, $625,065 of the allocation had been expended but not reimbursed, and represents a receivable due from the Industrial Park Agency.

NOTE 14 - POST-RETIREMENT BENEFITS OTHER THAN PENSIONS

Plan Description - Greeneville Energy Authority's Post Retirement Welfare Benefit Plan (the "Plan"), provides OPEB for all employees hired prior to January 1, 2009 who retire after age 60 with 5 years of service or 30 years of service. The Plan is closed to employees hired after January 1, 2009. The Plan is a single-employer defined benefit OPEB plan administered by the Authority. Pre-65 participants are provided a self-insured PPO medical plan administered by Blue Cross Blue Shield of Tennessee. Post-65 participants are insured with a medical plan through Transamerica Premier Life Insurance and a prescription drug plan through Benistar Express Scripts Medicare. No assets are accumulated in a trust that meet the criteria in paragraph 4 of Statement 75.

Benefits Provided

The Plan provides health benefits for retirees and their spouse and pays 100% of the cost for the retiree and retiree spouse pre-65. The Authority pays annual premiums for post-65 participants for the medical plan of $2,640 per year and $2,499 annual premiums for the prescription drug plan.

NOTE 14 - POST-RETIREMENT BENEFITS OTHER THAN PENSIONS (Continued)

Employees Covered by Benefit Terms

At the measurement date of July 1, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	37
Inactive employees entitled to but not yet receiving benefits	-
Active employees	46
	83

Total OPEB Liability

The Authority's total OPEB liability of $12,069,904 was measured as of June 30, 2024, and was determined by an actuarial valuation as of July 1, 2023.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	2.50 percent, average, including inflation
Discount rate	3.93 percent
Healthcare cost trend rates	8.0 percent for 2023, grading down to an ultimate rate of 4.5 percent for 2030 and later
Retirees' share of benefit-related costs	The Authority pays 100% of costs for pre-65 and post-65.

The discount rate was based on the Bond Buyers 20 Bond Index.

Mortality rates were based on the PUB-2010 headcount weighted mortality tables using projection scale MP-2021.

The actuarial assumptions used in the July 1, 2023 valuation were updated to be consistent with the Tennessee Consolidated Retirement System's June 30, 2020 actuarial valuation report.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at 7/1/2023	$ 13,810,496
Changes for the year:	
Service Cost	239,333
Interest	545,212
Change in benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions and other inputs	(2,168,176)
Benefit payments	(356,961)
Net changes	(1,740,592)
Balance at 6/30/24	$ 12,069,904

NOTE 14 - POST-RETIREMENT BENEFITS OTHER THAN PENSIONS (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.20 percent) or 1-percentage-point higher (6.20 percent) than the current discount rate:

	1 % Decrease (4.20)	Current Discount Rate (5.20)	1 % Increase (6.20)
Net OPEB liability	$ 13,733,189	$ 12,069,904	$ 10,683,681

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.00 percent decreasing until 3.50 percent is reached for pre-65 or 4.00 percent decreasing until 3.50 percent is reached for post-65 trend) or 1-percentage-point higher (8.00 percent decreasing until 5.50 percent is reached for pre-65 or 6.00 percent decreasing until 5.50 percent is reached for post-65 trend) than the current healthcare cost trend rates:

	1 % Decrease	Healthcare Cost Trend Rates	1 % Increase
Pre-65 trend	(6.00 decreasing to 3.50%)	(7.00 decreasing to 4.50%)	(8.00 decreasing to 5.50%)
Post-65 trend	(4.00 decreasing to 3.50%)	(5.00 decreasing to 4.50%)	(6.00 decreasing to 5.50%)
Net OPEB liability	$ 10,343,555	$ 12,069,904	$ 14,216,848

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2025, the Authority recognized OPEB expense of $284,179. At June 30, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Experience loss/gain	$ 166,243	$ 605,037
Change in assumptions	201,338	2,579,350
Contributions subsequent to measurement date of June 30, 2024	591,405	-
Total	$ 958,986	$ 3,184,387

The amount shown above for "Contributions subsequent to the measurement date of June 30, 2024," will be recognized as a reduction (increase) to net OPEB liability in the following measurement period.

NOTE 14 - POST-RETIREMENT BENEFITS OTHER THAN PENSIONS (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:		
2026	$	(979,543)
2027		(890,483)
2028		(578,344)
2029		(368,436)
Total	$	(2,816,806)

NOTE 15 - SUBSEQUENT EVENTS

On September 27, 2024, Hurricane Helene impacted Greeneville Energy Authority's service area, resulting in extensive flooding throughout the region. The severe weather caused widespread outages, necessitating the engagement of multiple emergency contractors to restore services. Total costs related to the damages were approximately $1.3 million, which includes repair and restoration efforts. These costs are partially offset by FEMA grant funding which will be received once FEMA officially obligates the funds. Management continues to evaluate the overall financial impact of the event and will recognize additional amounts as more information becomes available.

In November 2025, the Authority was provisionally awarded a Broadband Equity Access and Deployment Program ("BEAD") grant totaling $10.35 million, for additional expansion of broadband services across Greene County to unserved and underserved areas. The grants require a 25% match of $2.6 million in local funding.

