

**Knoxville Utilities Board  
Board Meeting  
Minutes  
Thursday, September 20, 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, September 20, 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.

**Roll Call**

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

Commissioners Absent: Kathy Hamilton

**Approval of Minutes**

The Minutes of the August 16, 2018, Board Meeting were approved as distributed upon a motion by Commissioner Askew and seconded by Commissioner Small.

**Public Comment**

Jim Golden – 2314 Croydon Road – Knoxville, TN 37921

Paul Laudeman – 2923 Buffat Mill – Knoxville, TN 37917

Chet Hunt – 1548 Botsford Drive – Knoxville, TN 37922

Wolf Naegeli – 4425 Balraj Lane – Knoxville, TN 37921

Jim Hackworth – 6608 Northboro Road – Knoxville, TN 37912

Jenn Galler – 816 Tully Lane – Knoxville, TN 37919

Laura Humphrey – 328 Taliwa Drive – Knoxville, TN 37920

Adam Hughs – 1119 Alexander Street, Apt. 1 – Knoxville, TN 37917

September 20, 2018

## **Old Business**

### **Resolution 1383, A Resolution Providing for a Purchased Power Adjustment for the Intended Purpose of Recovering the Cost of Wholesale Power Purchased for Resale to KUB's Customers, and Replacing the Existing Purchased Power Adjustment as Set Forth in Resolution 1065, as Amended**

President Roach recognized Mike Bolin, Vice President of Utility Advancement, to provide a presentation regarding the proposed Purchased Power Adjustment (PPA) on second and final reading.

President Roach recommended adoption of Resolution 1383 on second and final reading. Her written recommendation is included in Attachment 1.

Upon a motion by Commissioner Pinnell and a second by Commissioner Small Resolution 1383 (*Attachment 1*) was adopted by a roll call vote on second and final reading. The following Commissioners voted "aye": Askew, Herbert, Pinnell, Simpson-Brown, Small, and Worden. No Commissioner voted "nay"

## **New Business**

**None**

## **President's Report**

### **Bond Sale Results**

President Roach reminded Commissioners that the Board previously authorized the issuance of bonds to fund utility system capital improvements. She recognized Mark Walker, Senior Vice President and Chief Financial Officer, to report on the results of the sale.

Mr. Walker noted that a copy of the Official Statement describing each series of bonds was available at the meeting for public review, in addition to Form CT-0253 for each series of bonds.

### **Engineering Building Update**

President Roach recognized John Williams, Director and Assistant to the Senior Vice President and Chief Engineer, to provide an update on the construction of KUB's new Engineering building.

September 20, 2018

**Leadership Development Update**

President Roach recognized Susan Edwards, Senior Vice President and Chief Administrative Officer, who provided a presentation on KUB's Leadership Development Program.

**New Business**

**Resolution 1386 – A Resolution Honoring Mintha E. Roach, who is Concluding Service as President and Chief Executive Officer of the Knoxville Utilities Board**

Chair Herbert offered Resolution 1386 for the Board's consideration honoring Mintha E. Roach for her service as President and Chief Executive Officer of KUB. Bill Coley, Board's General Counsel, read Resolution 1386.

Upon a motion by Commissioner Askew and a second by Commissioner Pinnell, Resolution 1386 (*Attachment 2*) was adopted by a roll call vote on first and final reading. The following Commissioners voted "aye": Askew, Herbert, Pinnell, Simpson-Brown, Small, and Worden. No Commissioner voted "nay".

**Other Business**

None

**Adjournment**

There being nothing further to come before the Board, Chair Herbert declared the meeting adjourned at 1:30 p.m.



Celeste Herbert, Chair



Mark Walker, Board Secretary

**Attachments**

Attachment 1	Recommendation Letter and Resolution 1383, A Resolution Providing for a Purchased Power Adjustment for the Intended Purpose of Recovering the Cost of Wholesale Power Purchased for Resale to KUB's Customers, and Replacing the Existing Purchased Power Adjustment as Set Forth in Resolution 1065, as Amended – Second and Final Reading	<b><u>Page(s)</u></b> 9257 – 9269
Attachment 2	Resolution 1386, Honoring Mintha E. Roach, who is Concluding Service as President and Chief Executive Officer of the Knoxville Utilities Board	9270 – 9271



Knoxville Utilities Board

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September 14, 2018

Knoxville Utilities Board  
445 South Gay Street  
Knoxville, Tennessee 37902

Commissioners:

As discussed at the August Board meeting, TVA maintains a hydro-preference mechanism designed to allocate the lower power cost benefit of TVA's hydro generation to residential customers in the Tennessee Valley region.

