

**Knoxville Utilities Board
Board Meeting
Minutes
Thursday, March 15, 2018, Noon**

Call to Order

The Knoxville Utilities Board met in regular session in the Larry A. Fleming Board Room at 445 S. Gay Street, on Thursday, March 15, 2018, pursuant to the public notice published in the January 6, 2018, edition of the *News Sentinel*. Chair Herbert called the meeting to order at 12:00 p.m.

Chair Herbert welcomed the eight KUB Leadership Development Program employees and the program facilitator attending the Board Meeting today and asked them to introduce themselves.

Roll Call

Commissioners Present: Jerry Askew, Kathy Hamilton, Celeste Herbert, Sara Pinnell, Adrienne Simpson-Brown, Tyvi Small and John Worden

Commissioners Absent: None

Approval of Minutes

The Minutes of the February 15, 2018, Board Meeting were approved as distributed upon a motion by Commissioner Small and seconded by Commissioner Hamilton.

Old Business

None

New Business

Resolution 1374, A Resolution Authorizing the Knoxville Utilities Board (“KUB”) to Implement an Ongoing Voluntary Round It Up Program to Provide Additional Funding for Low-Income Residential Weatherization in KUB’s Service Area, and Accept and Distribute Additional Voluntary Contributions to the Program

March 15, 2018

President Roach reminded Commissioners that an update on the success of KUB's Round It Up Pilot Program was presented last month. She recognized Dawn Mosteit, Vice President of Customer Service, to request approval to continue the program.

President Roach recommended adoption of Resolution 1374 on first and final reading. Her written recommendation is included in Attachment 1.

Upon a motion by Commissioner Askew and a second by Commissioner Pinnell, Resolution 1374 (*Attachment 1*) was adopted by a roll call vote on first and final reading. The following Commissioners voted "aye": Askew, Hamilton, Herbert, Pinnell, Simpson-Brown, Small and Worden. No Commissioner voted "nay".

President's Report

Cost of Service Study

President Roach reminded Commissioners that Staff committed during last year's rate discussions to conduct a cost of service study on each utility system before the consideration of rate adjustments beginning fiscal year 2021. She advised the Board that the Electric system's cost of service study has been completed and recognized Mike Bolin, Vice President of Utility Advancement, to summarize the results of the study.

Customer Counselors

President Roach advised Commissioners that KUB is unique among utility companies in that KUB has full-time customer counselors who work to help customers manage their utility bills and directing them to social agencies for other assistance as needed. She recognized Veronica Andrews, a full-time Customer Counselor and 2015 Leadership Development Program graduate, to share with the Board the work the counselors do to assist customers. She also recognized Customer Counselors, Anna Freshour and Pam Chambers who were attending the meeting and thanked them for the important work they do for KUB customers.

Environmental Update

President Roach reminded Commissioners a member of the public inquired about the status of KUB's environmental report last month. She recognized Liz Hannah, Manager of Executive Services and Environmental Stewardship, to share the highlights of the report.

March 15, 2018

Other Business

Chair Herbert reminded the Board that a 10-year plan was formally endorsed and three years of rate increases through fiscal year 2020 were adopted last year and that this year's financial workshop will focus on the fiscal year 2019 budget. The business meeting will begin at 10:00 a.m. and will be brief. Public comments will be welcome before the business meeting is adjourned. Following the conclusion of the business meeting, we will begin the fiscal year 2019 budget presentation. That session should conclude around noon and boxed lunches will be provided for Commissioners.

Public Comment

Laura Humphrey – 328 Taliwa Drive – Knoxville, TN 37920

Adjournment

There being nothing further to come before the Board, Chair Herbert declared the meeting adjourned at 1:08 p.m.



