



Minutes for October 6, 2022

Members attending the meeting:

Christina Bouler, Mark Campen, Erin Gill, Barbara Kelly, Terry Ledford, Kent Minault, Mike Odom, Stephen Smith

Others in attendance:

Facilitator: Dawn Ford

KUB Staff: Gabriel Bolas, Susan Edwards, Derwin Hagood, Tiffany Martin, Mark Walker, John Williams

KUB Board members: Kathy Hamilton, Jerry Askew

Other attendees: none

New Business

The Community Advisory Panel met at 3:00 p.m. on October 6, 2022 at KUB's Mintha Roach Corporate Services and Training Center.

Dawn Ford introduced herself as the new facilitator for the panel. She reviewed operating principles and the purpose of the Community Advisory Panel. She recognized KUB Board members in attendance: Board Chair Jerry Askew and Commissioner Kathy Hamilton, and she noted Gabe Bolas, KUB President and CEO was unable to attend due to business travel.

Ms. Ford asked if anyone had corrections to the August meeting minutes. There were no corrections.

Ms. Ford explained the purpose of today's meeting was to review the document that was compiled to represent the panel's input on KUB's rate structure and discuss any clarifications or additional input on the topic. She noted the panel had discussed the rate structure for the last eight sessions, and it was time to provide the panel's input to KUB's Board. She noted during the last meeting, panel member Haseeb Qureshi requested that the panel's input be listed as an agenda item for the KUB Board meeting, and the panel's input on rates will be on the Board's agenda for their October 20th meeting.

Ms. Ford asked if the panel had any clarifications for additional input for the first item listed on the document.

Stephen Smith shared he is concerned about closing the discussion on rates because several panel members have been reflecting on the last meeting and there not being consensus on some of the analysis and how to close the “gap” to get closer to consensus. He noted KUB currently has in place a “freeze” on the basic service charges, and when this expires, KUB can start raising fees. He feels there needs to be more analysis about low-income customer energy usage before the Board considers changes for the fixed fees in the future.

Dawn Ford asked KUB to clarify the period for which the basic service charges will be set at current levels. KUB confirmed it is until 2025. She recommended the panel finalize their input at this time and submit it to the Board and consider putting the “gap analysis” back on the panel’s agenda at a future time. Dr. Smith agreed if the subject can be discussed again in the future, he was in agreement to submit the input to the Board.

KUB Board Chair Jerry Askew noted that each time the KUB Board is faced with rate decisions, they are appreciative of any information and new data they can receive to assist them with the decisions.

Dr. Smith explained his thoughts on the need for more data analysis. He noted the analysis for low-income customer usage may need to be expanded with a larger data set.

KUB Commissioner Kathy Hamilton noted the Board is happy to have more information to make rate decisions, particularly for low-income customers. She feels the Board wants to look at the best data available when it comes to making rate decisions.

Ms. Ford suggested the document be revised to note there will be additional discussion about analysis of low-income customer usage in the future. Dr. Smith noted he would be glad to bring forth more information to assist with this. Chair Askew noted the KUB Board has observed the panel’s meetings either in person or remotely, and the Board appreciates the information that has been shared.

Ms. Ford asked the panel if they had any further input for the first page of the document. Dr. Smith requested that the document be revised to make it more clear it is recommended for KUB to use other methodologies to analyze low-income customer usage.

Erin Gill noted she would like it to be clear that this is a hypothesis that was presented by Dr. Smith and his staff, and while it may be desirable to further evaluate this topic, she is not sure there was broad agreement about this across the panel.

Dr. Smith questioned the item noted about SACE’s recommendation to roll back the basic service charge to \$6 or the 2009 level. He was not sure SACE asked for this rather than a more general request to roll back the fee. He requested the reference to \$6 be removed.

Ms. Ford asked if there were any further clarifications needed for the input related to SACE’s recommendations. There were none. She then asked for any clarifications related to information from Kent Minault’s presentation.

Mr. Minault explained the point of his presentation was that the utility in Los Angeles had to respond to an aggressive energy efficiency program, and the utility implemented a tiered design for both rates and fixed fees. He requested the document reference a recommendation for tiers for the rates and fixed charges.

Erin Gill mentioned the complexity of a tiered structure should be noted, and the overall impact on the bill may not be significant. Ms. Ford offered for this to be noted as an observation related to the recommendation for a tiered rate structure.

Christina Bouler said she would like to list a recommendation for KUB to advocate for zoning strategies that encourage density for customers to share the costs of utility infrastructure more efficiently.

Ms. Ford explained panel members who were not present will be asked to provide their input, and the revised document will be sent back to the full panel.

Ms. Ford explained KUB has a specific need for the panel to provide input on the weatherization programs, and Tiffany Martin, KUB Vice President and Chief Customer Officer, would provide an overview.

Ms. Martin explained some of the history related to low-income weatherization programs and the success that has occurred in growth of the programs over the past several years. She explained there had been a large waiting list of customers needing to be served, and now that many customers have been served, KUB needs to determine the most effective strategies to reach eligible customers and encourage them to apply for the program.

Stephen Smith asked if the increase in funding is from federal funds, and he asked if the reduction in the waiting list is based on those customers actually being served or people being removed from the list because they have moved or for other reasons.

Ms. Martin explained the funding is not federal. KUB has made an ongoing annual commitment of \$1 million to support weatherization programs, and KUB committed \$1 million of a pandemic relief credit from TVA to support the programs. KUB customer contributions from Round It Up also help to fund weatherization assistance. Regarding the question about the waiting list, Ms. Martin explained a large number of customers have been served, and there are others who have dropped off the list because they have moved or due to other circumstances.