The mechanism works by TVA providing hydro credits on KUB's monthly power bill for sales to residential customers, and debits (or charges) on the power bill for sales to non-residential customers, which are then flowed through to KUB's customers through retail electric rates.

TVA's goal is for hydro credits and debits to balance across the Valley. The current credit and debit values, which were established by TVA in 2011, are no longer in balance, as the total credits provided to residential customers exceed the total debits (or charges) received by TVA. To correct the imbalance, TVA will be increasing the value of the debits (or charges) for non-residential customers effective October 2018.

To appropriately flow-through the rebalancing to KUB's residential and non-residential electric customers, a change needs to be made to KUB's Purchased Power Adjustment (PPA). The PPA was previously adopted by the Board to automatically flow-through changes in TVA's rates/costs to KUB's electric customers. Absent Board action, the planned rebalancing will have the unintended consequence of increasing KUB's residential electric rates by approximately 0.2 percent under the current PPA.

Resolution 1383, providing for the adoption of a revised PPA, was approved by the Board on the first of two readings at the August Board meeting. Second reading will occur at the September 20 meeting. I recommend the approval of Resolution 1383 on second and final reading.

Respectfully submitted,

A handwritten signature in cursive script that reads "Mintha Roach".

Mintha E. Roach  
President and CEO

## RESOLUTION NO. 1383

**A Resolution Providing for a Purchased Power Adjustment for the Intended Purpose of Recovering the Cost of Wholesale Power Purchased for Resale to KUB's Customers, and Replacing the Existing Purchased Power Adjustment as Set Forth in Resolution 1065, as Amended**

**Whereas**, the Knoxville Utilities Board ("KUB") purchases electric power on the wholesale market for resale to its retail customers; and

**Whereas**, KUB presently purchases its entire power supply requirements from the Tennessee Valley Authority ("TVA"); and

**Whereas**, hydro generation represents approximately 10 percent of TVA's total sources of electric power generation; and

**Whereas**, TVA has assigned the benefit of hydro generation to residential customers in the Tennessee Valley region; and

**Whereas**, hydro generation credits are included in rates for residential electric customers and off-setting hydro generation debits are included in rates for non-residential electric customers; and

**Whereas**, TVA has recommended a rebalance of the hydro credit and debit amounts across the Valley which may affect the hydro adjustment amounts currently included in residential and non-residential rates; and

**Whereas**, the Knoxville Utilities Board of Commissioners ("Board") previously adopted Resolution 1065, as amended, establishing a Purchased Power Adjustment for recovering the cost of wholesale power purchased for resale to KUB's customers; and

**Whereas**, it is recommended the Board revise the Purchased Power Adjustment to allocate changes in the hydro credits and debits to the appropriate rates for cost recovery; and

**Whereas**, additional changes are recommended to the Purchased Power Adjustment for language updates; and

**Whereas**, it is in the best interest of KUB and its customers for KUB to adopt the Purchased Power Adjustment set forth in this Resolution

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

## Section 1

That the Purchased Power Adjustment previously established in Resolution 1065, as amended, shall be deleted in its entirety and replaced with the Purchased Power Adjustment as set forth below.

## Section 2

That the Rate Schedules of the Electric Division of the Knoxville Utilities Board (KUB) shall be adjusted as follows:

### PURCHASED POWER ADJUSTMENT

#### I. Provision for Adjustment

The electricity rates per kWh, per kW or per customer account billed as set forth in the Rate Schedules of the Electric Division (Division) shall be increased or decreased by amounts hereinafter described, which amounts are called the "Purchased Power Adjustment" or the PPA.

#### II. Intent and Application to Various Purchases

(a) This Purchased Power Adjustment is intended to assure that KUB recovers on an equitable basis the total cost of electricity purchased for delivery to its electricity sales customers. The PPA is further intended to assure that no excess or deficiency in cost recovery from KUB's electric customers occurs.

(b) The PPA anticipates various costs of purchased power for the general distribution system including, but not limited to:

1. the cost of energy purchased
2. the cost of power demanded
3. the amount of hydro preference adjustment

#### III. Definitions

The following definitions shall apply to the terms as used in this Section. Any term used in this Section that is not otherwise defined in this Section shall have the meaning customarily ascribed to that term in the electric industry.

