



December 16, 2021

# Purchased Power Adjustment (PPA) Amendment

## Resolution 1448 (Second Reading)



# Resolution 1448 – Second Reading

- Amends the Purchased Power Adjustment (PPA) to exclude Pandemic Recovery Credits from TVA for the period October 2021 through September 2022

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December 16, 2021

# Payments In Lieu of Taxes

Resolution 1449



# FY 2022 Payments In Lieu of Taxes (PILOTs)

- FY 2022 payments = \$32,447,067
- Decrease of \$22,036
- Reflects decreases in combined tax and equalization rates
- \$2.8M under budget

# PILOTs Governance

	Established by	Approved by	Basis	Paid
Water & Wastewater	City Charter	KUB Board	Net Plant Value	February
Electric & Gas	State Law	KUB Board & City Council	Net Plant Value & Avg. Operating Margin	June

# FY 2022 PILOTs Down \$22,000

	FY 2022	FY 2021	Change
Electric	\$16,791,348	\$16,891,189	(\$99,841)
Gas	7,082,386	7,166,619	(84,233)
Water	3,446,015	3,528,135	(82,120)
Wastewater	5,127,318	4,883,160	244,158
Total	<b>\$32,447,067</b>	<b>\$32,469,103</b>	<b>(\$22,036)</b>

# Payments by Jurisdiction

	FY 2022	FY 2021	\$ Change	% Change
City of Knoxville	\$21,305,955	\$21,003,825	\$302,130	1.4%
Knox County	10,115,542	10,467,779	(352,237)	(3.4%)
Union County	369,292	381,883	(12,591)	(3.3%)
Sevier County	369,386	318,398	50,988	16.0%
Grainger County	176,924	174,002	2,922	1.7%
Jefferson County	84,171	95,058	(10,887)	(11.5%)
Blount County	9,900	15,107	(5,207)	(34.5%)
Anderson County	14,488	11,515	2,973	25.8%
Loudon County	1,409	1,536	(127)	(8.3%)
Total	<b>\$32,447,067</b>	<b>\$32,469,103</b>	<b>(\$22,036)</b>	<b>(.1%)</b>



# Resolution 1449

## (Electric and Gas PILOTs)

- Requests City Council set electric and gas tax equivalent payments for FY 2022 and provide for their distribution
- Total payments = \$23,873,734

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December 16, 2021

# Proposed Fiber Budget Amendment

Resolution 1450



# Proposed Amended FY 22 Fiber Division Budget

- Board previously approved \$6 million Fiber budget for FY 22
- Recommend adding \$4M to FY 22 Fiber budget
- Covers for acceleration of purchase of internet address licenses
- Save costs over the long-term
- Future budgets in FY 23 and FY 24 will be reduced

Cost	Amount (\$)
Staffing	\$1.3M
Electronics (capital)	\$0.9M
Access fees to Electric	\$0.5M
Advertising	\$0.4M
Billing software	\$0.4M
Interest on loan	\$0.2M
IP addresses	\$3.6M
All other	\$2.3M ► \$2.7M
<b>Total</b>	<b>\$10.0M</b>

# Resolution 1450

- Increases FY 22 Fiber budget appropriations by \$4 million
- Appropriations expire June 30, 2022

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December 16, 2021

# Employee Excellence Awards





December 16, 2021

# Evaluating Utility Location Services





# Evaluating Utility Location Services

- Evaluated KUB's current contract utility location process
- Goal was to identify opportunities for program improvements
- Team launched a three-month pilot program with in-house crew
- Next step - use pilot program results to:
  - Improve communication
  - Reduce excavation damages
  - Better manage internal and external resources



# Evaluating Utility Location Services – Employees Recognized

- System Maintenance
  - David Kyle
- Safety & Technical Services
  - Kelsey Campbell
- Underground Construction
  - Andre Blake
- Water Systems Engineering
  - Julie Childers
  - Conor Duff
- Meter Systems
  - Nick Langstaff





December 16, 2021  
COVID Response



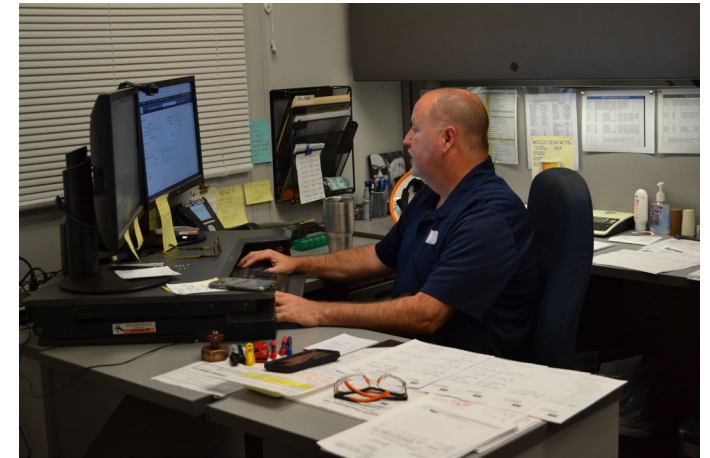
# COVID Response

- Occupational Health
  - Took hundreds of employee calls
  - Tracked KUB COVID cases
  - Determined quarantine and return to work protocols to ensure the safety of employees and customers
  - Coordinated vaccine and booster clinics



