



**Community Advisory Panel
Meeting Minutes for January 5, 2023**

Members attending the meeting:

Mark Campen, Tiki Dixon, Erin Gill, Barbara Kelly, Terry Ledford, Gwen McKenzie, Kent Minault, David Myers, Mike Odom, Haseeb Qureshi

Others in attendance:

Facilitator: Dawn Ford

KUB Staff: Susan Edwards, Mark Walker

KUB Board Members: Kathy Hamilton

New Business

The Community Advisory Panel met at 3:00 p.m. on January 5, 2023 at the City of Knoxville Public Works Building (3131 Morris Avenue), which is the location of KUB's community solar project.

Dawn Ford welcomed the panel members and acknowledged Kathy Hamilton, KUB Commissioner, who was in attendance. She shared that Gabe Bolas, KUB President & CEO, asked her to let the panel know he had planned to attend today's meeting but was delayed in traveling back from a meeting in Nashville.

Ms. Ford asked if anyone had corrections to the November meeting minutes. There were no corrections, and the panel approved the minutes.

Ms. Ford explained the purpose of today's meeting was to provide updates to the panel on a couple of items and then discuss KUB's community solar project.

Ms. Ford introduced Mark Walker, Senior Vice President and Chief Financial Officer, to update the panel on outreach for the weatherization assistance program as this is a topic for which the panel recently provided input. Mr. Walker provided an update on KUB's partnership with SEED, SACE, Sierra Club, and ThreeCubed, which is kicking off this month. The partnership will include 10 workshops, neighborhood canvassing, and other efforts to help raise program awareness and assist eligible customers with applications. He noted that since July, 140 homes have been weatherized, and there are about 250 homes in the que for assistance through the weatherization programs. Mr. Walker thanked Terry Ledford for his assistance in sharing information about the programs with employees at University of Tennessee who may be eligible to apply.

Haseeb Qureshi asked how long it takes for a home to be weatherized. Chasity Hobby, KUB Environmental Program Lead, said it depends on the extent of work needed but the process to evaluate the home and complete the work typically takes a few months.

Gwen McKenzie noted the importance of the program especially during times with extreme cold temperatures such as our area recently experienced.

Kent Minault said he followed up with Molly Cripps with the State of Tennessee, and she is planning to host some sessions in the future to share information about funding opportunities that may be relevant for weatherization programs.

Ms. Ford referenced the “parking lot” for panel member comments that are to be addressed at a future time. She noted one of these items is evaluation of the Inflation Reduction Act (IRA), and she recognized Mr. Walker to provide an update to the panel. He shared that KUB has enlisted a professional consultant to research the IRA. He noted this research will occur over the next couple of months and include review of funding opportunities for KUB initiatives, such as community solar, battery storage and other sustainability projects, as well as what incentives and rebates may be available for KUB customers.

Terry Ledford asked who the consultant is, and Mr. Walker confirmed it is West Monroe.

Erin Gill noted that it is important to include opportunities for nonprofits and that the City of Knoxville would be interested in partnering with KUB on outreach.

Ms. Ford introduced Chasity Hobby, KUB’s Environmental Program Lead, to share an overview of KUB’s community solar project. She noted Ms. Hobby would be available after the meeting to escort any panel members who would like to take a closer look at the solar array.

Ms. Hobby noted the project is a partnership with TVA and the City of Knoxville, and it is scheduled to begin generating electricity within the next week. She noted the project’s groundbreaking was in April. She expressed appreciation to the City for making the project possible by hosting it on their property. She explained the site is approximately 3.5 acres, and it is a former industrial site which is ideal for solar production as it cannot be used for many other purposes due to contamination of the site. She noted the solar project is one megawatt in size that consists of 2,000 panels and will produce enough power for approximately 100 homes. She described how community solar projects work and how they provide individuals an option to support solar production without owning or operating their own solar arrays. She explained customers will be able to subscribe to shares of the site and receive a bill credit for the energy produced by their shares.

