

2018 Community Relations Report



We participate
in the communities
we serve.



KUB

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Front Cover: Employees show area students the potential dangers of live electric lines by using KUB's high-voltage display trailer. Right: KUB employees assemble a donated Angel Tree bicycle.

Community Relations



KUB's corporate vision states that we exist to serve our customers. That means KUB holds a strong commitment to participating in the communities we serve, providing environmental stewardship, educational outreach, volunteer support, and fundraising opportunities that support local agencies.

We encourage our employees to give from their hearts and volunteer to help the organizations they connect with personally. In that same way, KUB embraces our close connections with local partners to provide the most effective assistance for our community members who need it most.

I'm proud to say that KUB's efforts to build and nurture positive relationships within our service area have not gone unnoticed. This has been a banner year for recognition of our community relations efforts, from our partnerships for low-income weatherization to our volunteer presence in East Tennessee.

Through this report, I am proud to highlight the successes we've achieved through our community involvement, and I am excited to continue this tradition in the years to come.

Gabriel J. Bolas
KUB President and CEO



Our Vision:
KUB exists to serve its customers, improving their quality of life by providing utility services that are safe, reliable and affordable.

Shared Values:

- We value the safety and well-being of our customers and employees.
- We value fairness, and try always to make decisions that provide the greatest good for the most people.
- We are in a position of trust and hold ourselves to high ethical standards.
- We improve the value of our services through efficiency, innovation and communication.
- We value the commitment and hard work of our employees.
- We are environmentally responsible in our operations and support the sustainability of our communities' natural resources.
- We participate in the communities we serve.

Our Mission:

Our mission is to act as good stewards of our communities' resources: utility assets, customer dollars, and the environment. We work to safeguard those resources and enhance their value for the people of the communities we serve and generations to come.

We Measure Our Success by:

| | | | |
|-----------------------|--------------------|-----------------------|--------------------|
| Customer Satisfaction | System Performance | Financial Performance | Safety Performance |
|-----------------------|--------------------|-----------------------|--------------------|

Keys to Success:

| | | |
|---|--|--|
| Managing Our Utility System Infrastructure | | |
| Electric | Natural Gas | Water |
| Wastewater | | |
| Improving The Customer Experience | Managing Our Finances Effectively | Meeting Or Exceeding Regulatory Standards |
| Investing In A Skilled, Diverse Work Force | Partnering For Economic Development | Being Environmentally Responsible |

"KUB strives to incorporate green practices in its operations every day," said Liz Hannah, manager of Executive Services and Environmental Stewardship. "We also support a number of organizations and events each year to help improve our community and environment."



Environmental Commitment

As part of our commitment to our community, KUB is proud to be a steward not only for our customers' utilities, but also for our environment. This commitment includes active partnerships to improve energy efficiency in our community, including the Round It Up program described on page two, and delivery of TVA EnergyRight® Solutions programs, such as Green Power Switch, eScore, and EnergyRight® Solutions for Business and Industry. It also includes long-standing commitments to sustainability in KUB's operations, illustrated by KUB's status as an Arbor Day Foundation Tree Line USA Utility for every year since 2001 and KUB's use of alternative fuels in its fleet since the 1970's.

Each year, KUB employees participate in community events with an environmental focus. This includes distributing information about energy and water conservation at Earthfest and Waterfest, and employees using their KUB Vol Time to participate in Ijam's Nature Center's River Rescue and Adopt-A-Highway. KUB also plants a tree at each new Habitat for Humanity home in our service area.

KUB's surplus materials reuse program is an innovative way to improve the sustainability of KUB's operations and give back to the community. Through the program, the community can request materials that are no longer of value to KUB, such as wood utility poles, wood pallets, empty wire reels, and wood timbers and crates that are part of the shipping materials for construction materials. The program allows the community to put these items to use and keeps them out of the landfill.



Community Partnerships

KUB maintains strong relationships with local organizations in our community to make positive changes for our customers.