# COVID Response

- Storerooms
  - Ensured stock materials were available for crews
  - Managed new crew shifts and high pace of work
  - Navigated uncertain supply chain with alternative methods



# COVID Response

- Customer Experience
  - Worked with customers to provide assistance resources
  - Collaborated with Knoxville-area agencies to inform customers with assistance information
  - Customer counselors assisted 20,000 additional customers during the pandemic



# COVID Response

- Communications
  - Worked with KUB departments to communicate changes to employees and customers
  - Developed central information hub for pandemic-related information at [kub.org](http://kub.org) and the Daily Meter
  - Developed informational materials, including ads, direct mailings, and social media



# COVID Response – Employees Recognized

- Human Resources
  - Emily Smith
  - Jennifer Hobbs
  - Deanna Unger
- Communications & External Relations
  - Jay Miller
  - Cortney Roark
- Storerooms:
  - David Reppert
- Customer Technical Services
  - Anna Freshour
  - Veronica Andrews







December 16, 2021  
Community Neighbor



**Board Chair Award**

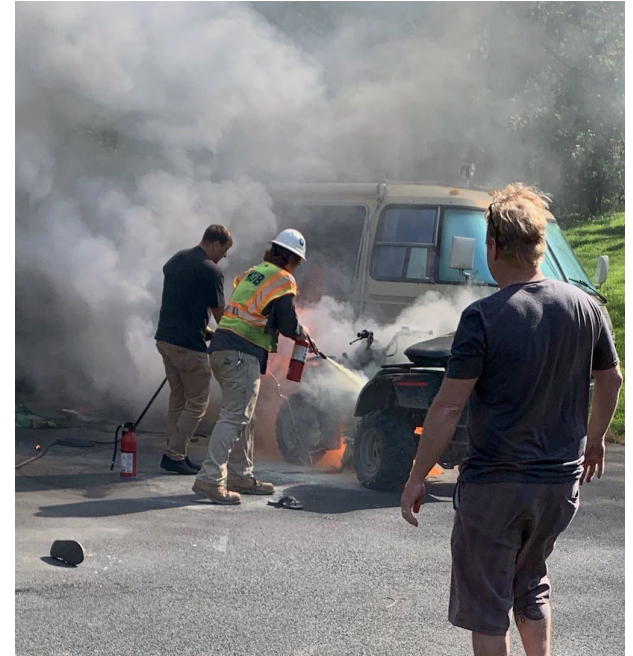
# Community Neighbor

- Winter Storm Assistance
  - While damage assessing during the winter 2020 storm, Rachel Everence noticed a child alone in a parking lot
  - She called 911 and waited with the child until first responders arrived



# Community Neighbor

- ATV Fire Incident
  - Appliance team Brad Hall, Justin Clifton, and Dakota Wright were working at a home when they saw an ATV on fire in a nearby home
  - They quickly grabbed a fire extinguisher and controlled the fire



# Community Neighbor

- Railroad Trestle Incident
  - Lee Plumlee was working at MBW when he heard a person yelling for help
  - He and Jimmy England used security cameras to locate a person trapped in a railroad trestle nearby
  - They called 911 and the railroad and stayed with the person until first responders arrived



# Community Neighbor – Employees Recognized

- Winter Storm Assistance
  - Rachel Everence, Electric Systems Engineering
- ATV Fire Incident
  - Brad Hall, New Service
  - Justin Clifton, Meter Systems
  - Dakota Wright, Meter Systems
- Railroad Trestle Incident
  - Lee Plumlee, Plant Operations
  - Jimmy England, Plant Operations



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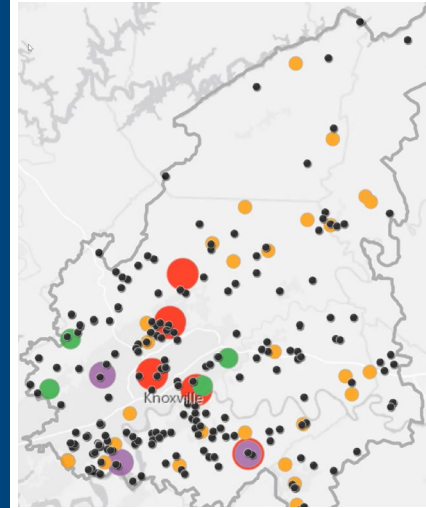
May 25, 2021