REQUIRED SUPPLEMENTARY INFORMATION

GREENEVILLE ENERGY AUTHORITY

Schedule of Changes in the Net Pension Liability (Asset) and Related Ratios (Unaudited)

Year Ended June 30, 2025

Measurement Period Ended	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024
Total pension liability										
Service cost	$ 342,627	$ 352,012	$ 363,727	$ 403,334	$ 422,275	$ 447,090	$ 458,741	$ 546,494	$ 579,151	$ 614,973
Interest	1,425,504	1,494,125	1,590,776	1,668,751	1,744,804	1,844,425	1,941,418	2,060,194	2,206,963	2,294,980
Differences between expected and actual experience	163,489	510,983	927	41,391	289,245	232,190	258,268	919,654	(109,282)	283,100
Changes of assumptions	-	-	894,930	-	-	-	2,324,609	-	-	-
Benefit payments, including refunds of employee contributions	(979,643)	(1,072,485)	(1,087,815)	(1,078,296)	(1,088,541)	(1,125,553)	(1,269,494)	(1,385,649)	(1,383,655)	(1,433,725)
Net change in total pension liability	951,977	1,284,635	1,762,545	1,035,180	1,367,783	1,398,152	3,713,542	2,140,693	1,293,177	1,759,328
Total pension liability - beginning	19,153,916	20,105,893	21,390,528	23,153,073	24,188,253	25,556,036	26,954,188	30,667,730	32,808,423	34,101,600
Total pension liability - ending (a)	$ 20,105,893	$ 21,390,528	$ 23,153,073	$ 24,188,253	$ 25,556,036	$ 26,954,188	$ 30,667,730	$ 32,808,423	$ 34,101,600	$ 35,860,928
Plan fiduciary net position										
Contributions - employer	$ 755,061	$ 780,260	$ 918,750	$ 1,051,598	$ 1,134,187	$ 1,144,408	$ 1,133,096	$ 1,171,310	$ 1,282,338	$ 1,327,672
Contributions - employee	-	-	-	-	-	-	-	-	-	583
Net investment income (loss)	524,993	459,047	1,986,282	1,611,120	1,565,310	1,121,578	6,105,395	(1,131,970)	1,901,659	2,936,384
Benefit payments, including refunds of employee contributions	(979,643)	(1,072,485)	(1,087,815)	(1,078,296)	(1,088,541)	(1,125,553)	(1,269,494)	(1,385,649)	(1,383,655)	(1,433,725)
Administrative expense	(4,070)	(6,128)	(7,141)	(8,260)	(7,808)	(7,755)	(7,592)	(8,379)	(9,165)	(11,372)
Net change in plan fiduciary net position	296,341	160,694	1,810,076	1,576,162	1,603,148	1,132,678	5,961,405	(1,354,688)	1,791,177	2,819,542
Plan fiduciary net position - beginning	17,160,071	17,456,412	17,617,106	19,427,182	21,003,344	22,606,492	23,739,170	29,700,575	28,345,887	30,137,064
Plan fiduciary net position - ending (b)	$ 17,456,412	$ 17,617,106	$ 19,427,182	$ 21,003,344	$ 22,606,492	$ 23,739,170	$ 29,700,575	$ 28,345,887	$ 30,137,064	$ 32,956,606
Net pension liability - ending (a) - (b)	$ 2,649,481	$ 3,773,422	$ 3,725,891	$ 3,184,909	$ 2,949,544	$ 3,215,018	$ 967,155	$ 4,462,536	$ 3,964,536	$ 2,904,322
Plan fiduciary net position as a percentage of the total pension liability	86.82%	82.36%	83.91%	86.83%	88.46%	88.07%	96.85%	86.40%	88.37%	91.90%
Covered - employee payroll	$ 5,572,406	$ 5,758,372	$ 6,124,999	$ 6,572,485	$ 7,088,666	$ 7,152,552	$ 7,081,850	$ 7,320,688	$ 8,014,612	$ 8,297,949
Net pension liability as a percentage of covered employee payroll	47.55%	65.53%	60.83%	48.46%	41.61%	44.95%	13.66%	60.96%	49.47%	35.00%

Notes to Schedule:

Changes of assumptions . In 2021, amounts reported as changes of assumptions resulted from changes to the inflation rate, investment rate of return, cost-of-living adjustment, and mortality improvements. In 2017, amounts reported as changes of assumptions resulted from changes to the inflation rate, investment rate of return, cost-of-living adjustment, salary growth and mortality improvements.

GREENEVILLE ENERGY AUTHORITY
Schedule of Contributions Based on Participation in the
Public Employee Pension Plan of TCRS (Unaudited)
June 30, 2025

Measurement period ended June 30,	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Actuarially determined contribution	$ 780,260	$ 829,937	$ 985,873	$ 1,063,300	$ 1,021,384	$ 1,011,288	$ 1,045,394	$ 1,215,817	$ 1,258,799	$ 1,364,258
Contributions in relation to the actuarially determined contribution	780,260	918,750	1,051,598	1,134,187	1,144,408	1,133,096	1,171,310	1,282,338	1,327,672	1,438,901
Contribution deficiency (excess)	$ -	$ (88,813)	$ (65,725)	$ (70,887)	$ (123,024)	$ (121,808)	$ (125,916)	$ (66,521)	$ (68,873)	$ (74,643)
Covered employee payroll	$ 5,758,371	$ 6,124,999	$ 6,572,485	$ 7,088,666	$ 7,152,552	$ 7,081,850	$ 7,320,688	$ 8,014,612	$ 8,297,949	$ 8,993,131
Contributions as a percentage of covered employee payroll	13.55%	15.00%	16.00%	16.00%	16.00%	16.00%	16.00%	16.00%	16.00%	16.00%

Notes to Schedule

Valuation date: Actuarially determined contribution rates for fiscal year 2025 were calculated based on the June 30, 2023 actuarial valuation.