(a) Adjustment period – the twelve-month period beginning with the Effective Date of the Purchased Power Adjustment

(b) Base Rates of Purchased Power are:

1. Standard Service Base Rates – as set forth in Appendix A to this resolution
    - i. Demand kW Base Rate – the components designed to recover the cost of demand through Demand kW Sales
    - ii. Demand kWh Base Rate – the components designed to recover the cost of demand through Demand kWh Sales
    - iii. Energy kWh Base Rate – the components designed to recover the cost of energy purchased through Energy kWh Sales
    - iv. Residential Customer Hydro Credit – the component designed to allocate the customer based hydro credit to each eligible residential customer account billed
    - v. Hydro Energy Credit – the components designed to allocate the wholesale hydro energy credit to applicable Energy Sales
    - vi. Hydro Energy Debit – the components designed to allocate the wholesale hydro energy debit to applicable Energy Sales
  2. Manufacturing and General Power Service Cost Components – the wholesale base rates as set forth in the current wholesale rate schedules from Supplier plus an historical average for distribution losses
- (c) Base Retail Electric Rates – the retail rates per kWh or kW of electricity use or power demanded, or per customer account billed, exclusive of PPA components
- (d) Billing Determinants – average Standard Service units billed to KUB by its Supplier during the Computation Period, adjusted for known and measurable changes
1. Demand Billing Determinants – average Standard Service kW
  2. Energy Billing Determinants – average Standard Service kWh
  3. Residential Customer Hydro Credit – the sum of eligible residential customer accounts billed during KUB's most recently completed fiscal year
  4. Hydro Energy Credit – average kWh used to calculate the hydro adjustment *credited* to KUB



5. Hydro Energy Debit – average kWh used to calculate the Hydro adjustment *debited* to KUB
- (e) Change in Purchased Power Cost = Projected Purchased Power Cost less Power Cost Recovery (As follows):
1. Change in Demand Cost = Projected Demand Cost less Demand Cost Recovery
    - i. Change in Demand Cost kW = Change in Demand Cost x (Demand kW Power Cost Recovery/Demand Cost Recovery)
    - ii. Change in Demand Cost kWh = Change in Demand Cost x (Demand kWh Power Cost Recovery/Demand Cost Recovery)
  2. Change in Energy Cost = Projected Energy Cost less Energy Cost Recovery
  3. Change in Residential Customer Hydro Credit Cost = Projected Residential Customer Hydro Credit Cost less Residential Customer Hydro Credit Cost Recovery
  4. Change in Hydro Energy Credit Cost = Projected Hydro Energy Credit Cost less Hydro Energy Credit Cost Recovery
  5. Change in Hydro Energy Debit Cost = Projected Hydro Energy Debit Cost less Hydro Energy Debit Cost Recovery
- (f) Computation Period – the thirty-six (36) month period utilized to compute historical volumes purchased from Supplier and billed to customers. Such period shall be the thirty-six (36) month period ending on the last day of the fiscal year which is not more than ninety-three (93) days prior to the proposed Effective Date, as hereinafter defined, which month shall be determined by KUB based upon the availability of the needed information
- (g) Computation Period Sales – historic volumes billed to customers adjusted for known and measurable changes
1. Demand kW Sales – the sum of the average power demanded (kW) metered to Standard Service customers
  2. Demand kWh Sales – the sum of the average volumes of electricity having a demand component (kWh) metered to Standard Service customers
  3. Energy kWh Sales – the sum of the average volumes of electricity (kWh) metered to Standard Service customers

