



June 16, 2022

# Proposed Water and Wastewater Rate Increases

Resolution 1455 – Second Reading



# Proposed Water and Wastewater Rate Increases

Long-Range Plans – Actual/Proposed Rate Increases *					
	FY21	FY22	FY23	FY24	FY25
Water	<del>5%</del>	<del>5%</del> ⇒ 2%	5%	5%	5%
Wastewater	<del>3%</del>	<del>3%</del>	4%	4%	4%

Average Residential Monthly Bill Impacts *					
	FY21	FY22	FY23	FY24	FY25
Water	-	\$0.65	\$1.40	\$1.50	\$1.60
Wastewater	-	-	\$2.60	\$2.70	\$2.75

\* Residential increases applied only to commodity costs

- Approved on first reading May 19
- Needed to sustain funding for Century II and treatment plant upgrades
- Residential bills gradually increase over three-year period
- Commercial and industrial customer impacts will vary by rate class and usage
- Initial rate increases reflected on August 2022 bills

# Resolution 1455 – Second Reading

- Adopts three years of annual rate increases for water and wastewater service
- Rate increases effective July 2022, 2023, and 2024 (August bills)

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June 16, 2022

# Fiber Update – Rules & Regulations

Resolution 1460



# Progress Continues to an Early Summer Launch

- Supply chain still an issue, but necessary equipment received
- Contracts for internet connectivity have been signed
- Making connection to internet in Atlanta next week
- Arlington is over 80% complete and Dolltown construction has begun
- Pilot to begin early July in Mohawk area



# Awaiting News on State and Federal Grants

- Public comment period on state grants extended to July 8
- KUB will have opportunity to respond to those comments
- Anticipate awards of state grants in early August
- Federal grants appear to be gaining some momentum
- National Telecommunications and Information Administration (NTIA) organizing staff and processes

# Launch of New KUB Logo

- Previewed logo in April
- Officially unveiled this morning at company-wide event
- Will begin use of logos today
  - May take a year or more to make full transition
  - Focus on using current stock
  - Digital mediums will begin use immediately





# Purpose of Fiber Division Rules and Regulations

- Modeled after Rules and Regulations of KUB's other divisions
- Provide for administration, operation, and expansion of KUB's fiber optic services
- Provide for fair, uniform, and reasonable treatment of Fiber Division customers
- Support customers' compliance with these Rules and Regulations

# Fiber Rules and Regulations Governance

- Rules and Regulations of the Fiber Division contain all rights, duties, and authorities not limited by the Charter or other official Board action
- Board delegates authority to President and CEO to establish policies and programs necessary to implement the Rules and Regulations
- Any changes to Rules and Regulations must be approved by both President and CEO and the Board

# Key Elements of Fiber Rules and Regulations

- Key Elements
  - Initiation of Fiber Optic Service
  - Interruption of Fiber Optic Service
  - Billing for Fiber Optic Service
  - Authority to Establish Fees and Charges
  - Authority to Establish Policies
- Authority to Establish Fees and Charges and Policies delegated to President and CEO
- Regular reporting required to Audit and Finance Committee

# Overview of Fiber Division Policies

- Policies serve as guides to implement the rules and regulations
- Initial policies:
  - KUB Terms and Conditions for Residential Fiber Optic Services
  - KUB Terms and Conditions for Commercial Fiber Optic Services
  - KUB Acceptable Use Policy
  - KUB Privacy Policy
  - KUB Annual Subscriber Notice
  - Digital Millennium Copyright Act (DCMA) Policy
  - Customer Proprietary Network Information (CPNI) Policy
  - Communications Assistance for Law Enforcement Act (CALEA) Policy

# Resolution 1460

- Establishes Fiber Division Rules and Regulations
- Delegates certain authorities to President and CEO
- Requires periodic updates to Board's Audit and Finance Committee
- Effective on passage of this resolution

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# Authorization for Sale or Disposition of Wastewater Real Properties