Methods and assumptions used to determine contribution rates:

Actuarial cost method:	Entry Age Normal
Amortization method:	Level dollar, closed (not to exceed 20 years)
Remaining amortization period:	Varies by year
Asset valuation method:	10-year smoothed within a 20 percent corridor to market value
Inflation:	2.25 percent
Salary increases:	Graded salary ranges from 8.72 to 3.44 percent based on age, including inflation, averaging 4.00 percent
Investment rate of return:	6.75 percent, net of investment expense, including inflation
Retirement age:	Pattern of retirement determined by experience study
Mortality:	Customized table based on actual experience including an adjustment for some anticipated improvement.
Changes of assumptions:	In 2021, the following assumptions were changed: decreased inflation rate from 2.50 percent to 2.25 percent; decreased the investment rate of return from 7.25 percent to 6.75 percent; decreased the cost-of-living adjustment from 2.25 percent to 2.125 percent; and modified mortality assumptions. In 2017, the following assumptions were changed: decreased inflation rate from 3.00 percent to 2.50 percent; decreased the investment rate of return from 7.50 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.50 percent to 2.25 percent; decreased salary growth graded ranges from an average of 4.25 percent to an average of 4.00 percent; and modified mortality assumptions.

GREENEVILLE ENERGY AUTHORITY

Schedule of Changes in the Total OPEB Liability and Related Ratios (Unaudited)

June 30, 2025

Measurement Period Ended	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024
Total OPEB liability								
Service cost	$ 415,990	$ 389,959	$ 257,501	$ 391,041	$ 385,208	$ 257,033	$ 254,412	$ 239,333
Interest	666,804	710,383	476,519	376,351	365,351	493,623	511,523	545,212
Changes in benefit terms	(893,205)	1,170,710	(8,015,508)	-	-	-	-	-
Differences between expected and actual experience	-	-	2,599,105	-	(720,044)	-	(685,603)	-
Changes in assumptions and other inputs	-	-	2,047,130	136,009	(3,015,125)	(219,113)	52,508	(2,168,176)
Benefit payments, including refunds of employee contributions	(410,694)	(456,429)	(473,739)	(521,798)	(401,685)	(415,760)	(331,317)	(356,961)
Net change in total OPEB liability (asset)	(221,105)	1,814,623	(3,108,992)	381,603	(3,386,295)	115,783	(198,477)	(1,740,592)
Total OPEB liability (asset) - beginning	18,413,356	18,192,251	20,006,874	16,897,882	17,279,485	13,893,190	14,008,973	13,810,496
Total OPEB liability (asset) - ending (a)	$ 18,192,251	$ 20,006,874	$ 16,897,882	$ 17,279,485	$ 13,893,190	$ 14,008,973	$ 13,810,496	$ 12,069,904
Covered - employee payroll	$ 4,709,884	$ 4,827,631	$ 4,471,978	$ 4,583,777	$ 4,455,077	$ 4,566,454	$ 4,160,818	$ 4,264,838
Net OPEB liability (asset) as a percentage of covered employee payroll	386.26%	414.42%	377.86%	376.97%	311.85%	306.78%	331.92%	283.01%

Notes to Schedule

Change of benefit terms: In 2020, retirees must elect the fully insured Post-65 plan upon becoming Medicare eligible. This valuation reflects the change to the Post-65 plan.

Change of assumptions: The discount rate was 3.93% in 2024 and was updated to 5.20% in 2025.The discount rate was 3.65% in 2023 and was updated to 3.93% in 2024. The discount rate was 3.54% in 2022 and was updated to 3.65% in 2023. The healthcare cost trend rate was reset to 8.0% in 2024, grading down 0.5% per annum to an ultimate rate of 4.5% in years 2030 and later. The demographic assumptions were updated to be consistent with the Tennessee Consolidated Retirement System’s ("TCRS") June 30, 2020 actuarial valuation report. The mortality improvement scale was updated to PUB-2010 headcount weighted mortality tables using projection scale MP-2021.

There are no assets accumulating in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, related to this OPEB plan.

This schedule is intended to display 10 year of information. The information in this schedule is not required to be presented retroactively prior to the implementation date. Additional years will be displayed as they become available.

SUPPLEMENTARY INFORMATION

GREENEVILLE ENERGY AUTHORITY
Departmental Statement of Net Position
June 30, 2025

	Electric	Broadband	Eliminations	Total
ASSETS				
Current Assets				
Cash	$ 11,455,948	$ 1,535,819	$ -	$ 12,991,767
Accounts receivable, net	7,243,581	100,289	-	7,343,870
Unbilled revenue receivable	3,273,897	-	-	3,273,897
Grant receivable	2,343,136	-	-	2,343,136
Due from Broadband	102,688	-	(102,688)	-
Due from Electric	-	10,023	(10,023)	-
Materials and supplies	5,098,303	6,053	-	5,104,356
Interdepartmental loan receivable	500,000	-	(500,000)	-
Other current assets	5,060,669	54,026	-	5,114,695
Total current assets	35,078,222	1,706,210	(612,711)	36,171,721
Non-Current Assets				
Certificates of deposit	695,050	-	-	695,050
Interdepartmental loan receivable	3,000,000	-	(3,000,000)	-
Designated funds				
Industrial Park fund cash	244,935	-	-	244,935
Industrial Park fund receivable	625,065	-	-	625,065
TVA Home Insulation Program receivable	46,626	-	-	46,626
Total non-current assets	4,611,676	-	(3,000,000)	1,611,676
Capital assets, not being depreciated	7,056,344	-	-	7,056,344
Capital assets, being depreciated	207,137,124	1,341,112	-	208,478,236
Less accumulated depreciation	(97,965,041)	(205,485)	-	(98,170,526)
Total capital assets, net	116,228,427	1,135,627	-	117,364,054
Total assets	155,918,325	2,841,837	(3,612,711)	155,147,451
DEFERRED OUTFLOWS OF RESOURCES				
Other post employment benefits	958,986	-	-	958,986
Pension	3,034,301	-	-	3,034,301
Total deferred outflows	3,993,287	-	-	3,993,287