4. Residential Customer Hydro Credit Sales – the sum of eligible residential customer accounts billed in the most recent KUB fiscal year
  5. Hydro Energy Credit Sales – the sum of the average volumes to which the wholesale hydro energy credit applies, expressed in kWh, metered to eligible residential customers
  6. Hydro Energy Debit Sales – the sum of the average volumes to which the wholesale hydro energy debit applies, expressed in kWh, metered to Standard Service customers
- (h) Manufacturing and General Power Service – power and energy sold and billed to KUB under any classification other than Standard Service
- (i) Power Cost Recovery – the Projected Purchased Power Cost recovery during the Adjustment Period using the Base Rates. The Power Cost Recovery shall be calculated as follows:
1. Demand Cost Recovery – the sum of the Demand kW Power Cost Recovery and the Demand kWh Power Cost Recovery as described below:
    - i. Demand kW Power Cost Recovery = Demand kW Base Rates (\$) x Demand kW Sales (kW)
    - ii. Demand kWh Power Cost Recovery = Demand kWh Base Rates (\$) x Demand kWh Sales (kWh)
  2. Energy Cost Recovery = Energy kWh Base Rates (\$) x the sum of Energy kWh Sales (kWh)
  3. Residential Customer Hydro Credit Cost Recovery = Residential Customer Hydro Credit (\$) x Residential Customer Hydro Credit Sales (#)
  4. Hydro Energy Credit Cost Recovery = Hydro Energy Credit (\$) x Hydro Energy Credit Sales (kWh)
  5. Hydro Energy Debit Cost Recovery = Hydro Energy Debit (\$) x Hydro Energy Debit Sales (kWh)
- (j) Projected Purchased Power Cost – the Purchased Power Costs projected to be incurred by the Division during the Adjustment Period. The Purchased

Power Costs shall be based on the best information available to KUB and shall have categories as follows:

1. Projected Demand Cost = all projected Purchased Power Demand Costs including, but not limited to, Demand Billing Determinants x the appropriate Supplier Rates
2. Projected Energy Cost = all projected Purchased Power Energy Costs including, but not limited to, Energy Billing Determinants x the appropriate Supplier Rates
3. Projected Residential Customer Hydro Credit Cost = Residential Customer Hydro Credit Billing Determinants x the appropriate Supplier Rates
4. Projected Hydro Energy Credit Cost = Hydro Energy Credit Billing Determinants x the appropriate Supplier Rates
5. Projected Hydro Debit Cost = Hydro Energy Debit Billing Determinants x the appropriate Supplier Rates

(k) Purchased Power Costs – the total cost paid or to be paid to Supplier in connection with the purchase of electricity for the Division. Purchased Power Costs are segregated into categories as follows:

1. Purchased Power Demand Costs – all Purchased Power Costs related to and varying with power demanded (i.e. kW)
2. Purchased Power Energy Costs – Purchased Power Costs, including both fuel and non-fuel components of electricity, and excluding calculation of Hydro Energy Debits and Hydro Energy Credits, related to and varying with energy consumption (i.e. kWh)
3. Purchased Power Residential Customer Hydro Credit Costs – all Purchased Power costs calculated as a credit based on number of eligible residential accounts billed
4. Purchased Power Hydro Energy Credit Costs – all Standard Service Purchased Power costs calculated as a credit based on eligible Hydro Energy Credit volumes (i.e. kWh)
5. Purchased Power Hydro Energy Debit Costs – all Standard Service Purchased Power costs calculated as a debit based on eligible Hydro Energy Debit volumes (i.e. kWh)

All other costs not directly attributable to one of the categories described above shall default to Purchased Power Energy Costs.

All costs not attributable to Manufacturing and General Power Service shall default to Standard Service.

(l) Standard Service – power and energy taken by KUB from Supplier for resale to customers and billed to KUB by Supplier at Standard Service wholesale rates

(m) Supplier – any entity that sells electricity to the Division

(n) Supplier Rates – the Supplier's rates which are known or if not known which are reasonably anticipated to be in effect on the first day of the Adjustment Period

IV. Seasonal periods shall be determined as defined in the retail rate schedules of KUB's Electric Division.

V. Computation of the Purchased Power Adjustment Components

All change in costs which can be directly attributed to specific customer classes shall be recovered from those customer classes; where change in costs cannot be directly attributed to specific customer classes those costs shall be divided over all Standard Service demand or energy sales as applicable.

Where change in costs cannot otherwise be directly attributed, the change in costs shall be divided over applicable Energy kWh Sales.