Resolution 1461



# Overview

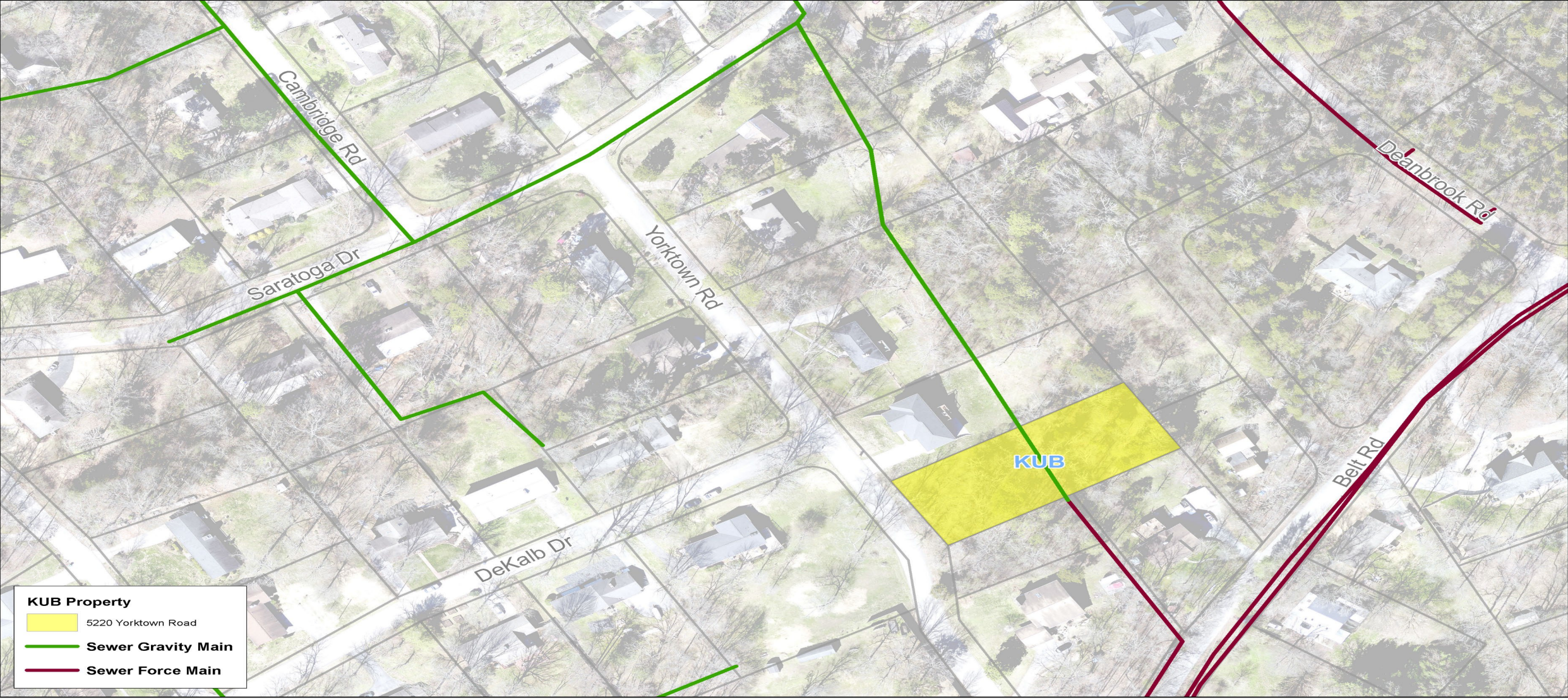
- Two parcels of land owned by KUB's Wastewater Division
  - 5220 Yorktown Road
  - 5724 Holston Hills Road
- Properties not needed for wastewater system or other KUB system
- President and CEO has declared as surplus real property
- Board authorization required for sale or disposition of properties



# 5220 Yorktown Road

- Approximately 0.60 acres
- Located in Martha Washington Heights
- KUB has received several inquiries regarding the property
- Appraised in February 2022 for \$30,000
- Property to be sold via publicly advertised RFP process