(Continued)

	Electric	Broadband	Eliminations	Total
LIABILITIES				
Current Liabilities				
Accounts payable	$ 2,471,344	$ -	$ -	$ 2,471,344
Accrued tree trimming	583,835	-	-	583,835
Due to TVA for power, net	8,163,277	-	-	8,163,277
Due to Electric	-	102,688	(102,688)	-
Due to Broadband	10,023	-	(10,023)	-
Accrued wages and other accrued liabilities	101,607	-	-	101,607
Accrued compensated absences, current portion	963,602	-	-	963,602
Accrued interest	40,981			40,981
Interdepartmental loan payable	-	500,000	(500,000)	-
Bond payable series 2022, current portion	525,000	-	-	525,000
Total current liabilities	$ 12,859,669	$ 602,688	$ (612,711)	$ 12,849,646
Non-Current Liabilities				
Customer deposits	4,367,940	-	-	4,367,940
Pension liability	2,904,322	-	-	2,904,322
Accrued compensated absences	972,201	-	-	972,201
Interdepartmental loan payable	-	3,000,000	(3,000,000)	-
Bond payable series 2022, non-current portion	11,942,009	-	-	11,942,009
Net OPEB obligation	12,069,904	-	-	12,069,904
TVA Home Insulation Program	50,559	-	-	50,559
Total non-current liabilities	32,306,935	3,000,000	(3,000,000)	32,306,935
Total liabilities	$ 45,166,604	$ 3,602,688	$ (3,612,711)	$ 45,156,581
DEFERRED INFLOWS OF RESOURCES				
Other post employment benefits	3,184,387	-	-	3,184,387
Pension	419,146	-	-	419,146
Pole rental	575,833	-	-	575,833
Total deferred inflows	4,179,366	-	-	4,179,366
NET POSITION (DEFICIT)				
Net investment in capital assets	103,761,418	1,135,627	-	104,897,045
Unrestricted (deficit)	6,804,224	(1,896,478)	-	4,907,746
Total net position (deficit)	$ 110,565,642	$ (760,851)	$ -	$ 109,804,791

GREENEVILLE ENERGY AUTHORITY
Departmental Statement of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2025

	Electric	Broadband	Eliminations	Total
Operating Revenues				
Residential electricity	$ 60,964,128	$ -	$ -	$ 60,964,128
Large lighting and power	47,528,677	-	-	47,528,677
Small lighting and power	11,889,381	-	-	11,889,381
Other electric income	3,773,686	-	-	3,773,686
Street lighting	1,574,932	-	-	1,574,932
Residential internet	-	883,682	-	883,682
Business internet	-	277,613	-	277,613
Other broadband income	-	6,253	-	6,253
Total operating revenues	125,730,804	1,167,548	-	126,898,352
Operating Expenses				
Purchased power	91,560,645	-	-	91,560,645
Distribution expense	7,652,371	1,157,361	-	8,809,732
Maintenance of distribution facilities	7,537,790	8,528	-	7,546,318
Provision for depreciation	7,046,550	162,551	-	7,209,101
Administrative and general expenses	2,588,602	50,100	-	2,638,702
Tax equivalents	2,546,542	-	-	2,546,542
Customer accounts expense	2,041,272	22,883	-	2,064,155
Maintenance of general plant	172,660	-	-	172,660
Sales expense	111,157	-	-	111,157
Transmission expense	69,372	-	-	69,372
Total operating expenses	121,326,961	1,401,423	-	122,728,384
Operating income (loss)	4,403,843	(233,875)	-	4,169,968
Non-Operating Revenues (Expenses)				
Gain on disposition of electric plant	17,938	-	-	17,938
Interest expense	(513,791)	-	-	(513,791)
Interest on investments	860,814	96,721	-	957,535
Interest income (expense) on interdepartmental loan	100,000	(100,000)	-	-
Income from merchandising, jobbing, and contract work - net	83,108	-	-	83,108
Net non-operating revenues/(expenses)	548,069	(3,279)	-	544,790
Change in net position	4,951,912	(237,154)	-	4,714,758
Net position (deficit) as of July 1	105,613,730	(523,697)	-	105,090,033
Net position (deficit) as of June 30	$ 110,565,642	$ (760,851)	$ -	$ 109,804,791

GREENEVILLE ENERGY AUTHORITY
Departmental Statement of Cash Flows
Year Ended June 30, 2025