The components of the Purchased Power Adjustment shall be computed and rounded to the nearest hundredth of a cent per kWh, with five thousandths of a cent to be increased to the next higher hundredth of a cent, for adjustments affecting kWh; and computed and rounded to the nearest cent per kW, with five tenths of a cent to be increased to the next higher cent, for adjustments affecting kW, as follows:

(a) Demand kW Component =  $\frac{\text{Change in Demand Cost kW}}{\text{Demand kW Sales}}$

(b) Demand kWh Component =  $\frac{\text{Change in Demand Cost kWh}}{\text{Demand kWh Sales}}$

(c) Energy Component =  $\frac{\text{Change in Energy Cost}}{\text{Energy kWh Sales}}$

(d) Residential Customer Hydro Credit Component =  $\frac{\text{Change in Residential Customer Hydro Credit Cost}}{\text{Hydro Energy Credit Sales}}$

- (e) Hydro Energy Credit Component = Change in Hydro Energy Credit Cost/Hydro Energy Credit Sales
- (f) Hydro Energy Debit Component = Change in Hydro Energy Debit Cost/Hydro Energy Debit Sales
- (g) Manufacturing and General Power Service Energy Component - Any energy rate per kilowatt hour (kWh) set forth in the current wholesale rate schedules for any rate schedule of the Electric Division duly adopted by the Board for Manufacturing and General Power Service subsequent to this resolution shall be increased or decreased, as applicable, by an amount equivalent to the increase or decrease for the wholesale energy rate for each respective rate schedule, plus an amount to provide for any change in distribution loss charges due to an increase or decrease in the respective wholesale energy rate
- (h) Manufacturing and General Power Service Demand Component - Any demand rate per kilowatt (kW) set forth in the current wholesale rate schedules for any rate schedule of the Electric Division duly adopted by the Board for Manufacturing and General Power Service subsequent to this resolution shall be increased or decreased, as applicable, by an amount equivalent to the increase or decrease in the wholesale demand rate for each respective rate schedule, plus an amount to provide for any change in distribution loss charges due to an increase or decrease in the respective demand rate

VI. Application and Effective Date of the Purchased Power Adjustment

(a) The Purchased Power Adjustment shall consist of the following:

1. Standard Service Demand kW Purchased Power Adjustment – the Demand kW Component
2. Standard Service Demand kWh Purchased Power Adjustment – the Demand kWh Component
3. Standard Service Energy Purchased Power Adjustment – the Energy Component
4. Residential Hydro Credit Purchased Power Adjustment – the Residential Customer Hydro Credit Component and the Hydro Energy Credit Component
5. Hydro Energy Debit Purchased Power Adjustment – the Hydro Energy Debit Component

6. Manufacturing and General Power Service Purchased Power Adjustment – the sum of the Manufacturing and General Power Service Demand Component and the Manufacturing and General Power Service Energy Component

(b) Each Purchased Power Adjustment shall apply to billing periods beginning on or after the Effective Date of such adjustment.

1. The Standard Service Demand kW Purchased Power Adjustment shall be added to or deducted from, as appropriate, the Base Retail Electric Rates for Rate Schedule GSA, and for any other rate schedule designated for Standard Service of the Electric Division, duly adopted by the Board subsequent to this resolution.
2. The Standard Service Demand kWh Purchased Power Adjustment shall be added to or deducted from, as appropriate, the Base Retail Electric Rates for Rate Schedules RS, GSA, LS, and for any other rate schedule designated for Standard Service of the Electric Division, duly adopted by the Board subsequent to this resolution.
3. The Standard Service Energy Purchased Power Adjustment shall be added to or deducted from, as appropriate, the Base Retail Electric Rates for Rate Schedules RS, GSA, LS, and for any other rate schedule designated for Standard Service of the Electric Division, duly adopted by the Board subsequent to this resolution.
4. The Residential Hydro Credit Purchased Power Adjustment shall be added to or deducted from, as appropriate, the Base Retail Electric Rates for Rate Schedule RS.
5. The Hydro Energy Debit Purchased Power Adjustment shall be added to or deducted from, as appropriate, the Base Retail Electric Rates for any rate schedule, other than Rate Schedule RS, designated for Standard Service of the Electric Division.
6. The Manufacturing and General Power Service Purchased Power Adjustment shall be added to or deducted from, as appropriate, the Base Retail Electric Rates for rate schedules other than those designated for power and energy sold under Standard Service.

(c) The Purchased Power Adjustment shall be computed as of and shall take effect on the first day of each calendar month (the "Effective Date").

- (d) Each computation of the Purchased Power Adjustment shall be promptly filed with the Chief Financial Officer and shall be accompanied with appropriate documentation supporting the calculation of the Purchased Power Adjustment.