# 5220 Yorktown Road



**KUB Property**  
5220 Yorktown Road

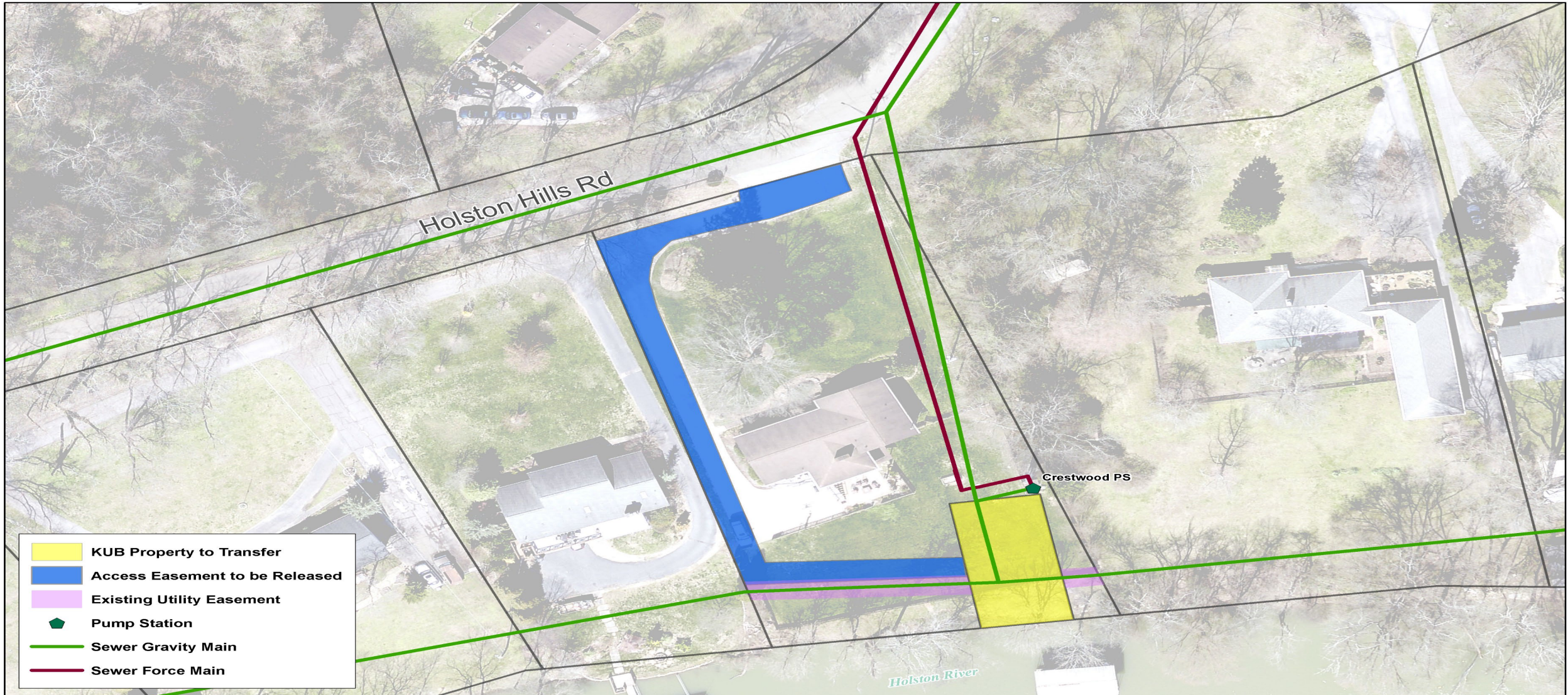
**Sewer Gravity Main**

**Sewer Force Main**

# 5724 Holston Hills Road

- Approximately 0.076 acres
- Site previously used for wastewater pump station
- Pump station subsequently relocated to adjacent property at 5720 Holston Hills Road
- Quit claim property to owner of 5720 Holston Hills Road
- In return, KUB will receive new easement with improved site safety and access to the pump station

# 5724 and 5720 Holston Hills Road – Today



# Holston Hills Road Properties - Future



# Resolution 1461

- Authorizes sale or disposition of Yorktown Road and Holston Hills Road properties
- The proceeds of any sale will go to KUB's Wastewater Division

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June 16, 2022

# KUB Community Solar





# KUB Community Solar Initiative

- Knoxville's first community solar site
- TVA Flexibility Research Project in partnership with City of Knoxville
- KUB investment of \$1.4 million
- Provides option for customers to invest in local solar



# Project Overview

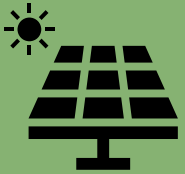
<b>Location</b>	1400 Loraine Street (COK)
<b>Lot Size</b>	Approximately 3 acres
<b>Installer</b>	Solar Alliance
<b>System Size</b>	1 Megawatt
<b>Annual Production</b>	1.36 Gigawatt hours



# Site Layout



# Community Solar Model



KUB owns, operates, and maintains the shared community solar array

Customers sign up for a portion of the array through a monthly subscription



Subscribers are credited for their portion of the renewable energy produced

## Benefits of Community Solar

- Supports local renewable energy
- Leverages economies of scale to make solar more affordable
- No upfront costs or ongoing maintenance
- Provides access to solar for those that cannot install it at their own properties

# Subscription Details

- Approximately **2,100 shares** available for all residential and commercial customers
- No required annual commitment or upfront fee
- **\$5 per share monthly subscription fee**; will receive on average **\$3.61 monthly credit**
- Each share will generate roughly **640 kwh of renewable energy** annually
- Option to donate bill credit to **Project Help**

# Program Launch

- Anticipated program launch **winter of 2022-2023**
- Conducting outreach and compiling interest list
- Marketing plan includes commercials, billboards, advertisements, and promotional materials



Interested in Community Solar?  
[www.kub.org/communitysolar](http://www.kub.org/communitysolar)

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