	Electric	Broadband	Eliminations	Total
Cash Flows From Operating Activities				
Cash receipts from customers	$ 121,495,537	$ 1,165,108	$ -	$ 122,660,645
Cash paid to suppliers for goods and services	(104,615,122)	(1,073,200)	-	(105,688,322)
Cash paid to employees for services	(9,545,406)	(326,512)	-	(9,871,918)
Net cash flows from operating activities	7,335,009	(234,604)	-	7,100,405
Cash Flows From Non-Capital Financing Activities				
Decrease in Home Insulation Program receivables	62,352	-	-	62,352
Decrease in Home Insulation Program liabilities	(64,665)	-	-	(64,665)
Interest paid	(513,791)	(100,000)	100,000	(513,791)
Net cash flows from non-capital financing activities	(516,104)	(100,000)	100,000	(516,104)
Cash Flows From Capital and Related Financing Activities				
Acquisition and construction of capital assets	(11,212,230)	(579,245)	-	(11,791,475)
Interdepartmental loan payment	500,000	(500,000)	-	-
Principal payment on bond- series 2022	(500,000)	-	-	(500,000)
Net expenses from merchandising and jobbing and other	83,108	-	-	83,108
Net cash flows from capital and related financing activities	(11,129,122)	(1,079,245)	-	(12,208,367)
Cash Flows From Investing Activities				
Interest received	971,858	96,721	(100,000)	968,579
Net cash flows from investing activities	971,858	96,721	(100,000)	968,579
Net change in cash	(3,338,359)	(1,317,128)	-	(4,655,487)
Cash at the beginning of the year	15,039,242	2,852,947	-	17,892,189
Cash at the end of the year	$ 11,700,883	$ 1,535,819	$ -	$ 13,236,702
Reconciliation of cash and cash equivalents from Statement of Cash Flows to Statement of Net Position				
Cash	$ 11,455,948	$ 1,535,819	$ -	$ 12,991,767
Designed funds - Industrial Park fund cash	244,935	-	-	244,935
Cash at the end of the year	$ 11,700,883	$ 1,535,819	$ -	$ 13,236,702
Non-Cash Capital and Related Financing Activities				
Amortization of bond premium	$ (17,956)	$ -	$ -	$ (17,956)
Amortization of bond issuance costs	11,073	-	-	11,073
Non-Cash Capital and Related Financing Activities	$ (6,883)	$ -	$ -	$ (6,883)

(Continued)

	Electric	Broadband	Eliminations	Total
Cash Flows From Operating Activities				
Operating income (loss)	$ 4,403,843	$ (233,875)	$ -	$ 4,169,968
Adjustments to reconcile operating income (loss) to cash flows from operating activities				
Depreciation	7,046,550	162,551	-	7,209,101
(Increase) Decrease in Assets:				
Accounts receivable	(908,897)	(64,735)	-	(973,632)
Unbilled revenue	(741,697)	-	-	(741,697)
Grant receivable	(2,343,136)	-	-	(2,343,136)
Materials and supplies	(1,437,984)	-	-	(1,437,984)
Due to/from interdepartments	86,954	(86,954)	-	-
Other current assets	(227,919)	(11,591)	-	(239,510)
Deferred outflows of resources	1,337,412	-	-	1,337,412
Increase (decrease) in Liabilities:				
Accounts payable	281,052	-	-	281,052
Accrued tree trimming	(7,369)	-	-	(7,369)
Due to TVA for power	1,006,687	-	-	1,006,687
Accrued wages and other accrued liabilities	158,468	-	-	158,468
Accrued interest	(1,666)	-	-	(1,666)
Customer deposits	269,946	-	-	269,946
Accrued compensated absences	135,344	-	-	135,344
Net OPEB obligation	(1,740,592)	-	-	(1,740,592)
Pension liability	(1,060,214)	-	-	(1,060,214)
Deferred inflows of resources	1,078,227	-	-	1,078,227
Net cash flows from operating activities	$ 7,335,009	$ (234,604)	$ -	$ 7,100,405

GREENEVILLE ENERGY AUTHORITY
Schedule of Expenditures of Federal Awards
June 30, 2025

Federal Agency/Pass-Through Agency/State Grantor Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Amount Pass-through to Subrecipients	Expenditures
Electric				
United States Department of the Treasury passed through				
Tennessee Department of Economic and Community Development				
Tennessee Emergency Broadband Fund - American Rescue Plan	21.027	NA	$ -	$ 4,478,247
United States Department of the Treasury passed through				
Greene County, Tennessee				
Coronavirus State and Local Fiscal Recovery Funds	21.027	NA	-	1,259,322
Total federal grants for electric			$ -	$ 5,737,569

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal and state award activity of Greeneville Energy Authority under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Greeneville Energy Authority, it is not intended to and does not present the financial position, change in net position, or cash flows of Greeneville Energy Authority.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Greeneville Energy Authority has elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

GREENEVILLE ENERGY AUTHORITY
Schedule of Investments
June 30, 2025

Description of investment	Maturity Date	Interest rate
Certificate of Deposit	1/15/2026	4.00%
Certificate of Deposit	11/3/2025	4.00%
Certificate of Deposit	2/7/2026	3.94%
Certificate of Deposit	2/16/2026	3.94%
Certificate of Deposit	1/18/2026	1.50%

GREENEVILLE ENERGY AUTHORITY
Schedule of Changes in Long-Term Debt by Individual Issue
June 30, 2025

Description of indebtedness	Original Amount Of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7/1/2024	Issued During Period	Paid and/or Matured During Period	Refunded During Period	Outstanding 6/30/2025
Bonds Payable									
Series 2022 Revenue Bond	$ 13,865,000	3-4.125%	7/7/2022	6/30/2042	$ 12,850,000	$ -	$ 500,000	$ -	$ 12,350,000
Total bonds payable					$ 12,850,000	$ -	$ 500,000	$ -	$ 12,350,000

GREENEVILLE ENERGY AUTHORITY
Schedule of Long-Term Debt, Principal, and Interest Requirements by Year
June 30, 2025