Since 1983, KUB has partnered with the Knoxville-Knox County Community Action Committee (CAC) each winter to administer Project Help. Project Help is an emergency heating-assistance program for people who need temporary assistance with their heating bills. KUB and CAC also partner with Food City, Home Federal Bank, WVLT, WIVK, and the Knoxville News Sentinel during an annual four-week fundraiser for Project Help. The 2018 drive raised \$38,808, enough to keep more than 100 households warm.

In 2015, KUB and CAC created Round It Up, a program that puts customers' change to work in our community. Through the program, CAC uses funds voluntarily contributed by KUB customers who have rounded up their bills to help weatherize homes for low-income households. Round It Up has weatherized more than 290 energy inefficient homes for low-income customers in our area, and many more homes are on the waiting list. This year, KUB and our community partners extended the efforts of Round It Up through the TVA Home Uplift Pilot program. Through that program, TVA has pledged \$1 million to double the number of households that can be served through Round It Up over the next two years.

In October 2017, the Knoxville Area Urban League (KAUL) honored KUB with its Corporate Leadership Award, recognizing our community involvement and assistance programs like Round It Up.

This year, KUB, along with partners TVA, CAC, the City of Knoxville, and the Alliance to Save Energy and Socially Equal Energy Efficient Development (SEEED) received the Governor's Environmental Stewardship Award for Knoxville Partnerships for Low-Income Weatherization.



Above: Through KUB's low-income weatherization programs, problems like damaged ductwork and insulation are remedied, making homes more efficient and lowering energy bills.

"We started the RIU pilot in 2015 in partnership with the City of Knoxville and the Knoxville-Knox County Community Action Committee (CAC)," KUB Vice President Dawn Mosteit said. "Since then, KUB customers have donated over \$2.8 million by rounding their bills up to the next dollar."



Above: Knoxville Mayor Rogero joins KUB and other community partners in receiving the 2018 Governor's Environmental Stewardship Award.

Educational Outreach

KUB invests in our future workforce through robust educational outreach programs and initiatives. As part of that investment, KUB has partnered with Austin-East Magnet High School for 23 years on the TeenWork Program. Each year, TeenWork helps students learn job skills and prepare for future careers.

To enter the program, students with a GPA of 2.5 or higher must be nominated by a teacher or principal. Once they are accepted, students complete a 13-week job skills program, where they learn about real-life job skills like resume writing and interviewing techniques. Students also participate in a community service project and a team building exercise, and they attend a KUB career fair. In 2018, students volunteered at the Second Harvest Food Bank in Maryville for their community service project.

Students who complete the program can then interview for summer jobs with KUB and other partners like the Knoxville Chamber of Commerce. Hired TeenWorkers are paired with a mentor for eight weeks, during which time they are guided and instructed on the importance of education and job skills. TeenWorkers also help campers at 4-H Electric Camp, where sixth and seventh grade students learn about electricity, energy conservation, and electrical safety through fun hands-on activities.

Since TeenWork began in 1995, 411 Austin-East students have participated in the program. Some students also came back as college student workers or became full-time KUB employees.

KUB diversifies our investment in education through career fairs, Knox County Schools Career Day, and community demonstrations. Representatives from different departments show and explain equipment to students, all while discussing the required skills to succeed on the job. Junior Achievement's Job Shadow Day lets students shadow employees and learn first-hand about jobs that might interest them.

While many of our education efforts focus on future employment, KUB always emphasizes safety first. Our outreach groups are committed to providing safety information in an engaging way. In 2017, KUB Overhead Construction employees designed and built a high-voltage display trailer, which they use to demonstrate what happens when things like a branch or a balloon touch live electric lines. Throughout this year, employees have used the trailer to conduct demonstrations, showing students the real-life dangers that accompany electricity work.

KUB has received community acknowledgement for our education outreach initiatives and programs. In 2017, KUB was honored with the Knoxville Area Urban League (KAUL) Corporate Leadership Award, which recognized our involvement in youth education efforts like the TeenWork program.



"Being a TeenWorker at KUB has really given me an opportunity to step outside of the box to do different and unique things."
—Larry Beal, 2018 TeenWork participant



Vol Time

KUB fully embraces our commitment to participating in the communities we serve. We are proud to put that commitment into action through our Vol Time program. Vol Time allows KUB employees to use eight hours of paid leave annually to support approved volunteer efforts in our service area. In 2018, approximately half of KUB employees dedicated over 3,500 hours to supporting their local communities.