#### VII. Purchased Power Accounting

- (a) To appropriately match revenues with the cost of purchased power as contemplated under this PPA, KUB shall originally record Purchased Power Costs as debit entries in the "Unrecovered Purchased Power" account. Monthly KUB shall debit the appropriate subaccount(s) of "Other Power Supply Expenses" with an amount equal to the product obtained by multiplying the appropriate power cost components (the sum of the Base Rates of Purchased Power and the current applicable Purchased Power Adjustment) by the appropriate sales billed to customers. The corresponding monthly credit entry shall be made to the "Unrecovered Purchased Power Cost" account.
- (b) The "Unrecovered Purchased Power Cost" account shall be subclassified into appropriate subaccounts, but at a minimum separate subaccounts shall be maintained for demand, energy, residential customer hydro credit, hydro energy credit, and hydro energy debit categories of the Purchased Power Costs.
- (c) If it cannot be determined which subaccount should be debited, the energy subaccount will be debited.

#### VIII. Adjustment for Over or Under Recovery of Standard Service Purchased Power Cost

- (a) To permit amortization of the accumulated balance in the "Unrecovered Purchased Power Cost" account, KUB shall include on August 1 of each year the June 30 balance of the "Unrecovered Purchased Power Cost" account for such year in the calculation of the Standard Service Purchased Power Adjustment. This balance shall be included in each monthly calculation of the Standard Service Purchased Power Adjustment commencing on August 1 and thereafter until the following August 1 at which time it shall be superseded by the then current June 30 balance.
- (b) The "Unrecovered Purchased Power Cost" balance shall be segregated into demand, energy, hydro energy credit, and hydro energy debit categories, and shall be added to or deducted from, as appropriate, the applicable Demand Costs, Energy Costs, Hydro Energy Credits, and Hydro Energy Debits included in the Standard Service Purchased Power Adjustment.

IX. Annual Reporting

Annually KUB shall retain an independent consultant to audit the transactions in the "Unrecovered Purchased Power Cost" account and the related Standard Service Purchased Power Adjustment calculations to verify that the procedures and intent of this Standard Service Purchased Power Adjustment are being followed. The independent consultant shall report his or her findings to The Board's Audit and Finance Committee.

**Section 3.**

**REPLACEMENT OF CONFLICTING RESOLUTIONS**

That the provisions of this Resolution shall supersede and replace any provisions of Resolution No. 1065, as amended, which are in conflict herewith; provided, however, such replacement shall not affect any right accrued or service rendered prior to the effective date of this Resolution.

**Section 4.**

**EFFECTIVE DATE**

That this Resolution shall take effect October 1, 2018.

Celeste Herbert/s  
Celeste Herbert, Board Chair

Mark Walker/s  
Mark Walker, Board Secretary

APPROVED ON 1<sup>st</sup>  
READING: 8-16-18  
APPROVED ON 2<sup>nd</sup>  
READING: 9-20-18  
EFFECTIVE DATE: 10-1-18  
MINUTE BOOK 40 PAGE 9258-9269



**RESOLUTION 1383  
APPENDIX A**

**BASE RATES OF PURCHASED POWER  
STANDARD SERVICE**

	Summer	Winter	Transition
<b>Residential Credit Eligible kWh</b>			
demand kWh base	0.01975	0.01935	0.01935
energy kWh base	0.05462	0.05462	0.05462
hydro energy credit	-0.00297	-0.00297	-0.00297
<b>Residential Customer Hydro Credit</b> As Stated in Current Effective Wholesale Contract			
<b>Residential Debit Eligible kWh</b>			
demand kWh base	0.01975	0.01935	0.01935
energy kWh base	0.04886	0.04886	0.04886
hydro energy debit	0.00279	0.00279	0.00279
<b>GSA1 kWh</b>			
demand kWh base	0.02383	0.02342	0.02342
energy kWh base	0.05533	0.05533	0.05533
hydro energy debit	0.00279	0.00279	0.00279
<b>GSA2</b>			
<b>1st 15,000 kWh</b>			
demand kWh base	0.01990	0.01949	0.01949
energy kWh base	0.05926	0.05926	0.05926
hydro energy debit	0.00279	0.00279	0.00279
<b>additional kWh</b>			
demand kWh base	0	0	0
energy kWh base	0.05033	0.05033	0.05033
hydro energy debit	0.00279	0.00279	0.00279
<b>&gt;50kW</b>			
demand kW base	9.04	8.25	8.25
energy kWh base	0	0	0
<b>GSA3</b>			
<b>kWh</b>			
demand kWh base	0	0	0
energy kWh base	0.05033	0.05033	0.05033
hydro energy debit	0.00279	0.00279	0.00279
<b>0-1000 kW</b>			
demand kW base	9.41	8.65	8.65
energy kWh base	0	0	0
<b>&gt;1000 kW</b>			
demand kW base	11.57	10.81	10.81
energy kWh base	0	0	0
<b>LS kWh</b>			
demand kWh base	0.00375	0.00375	0.00375
energy kWh base	0.04013	0.04013	0.04013
hydro energy debit	0.00279	0.00279	0.00279