Year Ended June 30	Series 2022 Revenue Bonds		
	Principal	Interest	Total
2026	$ 525,000	$ 491,769	$ 1,016,769
2027	545,000	470,769	1,015,769
2028	565,000	448,969	1,013,969
2029	590,000	426,369	1,016,369
2030	610,000	402,769	1,012,769
2031	635,000	378,369	1,013,369
2032	660,000	352,969	1,012,969
2033	690,000	326,569	1,016,569
2034	710,000	302,419	1,012,419
2035	740,000	274,019	1,014,019
2036	770,000	244,419	1,014,419
2037	800,000	213,619	1,013,619
2038	835,000	181,618	1,016,618
2039	865,000	148,218	1,013,218
2040	900,000	113,618	1,013,618
2041	935,000	77,618	1,012,618
2042	975,000	40,218	1,015,218
	$ 12,350,000	$ 4,894,318	$ 17,244,318

Electric	Access Charge	Energy Charge (Per kWh)
Residential rate -	$25.91	$0.11143

General power rate - Schedule GSA

Base Charges

A. This rate shall apply to the firm power requirements (where a customer's contract demand is 5,000 kW or less) for electric service to commercial, industrial, and governmental customers, and to institutional customers including, without limitation, churches, clubs, fraternities, orphanages, nursing homes, rooming or boarding houses, and like customers. This rate shall also apply to customers to whom service is not available under any other resale rate schedule.

1. If the higher of (i) the customer's currently effective contract demand, if any, or (ii) its highest billing demand during the latest 12-month period is not more than 50 kW:

   Access Charge: $26.28 per delivery point per month

   Energy Charge: $0.12622 per kWh per month

2. If (a) the higher of (i) customer's currently effective contract demand or (ii) its highest billing demand during the latest 12-month period is greater than 50 kW but not more than 1,000 kW or (b) the customer's billing demand is less than 50 kW and its energy takings for any month during such period exceed 15,000 kWh:

   Access Charge: $50.00 per delivery point per month

   Demand Charge: First 50 kW of billing demand per month, no demand charge

   Excess over 50 kW of billing demand per month, at $14.87 per kW

   Energy Charge: First 15,000 kWh per month at $0.13409 per kWh

   Additional kWh per month at $0.08574 per kWh

3. If (a) the higher of the customer's currently effective contract demand or (b) its highest billing demand during the latest 12-month period is greater than 1,000 kW but not more than 2,500 kW:

   Access Charge: $206.20 per delivery point per month

   Demand Charge: First 1,000 kW of billing demand per month, at $13.91 per kW

   Additional kW of billing demand per month at $14.02 per kW

   Energy Charge: $0.08803 per kWh per month

4. If (a) the higher of the customer's currently effective contract demand or (b) its highest billing demand during the latest 12-month period is greater than 2,500 kW but no more than 5,000 kW:

   Access Charge: $335.07 per delivery point per month

   Demand Charge: First 1,000 kW of billing demand per month, at $13.91 per kW

   Additional kW of billing demand per month, at $14.02 per kW

   Energy Charge: $0.08803 per kWh per month

(Continued)

Electric (Continued)

B. This rate shall apply to the firm electric power requirements where a customer's currently effective onpeak or offpeak contract demand, whichever is higher, is greater than 5,000 kW but not more than 15,000 kW.

Access Charge: $1,500 per delivery point per month

Administrative Charge: $350 per delivery point per month

Demand Charges:

Onpeak Demand $12.04 per kW of onpeak billing demand per month, plus an additional

Maximum Demand: $5.60 per kW per month of maximum billing demand, plus

Excess Demand: $12.04 per kW per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher.

Energy Charges:

Onpeak: $0.11615 per kWh per month for all metered onpeak kWh, plus

Offpeak:

Block 1: $0.07929 per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 2: $0.03258 per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 3: $0.02925 per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

C. This rate shall apply to the firm electric power requirements where a customer's currently effective onpeak or offpeak contract demand, whichever is higher, is greater than 15,000 kW but not more than 25,000 kW.

Access Charge: $1,500 per delivery point per month

Administrative Charge: $350 per delivery point per month

Demand Charges:

Onpeak Demand: $11.95 per kW of onpeak billing demand per month, plus

Maximum Demand: $5.58 per kW per month of maximum billing demand, plus

Excess Demand: $11.95 per kW per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher.

Energy Charges:

Onpeak: $0.09758 per kWh per month for all metered onpeak kWh, plus

Offpeak:

Block 1: $0.07017 per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 2: $0.03215 per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

(Continued)

Electric (Continued)

Block 3:	$0.02839 per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Number of electric customers at June 30, 2025 were 40,954.

Broadband

300 Mbps	$50/month
600 Mbps	$65/month
1,000 Mbps	$80/month
2,500 Mbps	$120/month

Number of broadband customers at June 30, 2025 were 1,643.

COMPLIANCE REPORTS

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Greeneville Energy Authority
Greeneville, Tennessee

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Greeneville Energy Authority (the "Authority") as of and for the year ended June 30, 2025, and the related notes to the financial statements, and have issued our report thereon dated December 12, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that are not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

ClearPoint CPAs PC

Greeneville, Tennessee
December 12, 2025

Independent Auditors' Report on Compliance For Each Major Program And On Internal Control Over Compliance Required By The Uniform Guidance

Greeneville Energy Authority
Greeneville, Tennessee

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Greeneville Energy Authority (the "Authority")'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended June 30, 2025. The Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Authority's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

ClearPoint CPAs PC

Greeneville, Tennessee
December 12, 2025

I. Summary of Auditors' Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: **Unmodified opinion**

Internal Control over financial reporting:

• Material weakness(es) identified?	________	Yes	X	No
• Significant deficiency(ies) identified?	________	Yes	X	None Reported
Noncompliance material to financial statements noted?	________	Yes	X	No