Ms. Hobby explained that KUB is seeking input from the panel related to marketing the program and encouraging subscriptions. There will be 2,000 shares available, and customers may subscribe for multiple shares for \$5 per share. She explained the cost of

the project and the average bill credit customers can expect to receive per share (i.e., \$3.61 per share). She explained the credit will vary based on production of the panels, which is affected by weather. She noted the program is not expected to save money on customer bills, but it provides a way for customers to support local solar. The program is expected to open for subscriptions in April. Ms. Hobby explained KUB is monitoring funding opportunities from the IRA that could benefit the project economics. She also noted the project economics are similar to other projects in the Tennessee Valley.

Tiki Dixon asked about the estimated return on investment for the project. Mark Walker said it is 20 years. Erin Gill asked how that may change if KUB receives federal funding. Mr. Walker explained if KUB received a 30% federal credit, there is potential for customers to have no monthly charge or even to receive a positive credit in some months. He noted this is based on a lot of assumptions.

Mark Campen asked about the project's impact on pollution reduction. He suggested if customers understand the environmental benefit, they may be willing to subscribe to the program even if there is a cost. Ms. Hobby described the carbon reduction estimates for the project, which are noted on the handout shared with the panel.

Mr. Qureshi suggested it may be beneficial to market to customers who have an interest in investing in solar at their own homes and communicate this is a way to connect to solar immediately.

Ms. McKenzie asked what the typical cost is to install solar. Kent Minault explained various factors that affect the cost. Ms. Gill said it varies and a minimum of \$10,000 can be expected. Ms. McKenzie suggested communicating to customers the costs and benefits of investing in community solar versus installing solar at their own homes.

Mr. Dixon noted customers who own solar arrays at their properties would also have ongoing maintenance costs. He inquired about the amount of maintenance costs. Mr. Walker could not recall the amount for KUB's project but said this cost is factored into KUB's financial model for the project.

Mike Odom asked about the minimum subscription requirements, such as the length of time. Ms. Hobby explained there is no commitment and customers can enroll for any length of time, however, if they unenroll, they must wait 12 months to enroll again.

Kent Minault asked how many panels there are, who owns the panels, and what happens to the energy if no one subscribes. Ms. Hobby explained KUB owns the panels and the City owns the land. She explained there are 2,000 shares, and that the City has committed to purchasing 25% of the shares to help make the project successful. She explained for any shares that are not subscribed, KUB pays for those and the energy remains on KUB's system.

Mr. Qureshi asked how many total customers KUB has. Mr. Walker confirmed it is around 210,000 customers. Mr. Qureshi indicated it seems like the project would be fully subscribed quickly, but he asked what are KUB's thoughts on this.

Ms. Hobby explained KUB currently has an interest list for the project that includes about 480 customers. She said she thinks the subscriptions will be based on economics, and if KUB receives funding to improve the economics, she feels subscriptions will be higher.

Mr. Qureshi suggested it may be best to not change the economics after information has been shared with customers. He asked what KUB will do if the project is fully subscribed immediately and customers are interested in more availability.

Mr. Walker explained there are other similar community solar projects across the Valley that are not close to full subscription. Mr. Qureshi asked how those projects compare to KUB's, and Ms. Hobby confirmed they are very similar.

Terry Ledford asked how many KUB customers participate in Green Power Switch. Ms. Hobby confirmed it is approximately 2,000 customers.

Erin Gill asked how the project economics may change if the cost for TVA power changes. Ms. Hobby explained there would be no change because this project has a 20-year power purchase agreement with TVA with fixed pricing.

Ms. Gill noted programs like Green Switch may close at any time whereas customers can have confidence that this project will be available for the 20 year life of the project.