# Storm Response – December 11, 2021



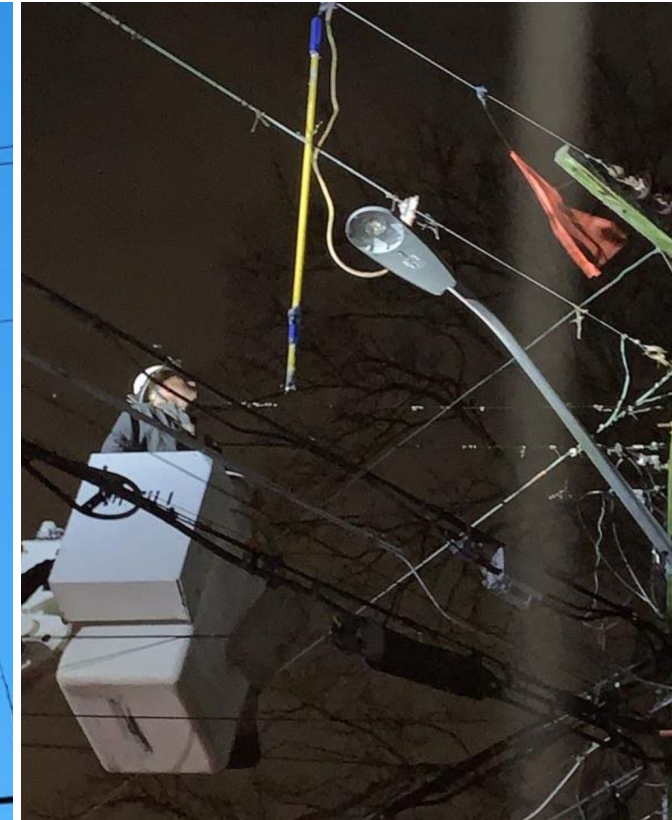
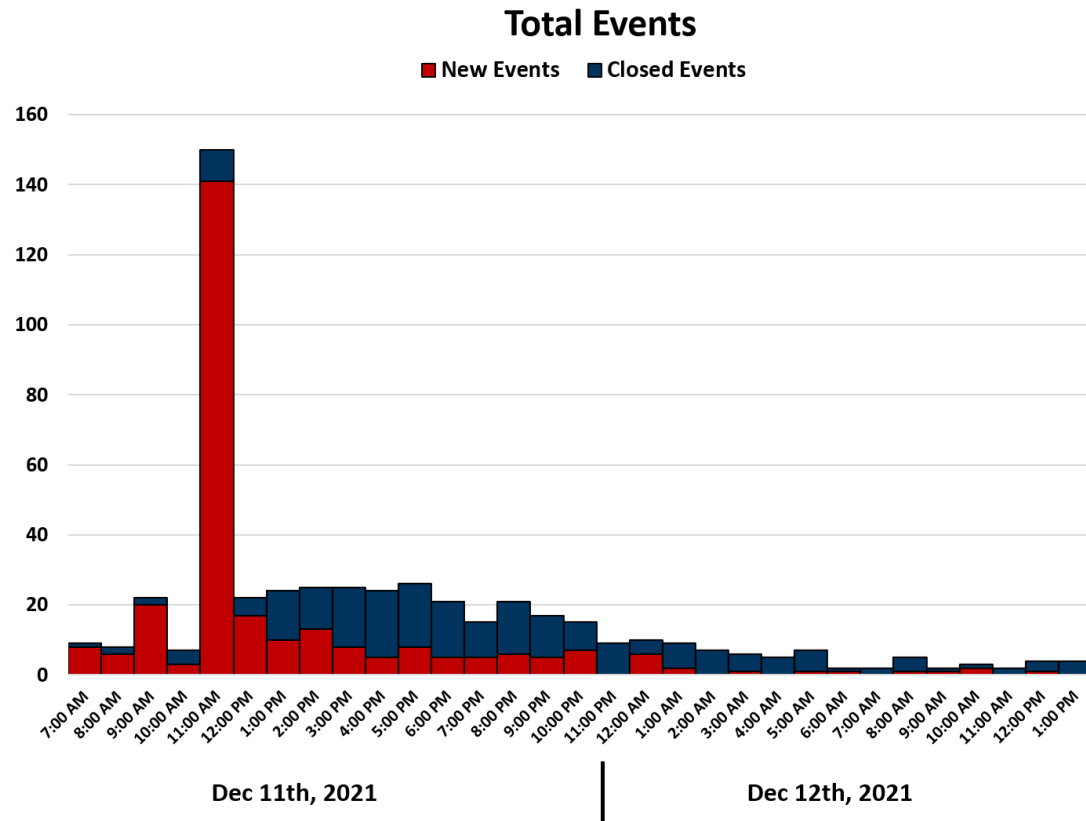
# Storm Impact

- High winds began moving through Saturday morning impacting vegetation
- Event began ~10 a.m. Saturday
- Nearly 19,000 customer outages at peak
- 300+ events, most affecting less than 50 customers each





# Restoration



55 crews deployed & most customers (18K) restored within four hours  
with zero safety incidents

**KUB**