Celeste Herbert, Chair



Mark Walker, Board Secretary

Attachments

Attachment 1	Recommendation Letter and Resolution 1374 – A Resolution Authorizing the Knoxville Utilities Board (“KUB”) to Implement an Ongoing Voluntary Round It Up Program to Provide Additional Funding for Low-Income Residential Weatherization in KUB’s Service Area, and Accept and Distribute Additional Voluntary Contributions to the Program	<u>Page(s)</u> 9023 – 9025
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Knoxville Utilities Board

March 9, 2018

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

Commissioners:

In May 2015, KUB began a voluntary utility bill round up pilot program to provide additional funding for low-income home weatherization in KUB's service area. The duration of the pilot program was set for three years by the KUB Board.

During the past three years, KUB has successfully partnered with the Knoxville Knox County Community Action Committee (CAC) to administer the pilot utility bill round up program. Customer contributions have totaled \$2.2 million and provided weatherization for 178 homes. The weatherization of those homes has enabled low-income KUB customers to reduce their monthly utility bills and alleviated the strain on community utility bill payment assistance resources.

Although the pilot program has been successful, there remains a substantial need for low-income residential weatherization in KUB's service area. Therefore, it is Staff's recommendation the Board authorize the implementation of an ongoing voluntary Round It Up Program, and allow KUB to accept and distribute additional voluntary contributions to the Program.

Resolution 1374 authorizes KUB to implement an ongoing voluntary Round It Up Program to provide additional funding for low-income residential weatherization in KUB's service area, and accept and distribute additional voluntary contributions to the Program, with the Program to be administered by CAC on KUB's behalf.

I recommend the adoption of Resolution 1374 on first and final reading.

Respectfully submitted,

A handwritten signature in cursive script that reads 'Mintha E. Roach'.

Mintha E. Roach
President and CEO

RESOLUTION NO. 1374

A Resolution Authorizing the Knoxville Utilities Board (“KUB”) to Implement an Ongoing Voluntary Round It Up Program to Provide Additional Funding for Low-Income Residential Weatherization in KUB’s Service Area, and Accept and Distribute Additional Voluntary Contributions to the Program

Whereas, in 2014 the KUB Board of Commissioners (“Board”) adopted Resolution 1318, authorizing a three-year voluntary pilot utility bill round up program (“Pilot Program”) to provide funding for low-income residential weatherization in KUB’s service area; and

Whereas, KUB successfully partnered with the Knoxville-Knox County Community Action Committee (CAC), an agency with over 50 years of experience in administering weatherization programs, to administer the Pilot Program on KUB’s behalf; and

Whereas, the Pilot Program has demonstrated success in raising \$2.2 million to weatherize the homes of more than 170 low-income customers; and

Whereas, the Pilot Program has resulted in lower utility bills for those low-income customers due to more energy efficient homes, and alleviated the strain on community utility bill payment assistance resources; and

Whereas, the Pilot Program has allowed CAC to substantially increase the number of weatherization services available; and

Whereas, the Pilot Program has supported KUB’s environmental stewardship goals of promoting energy efficient homes; and

Whereas, the Pilot Program is scheduled to end in May 2018; and

Whereas, the need for weatherization assistance remains high with approximately 2,000 customers on the waiting list for CAC’s home weatherization assistance in KUB’s service area; and

Whereas, the continuation of the utility bill round up program will allow for sustainable weatherization funding for low-income residential customers, and is in the best interest of KUB and its customers; and

Whereas, based on the success of the Pilot Program, the Board desires for KUB to maintain an ongoing voluntary Round It Up Program (“Program”) to provide additional funding for low-income residential weatherization in KUB’s service area, and accept and distribute additional voluntary contributions to the Program.

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

Section 1. That the Board authorizes KUB to implement an ongoing voluntary Round It Up Program (“Program”) to provide additional funding for low-income residential weatherization in KUB’s service area, and accept and distribute additional voluntary contributions to the Program, all in accordance with state law.

Section 2. That the Program be administered by CAC on KUB’s behalf.

Section 3. That this resolution shall take effect immediately upon its passage.

Celeste Herbert/s
Celeste Herbert, Chair

Mark Walker/s
Mark Walker, Board Secretary

APPROVED ON 1st
& FINAL READING: 3-15-18
EFFECTIVE DATE: 3-15-18
MINUTE BOOK 40 PAGE 9024-9025

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