## RESOLUTION NO. 1386

### A RESOLUTION HONORING MINTHA E. ROACH, WHO IS CONCLUDING SERVICE AS PRESIDENT AND CHIEF EXECUTIVE OFFICER OF THE KNOXVILLE UTILITIES BOARD

**Whereas**, Mintha E. Roach has served faithfully as President and Chief Executive Officer (CEO) of KUB for fifteen years and as a KUB employee for twenty-six years; and

**Whereas**, she is the first woman to hold this position in KUB's seventy-nine-year history; and

**Whereas**, Mintha joined KUB in 1992 following her tenure as Director of the Knoxville Civil Service Merit Board, serving as Manager of Human Resources and Chief Administrative Officer before her appointment as President and CEO; and

**Whereas**, throughout her career at KUB, Mintha has embodied the values reflected in the KUB Blueprint to serve KUB's customers, improving their quality of life by providing utility services that are safe, reliable and affordable; and

**Whereas**, she inspired positive and significant change in KUB's safety culture and prioritized safety of the public and employees as KUB's highest ethical responsibility; and

**Whereas**, with her commitment to meet the needs of KUB's customers now and in the future, the Century II Infrastructure Management program was established to ensure sustainable lifecycle asset replacement for all four utility systems; and

**Whereas**, with her leadership, KUB is recognized for giving back to the community it serves, with implementation of programs during her tenure including Round It Up to assist income-limited customers, and Vol Time, through which employees provide hundreds of hours of volunteer service to community organizations; and

**Whereas**, she has led by example in serving others and has devoted herself to community service activities including with the United Way, the YWCA of Knoxville and the Tennessee Valley, Volunteer Ministry Center, Friends of Literacy, the Girl Scouts of America, the University of Tennessee, and many others too numerous to mention; and

**Whereas**, her definition of KUB's stewardship responsibilities has included a commitment to the environment, resulting in KUB being a leader in green power, efficiency improvements in KUB's operations, and use of clean fuels in KUB's fleet; and

**Whereas**, her leadership has included a focus on workforce diversity, establishment of the Leadership Development Program, and succession planning to ensure the future success of KUB for the benefit of its customers beyond her tenure as President and CEO; and

**Whereas**, her positive contribution to the community is recognized far beyond KUB, with awards from the YWCA's Tribute to Women, the University of Tennessee's College of Business Administration, Leadership Knoxville, and Junior Achievement of East Tennessee, among many other honors; and

**Whereas**, this Board and KUB's employees have deep and sincere respect, admiration, and appreciation for all that Mintha has given and accomplished to serve others.

**NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF THE KNOXVILLE UTILITIES BOARD:**

**Section 1.** That this Board gratefully acknowledges and celebrates the dedicated service and accomplishments of Mintha E. Roach and her leadership at KUB for the good of the community, and the legacy she leaves us all by virtue of her commitment and service.

**Section 2.** That this Board genuinely regrets that her tenure as President and CEO is concluding.

**Section 3.** That this Resolution shall take effect from and after its passage and that copy shall be provided to Mintha.

Celeste Herbert/s  
Celeste Herbert, Chair

Jerry Askew/s  
Jerry Askew, Vice Chair

Kathy Hamilton/s  
Kathy Hamilton, Commissioner

Sara Pinnell/s  
Sara Pinnell, Commissioner

Adrienne Simpson-Brown/s  
Adrienne Simpson-Brown, Commissioner

Tyvi Small/s  
Tyvi Small, Commissioner

John Worden/s  
John Worden, Commissioner

APPROVED ON 1<sup>st</sup>  
& FINAL READING: 9-20-18  
EFFECTIVE DATE: 9-20-18  
MINUTE BOOK 40 PAGE 9270-9271

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