Ms. Gill asked for feedback from the panel regarding the City's subscription if the program ends up being fully subscribed (e.g., do the panel members feel the City should end its subscription to allow more customers to enroll or maintain its subscription?). Mr. Qureshi said he feels the City should end its subscription and allow individual customers to subscribe because that is more meaningful. Mr. Minault said he feels the City should continue the subscription, but KUB and the City should develop more programs to allow more opportunities for customers to participate. He suggested considering a program where customers can have rooftop solar at their properties but KUB would own the panels and rent the property from the customers. He noted the City of Paris mandated that all parking lots of a certain size have a solar canopy. He said he feels a higher number of KUB customers will be interested in this program than may be the case in other areas.

Mr. Qureshi suggested KUB should include more information in marketing about why customers should participate. Ms. Ford asked about the timeline for marketing the program. Ms. Hobby explained KUB has some information about the project available for customers now, and KUB plans to market the program more heavily when subscriptions are available. Mr. Qureshi suggested that KUB communicate the program is first-come, first served, if this is accurate. Ms. Hobby noted KUB plans to open subscriptions for residential customers for a month before opening to commercial and industrial customers to ensure residential customers have opportunity to enroll. Mr. Qureshi said he felt this is a good idea.

Ms. McKenzie asked about KUB's thoughts on a next phase for community solar, including possible partnerships with the City and industrial or business customers.

Ms. Hobby talked about KUB looking at TVA's power supply flexibility offering as a future opportunity. She said KUB's goal is to have as much large scale solar as possible. Mr. Walker confirmed KUB is actively working with TVA on future options and that availability of land is a constraint.

Ms. Gill talked about the land this project is hosted on being a former industrial site and having a TVA right-of-way on it. She noted there may be other land like this in the area that could host solar for a low cost.

Mr. Dixon suggested completing a study of brownfield properties and surveying property owners to determine if there may be land available to lease. Mr. Campen suggested surveying land that has power lines crossing it that could host solar.

Mr. Qureshi inquired about the possibility of KUB adding staff to the sustainability program to have more resources to explore options and communicate with customers. Mr. Walker confirmed KUB has recently had this conversation due to the amount of interest and KUB's commitment to sustainability. Mr. Qureshi suggested setting a frequency for updates to the Board on the community solar participation.

Kathy Hamilton, KUB Commissioner, spoke about the Board's consideration of all of the projects that need to be funded as well as workforce needs and the Board's commitment to balance all of the things needed to meet the various needs of KUB's customers. Mr. Walker noted he does not feel KUB is going to lose momentum. He mentioned KUB's increased investment in the Green Invest solar program.

Erin Gill asked about Renewable Energy Credits (RECs). Ms. Hobby confirmed KUB will provide annual statements to customers to confirm the RECs generated by their shares. She also noted the option for customers to donate their credit to Project Help and KUB will provide an annual statement for these charitable contributions.

Mr. Campen asked how KUB selected Solar Alliance as the contractor for the project. Ms. Hobby explained the competitive bid process used for the project.

Ms. Ford asked if the panel had other thoughts or questions related to community solar. She then talked with the panel about the meeting schedule and suggested the panel meet every other month. She suggested the next meeting be on March 2, 2023 from 3:00 – 4:30 p.m. There were no objections.

Ms. Ford explained the next meeting topic will be customer notifications, as KUB has several different purposes for sending customer notifications and the recent weather events make this a timely topic.

Mr. Qureshi inquired about his past suggestion for KUB's Board to have a regular agenda item related to input from the panel. Ms. Gill suggested there be some opportunity for the panel to agree on what input is to be shared.

Ms. McKenzie expressed appreciation for the KUB Board members who attend the panel meetings. She asked if the panel may receive examples of KUB's customer notifications in advance of the March meeting, and Ms. Ford confirmed this will be shared.

Ms. Ford invited panel members who were interested in viewing the solar array more closely to walk out to view it with Ms. Hobby.

The meeting adjourned at 4:11 p.m.