Federal Awards

Internal control over major federal programs:

• Material weakness(es) identified?	________	Yes	X	No
• Significant deficiency(ies) identified?	________	Yes	X	None Reported

Type of auditors report issued on compliance for major federal programs: **Unmodified opinion**

• Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	________	Yes	X	No

Identification of major federal programs:

CFDA Number	Name of Federal Program
21.027	Coronavirus State and Local Fiscal Recovery Funds
21.027	Tennessee Emergency Broadband Fund - American Rescue Plan

Dollar threshold used to distinguish between type A and type B programs: $750,000

Auditee qualified as low -risk auditee?	________	Yes	X	No

GREENEVILLE ENERGY AUTHORITY
Schedule of Prior Year Findings
Year Ended June 30, 2025

Internal Control over Financial Reporting

There were no prior year findings reported.

Compliance and Other Matters

There were no prior year findings reported.

APPENDIX D

BOND COUNSEL OPINION

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(Form of Bond Counsel Opinion)

August 6, 2026

Greeneville Energy Authority
Greeneville, Tennessee

TD Financial Products LLC
New York, New York

Re: Greeneville Energy Authority – Electric System Revenue Bonds, Series 2026

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by the Greeneville Energy Authority (the "Issuer") of $49,895,000 Electric System Revenue Bonds, Series 2026, dated the date hereof (the "Bonds"). We have examined the law and such certified proceedings and other papers as we deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify such facts by independent investigation.

Based on our examination, we are of the opinion, as of the date hereof, as follows:

1. The Bonds have been duly authorized, executed and issued in accordance with the constitution and laws of the State of Tennessee and constitute valid and binding obligations of the Issuer.

2. The resolution of the Board of Directors of the Issuer authorizing the Bonds has been duly and lawfully adopted, is in full force and effect and is a valid and binding agreement of the Issuer enforceable in accordance with its terms.

3. The principal of and interest on the Bonds are limited obligations of the Issuer, payable solely from and secured by a pledge of revenues to be derived from the operation of the electrical power transmission and distribution system of the Issuer, on parity with the Issuer's remaining outstanding Electric System Revenue Bonds, Series 2022, subject only to the payment of the reasonable and necessary costs of operating, maintaining, repairing and insuring said system. We express no opinion as to the sufficiency of such revenues for the payment of principal of and interest on the Series 2026 Bonds.

4. Interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes under Section 103 of the Code. Failure to comply with certain of such requirements could cause interest on the Bonds to be so includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. The Issuer has covenanted to comply with all such requirements.

5. Under existing law, the Bonds and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) Tennessee excise taxes on all or a portion of the interest on any of the Bonds during the period such Bonds are held or beneficially owned by any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee, and (b) Tennessee franchise taxes by reason of the inclusion of the book value of the Bonds in the Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership doing business in the State of Tennessee.

The rights of the owners of the Bonds and the enforceability of the Bonds and the Resolution may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights and remedies of creditors, and by equity principles, whether considered at law or in equity.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Bonds. Further, we express no opinion herein regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

This opinion is given as of the date hereof, and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Yours truly,

Bass, Berry & Sims, PLC

APPENDIX E

FORM OF CONTINUING DISCLOSURE AGREEMENT

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GREENEVILLE ENERGY AUTHORITY

$49,895,000 ELECTRIC SYSTEM REVENUE BONDS, SERIES 2026

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this "Disclosure Agreement") is executed and delivered this 6th day of August, 2026 by the Greeneville Energy Authority (the "Issuer") in connection with the issuance of the Issuer's $49,895,000 Electric System Revenue Bonds, Series 2026 (the "Bonds"). The Issuer hereby covenants and agrees as follows:

SECTION 1. Purpose of and Authority for the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Issuer for the benefit of the Registered Owners and the Beneficial Owners of the Bonds and in order to assist the Participating Underwriters in complying with Rule 15c2-12(b)(5) (the "Rule") of the Securities and Exchange Commission (the "SEC"). This Disclosure Agreement is being executed and delivered by the Issuer under the authority of the Resolution.

SECTION 2. Definitions. In addition to the terms otherwise defined herein, the following capitalized terms shall have the following meanings:

"Beneficial Owner" shall mean any person who (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Fiscal Year" shall mean any period of twelve consecutive months adopted by the Issuer as the fiscal year of the System for financial reporting purposes, and shall initially mean the period beginning on June 1 of each calendar year and ending June 30 of the following calendar year.

"MSRB" shall mean the Municipal Securities Rulemaking Board.

"Official Statement" shall mean the Official Statement of the Issuer, dated July 21, 2026, relating to the Bonds.

"Participating Underwriters" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Registered Owner" means any person who is identified as a holder of Bonds on the registration records maintained by or on behalf of the Issuer with respect to the Bonds.

"Resolution" shall mean the bond resolution adopted by the Board of Directors of the Issuer on May 19, 2026.

"State" shall mean the State of Tennessee.

"State Repository" shall mean any public or private repository or entity designated by the State as a state repository for the purpose of the Rule.

"System" means the electrical power transmission and distribution system operated by the Issuer.