This year, employees handed over the keys to a Habitat for Humanity House they built, spent time at Ronald McDonald House, delivered school supplies to Compassion Closet, and helped out at the Special Olympics of Greater Knoxville. Employees also celebrated Public Power Week in October, giving their time to assist at Zoo Knoxville, East Tennessee Technology Access Center (ETTAC), Young Williams Animal Center, and Random Acts of Flowers.

In 2018, KUB's commitment to our community was recognized through the Tennessee Municipal Electric Power Association (TMEPA) Community Service Award. Volunteer East Tennessee also named KUB 2018 East Tennessee Corporation of the Year, recognizing our outstanding commitment to community service.

In the winter months, KUB employees have also historically worked with the Salvation Army, ringing bells and sponsoring Angel Tree children. In 2017, the Salvation Army presented its Helping Hands Award to KUB in recognition of our employees' hard work on behalf of the organization over many years.



United Way

Since 2007, KUB employees have contributed \$2.4 million to United Way. Our employees raise that money through voluntarily donating a few dollars each paycheck and by participating in company-wide fundraising events.

Our successful history of supporting United Way of Greater Knoxville was recognized last April when KUB was named a 2017 Champion Company. That designation is given to companies that have donated \$1 million or more over the past five years.

In 2018, employees raised money for United Way through events like the Creekside Cookout, which featured a rubber duck race and bake sale and raised more than \$1,600. KUB kicked off our annual fundraising campaign at a Tailgate Party with the theme "Spring Into Action." Employees were encouraged to take action and learn more about United Way while finding new ways to donate time or other resources.

At our campaign closing celebration, employees enjoyed a County Fair-themed atmosphere. Through our 2018 campaign, KUB raised more than \$208,000, which is enough to help more than 100,000 people in our community.

KUB also participates in the Loaned Executive Program each year, wherein KUB employees serve as temporary United Way staff people who lead community corporations and organizations during the annual campaign.

KUB proves our commitment to our community through our continued work with United Way. Employees are also encouraged to use their Volunteer Time hours each year to assist with programs and initiatives that benefit area organizations.

KUB Cares

KUB employees can live out our commitment to serving the community through working with the KUB Cares Committee. This group is dedicated to coordinating volunteer service, and they help identify and organize volunteer opportunities for employees.

The committee periodically hosts Volunteer Fairs to help educate employees about volunteer opportunities and ways in which they can help the communities KUB serves. They also help plan and implement KUB's annual United Way campaign and promote/facilitate employees' participation in the Salvation Army Angel Tree. This year, KUB Cares collected donations for 62 angels.

Other KUB Cares initiatives and programs raise awareness for issues like breast cancer, Alzheimer's, men's health, and domestic violence.

Here are some of the KUB Cares programs and projects completed in 2018:

- School Supply Donation Drive benefitting Knox County Schools
- Compassion Closet
- KUB Cares Book Fairs benefitting Project Help
- Benefit walks, including the Subway Race Against Cancer
- Children's book collection benefitting the Empty Stocking Fund
- "Movember" beard and mustache competition (men's health awareness)
- Veterans Day Parade participation
- Salvation Army bell ringing and Angel Tree participation
- Fantasy of Trees volunteer coordination and participation



"KUB Cares provides and promotes increased opportunities for employees to support the community and KUB through community involvement and volunteerism."
—Trina Gallman,
KUB Cares Representative

Here are just some of the organizations KUB employees have supported through Vol Time:

- Salvation Army
- Random Acts of Flowers
- The Love Kitchen
- Special Olympics
- KARM
- The Knoxville Zoo
- Young Williams Animal Shelter
- Helen Ross McNabb
- Austin East High School
- Emerald Youth Academy
- Children's Hospital - Fantasy of Trees
- Ijams Nature Center
- Big Brother Big Sister
- Mobile Meals
- Family Promise
- Habitat for Humanity
- The Children's Center
- Ronald McDonald House
- Special Olympics





www.kub.org