SECTION 3. Continuing Disclosure. The Issuer hereby agrees to provide or cause to be provided the information set forth below:

(a) *Annual Financial Information.* For Fiscal Years ending on or after June 30, 2026, the Issuer shall provide annual financial information and operating data within 12 months after the end of the Fiscal Year. The annual financial information and operating data shall include:

(i) The audited financial statements for the System, prepared in accordance with generally accepted accounting principles, or, if the System's audited financial statements are not available, then the System's unaudited financial statements; and

(ii) To the extent not included in the audited financial statements, operating data of the type included under the following headings of the Official Statement, which data may be presented in a manner other than as set in the Official Statement:

1. Customers and Usage – Number of Customers and Power Usage
2. Top Electric Customers
3. Summary of Operations and Debt Service Coverage
4. Debt Service

(b) *Audited Financial Statements.* For Fiscal Years ending on or after June 30, 2026, the Issuer shall provide audited financial statements of the System, prepared in accordance with generally accepted accounting principles, if and when available, if such audited financial statements are not included with the annual financial information described in subsection (a) above.

(c) *Event Notices.* The Issuer will provide notice of the following events relating to the Bonds in a timely manner, not in excess of ten business days after the occurrence of the event:

(i) Principal and interest payment delinquencies;

(ii) Non-payment related defaults, if material;

(iii) Unscheduled draws on debt service reserves reflecting financial difficulties;

(iv) Unscheduled draws on credit enhancements reflecting financial difficulties;

(v) Substitution of credit or liquidity providers, or their failure to perform;

(vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;

(vii) Modifications to rights of Bondholders, if material;

(viii) Bond calls, if material, and tender offers;

(ix) Defeasances (including disclosure as to whether the Bonds have been defeased to their maturity or to a preceding call date);

(x) Release, substitution, or sale of property securing repayment of the securities, if material;

(xi) Rating changes;

(xii) Bankruptcy, insolvency, receivership or similar event of the obligated person;

(xiii) The consummation of a merger, consolidation or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(xv) Incurrence of a financial obligation* of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect security holders, if material; and

(xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation* of the Issuer, any of which reflect financial difficulties.

* As used in subsections (xv) and (xvi), the term "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "financial obligation" does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

(d) *Notice of Failure to File Annual Financial Information*. The Issuer will provide timely notice of its failure to provide the annual financial information described in subsection (a) above within the time frame prescribed by subsection (a).

(e) *Notice of Amendment of Disclosure Agreement*. The Issuer will provide timely notice of an amendment to this Disclosure Agreement pursuant to the terms of Section 5(a) below.

SECTION 4. <u>Methods of Providing Information</u>.

(a) All disclosures required by Section 3 shall be transmitted to the MSRB using the MSRB's Electronic Municipal Market Access System ("EMMA") or by such other method as may be subsequently determined by the MSRB.

(b) Information shall be provided to the MSRB in an electronic format as prescribed by the MSRB, either directly, or indirectly through an indenture trustee or a designated dissemination agent.

(c) All transmissions to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

(d) Any required disclosure may be incorporated by reference to other documents filed with the MSRB in the manner required by subsection (a) above. The Issuer shall clearly identify each such other document so incorporated by reference.

(e) All disclosures transmitted to the MSRB hereunder shall be simultaneously transmitted to any State Repository.

SECTION 5. Amendment.

This Disclosure Agreement may be amended or modified so long as: (i) any such amendments are not violative of any rule or regulation of the SEC or MSRB, or other federal or state regulatory body; (ii) the amendment may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the obligated person, or type of business conducted; (iii) this Disclosure Agreement, as amended, would have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and (iv) the amendment does not materially impair the interests of Beneficial Owners or Registered Owners, as determined either by parties unaffiliated with the Issuer (such as bond counsel), or by approving vote of the Beneficial Owners and Registered Owners pursuant to the terms of the Resolution at the time of the amendment.

(b) In the event of any amendment or modification to the financial information or operating data required to be filed pursuant to Section 3(a) above, the Issuer shall describe such amendment in the next filing pursuant to Section 3(a), and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, the next filing pursuant to Section 3(a) or 3(b), as applicable, shall present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 6. Termination of Reporting Obligation. The obligations of the Issuer under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds.

SECTION 7. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any disclosure required hereunder, in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future disclosure.

SECTION 8. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Registered Owners and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 9. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Agreement, any Registered Owner or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Issuer to comply with their obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed a default under the Resolution, and the sole remedy under this Disclosure Agreement in the event of any failure of any party to comply with this Disclosure Agreement shall be an action to compel performance.

SECTION 10. Governing Law. This Disclosure Agreement shall be governed by and construed in accordance with the laws of the State.

SECTION 11. Severability. In case any one or more of the provisions of this Disclosure Agreement shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Disclosure Agreement, but this Disclosure Agreement shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

GREENEVILLE ENERGY AUTHORITY

By: ____________________________________
President and Chief Executive Officer

By: ____________________________________
Chairman of the Board

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APPENDIX F

SPECIMEN MUNICIPAL BOND INSURANCE POLICY

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ASSURED GUARANTY

MUNICIPAL BOND INSURANCE POLICY

ISSUER: Policy No.: -N

BONDS: $ in aggregate principal amount of Effective Date:

Premium: $

ASSURED GUARANTY INC. ("AG"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AG, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AG shall have received Notice of Nonpayment, AG will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AG, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in AG. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AG is incomplete, it shall be deemed not to have been received by AG for purposes of the preceding sentence and AG shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AG shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AG hereunder. Payment by AG to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AG under this Policy.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AG shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AG which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

AG may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AG pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AG and shall not be deemed received until received by both and (b) all payments required to be made by AG under this Policy may be made directly by AG or by the Insurer's Fiscal Agent on behalf of AG. The Insurer's Fiscal Agent is the agent of AG only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AG to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AG agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AG to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AG, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY INC. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY INC.

By ________________________________
Authorized Officer