Barbara Kelly noted that CAC currently has a waiting list of 191 customers who need weatherization assistance, and that CAC typically does not actively recruit applicants because there is not an adequate workforce of contractors to perform the work. Additionally, she noted there are clients on the waiting list now who also need lead abatement and home repair services, so they are choosing to remain on CAC's waiting list until they can be served for each of these needs.

Kent Minault asked for clarification on the workforce available for the programs.

Tiffany explained KUB partners with CAC as well as CLEAResult, and CLEAResult currently has a workforce available to serve customers. Ms. Kelly indicated the contract workforce utilized by CLEAResult is the same workforce being utilized by CAC.

Mr. Minault questioned if the issue is more about workforce development than recruitment of applicants. Tiffany explained CLEAResult has indicated they have workforce available to serve customers at this time, however, it would be productive to work on improvements for both issues. Mr. Minault commented on the potential need for training programs related to this type of work.

Erin Gill asked about the status of the federal D.O.E. funding provided to CAC for weatherization. Ms. Kelly confirmed it is approximately \$400,000 annually, which allows CAC to serve about 40 homes per year. Ms. Kelly noted the workforce issues are a national problem, and there are federal efforts underway to help address this.

Stephen Smith asked for clarification about the need for customers to be directed to CLEAResult for service versus the waiting list CAC currently has and why that list can't be transferred to CLEAResult. Ms. Kelly explained there is a process for CAC to work with CLEAResult to contact customers on the waiting list and provide the application for the weatherization to be completed by CLEAResult. However, there are customers who need other work done in their homes, and those individuals prefer to wait for CAC to be able to complete all of the work that needs to be done.

Dr. Smith asked about the status of the application pipeline for CLEAResult's program. Ms. Martin explained CLEAResult has enough applicants for the next month or so. Dr. Smith asked for clarification on the recommendation for customers currently interested in applying, and Ms. Martin explained it is recommended customers apply with CLEAResult to be served at this time.

Dr. Smith inquired about the opportunity for training programs in partnership with vocational schools. Ms. Martin explained KUB does not have current partnerships for workforce development related to weatherization, however, KUB does have similar partnerships to provide technical training for other kinds of utility work. She noted at one time, CAC had a training program related to weatherization services. Ms. Kelly confirmed it would not be difficult to begin this again if there were people available to be trained as well as funding.

Dr. Smith asked Erin Gill if the City of Knoxville and the sustainability network may be looking at ways to obtain new federal funding to support this type of training program. Ms. Gill talked about factors related to workforce development and current competition in the job market to attract employees. She noted, for example, it may be that employees can make more money working for home builders at this time rather than doing weatherization work.

Mike Odom noted the current issue is not the lack of workforce development programs or the funding, it is the availability of people to fill the jobs. He noted Knox County is at 3.3% employment, and 4% is considered full employment.

Ms. Ford asked KUB to clarify the need to reach customers outside of Knox County, and Ms. Martin explained that KUB is looking to recruit applicants in all of the counties served by KUB. She provided information about recent efforts by KUB to contact customers who may be eligible, and she noted because KUB currently does have the funding available to serve customers, KUB wants to find more ways to reach customers who can be served.

Chair Askew mentioned Knox Works and SEED may be able to assist. Ms. Martin explained KUB has a meeting scheduled with several local partners, including SEED, SACE and others, and she appreciates the recommendation to consider Knox Works.

Kent Minault inquired if through the outreach for applicants there are people identified who need a job, where could they be directed. Ms. Kelly noted CAC's contractors are looking for people to hire.

Ms. Kelly noted there may be customers who have previously been served by weatherization and need weatherization assistance again because the technology has advanced since their homes were weatherized and their homes have likely not been upgraded since they initially received services. Dr. Smith asked if CAC has records to identify these individuals. Ms. Kelly explained the records exist but not in a format that is easily searchable.

Christina Bouler asked for clarification on the eligibility requirements related to income. Ms. Martin described those and offered to send the panel more information.

Dr. Smith asked for clarification on the purpose for meeting KUB scheduled for next week to discuss the programs with local partners. Ms. Martin explained KUB is looking for recommendations on ways to reach customers who are eligible to apply for the programs and to know if those partners may be able to assist with outreach efforts.

Terry Ledford noted he plans to share information about the programs within University of Tennessee as he feels there are many employees who would likely qualify. He suggested KUB consider sharing information with other governmental entities.

Chair Askew encouraged the panel members to share information about the programs with their networks as they likely have relationships KUB does not have.

Dr. Smith asked if KUB has a budget for this outreach. Ms. Martin explained KUB does not have a defined budget for this currently as this is a new need, however, KUB is willing to fund outreach efforts appropriately for this important program.

Ms. Ford asked the panel if there are other items related to weatherization they would like to discuss.

Erin Gill said she would be interested in discussing the low-income programs in the larger context of energy efficiency programs for all income levels and the federal funding that is expected to be available to support efficiency programs.

Chair Askew noted KUB's Environmental Report includes information about KUB's other initiatives and should be shared with panel members who may not have seen it.

Dr. Smith commented on opportunities related to federal funding that is expected to become available, and he is interested in discussing what opportunities could be available for KUB related to electric vehicle, solar, and clean energy initiatives. He suggested the panel may want to consider forming small groups to consider recommendations related to this.

Erin Gill expressed interest in an update on KUB's broadband efforts.

Stephen Smith expressed interest in discussing KUB's programs for natural gas growth. Aside from environmental impacts, he is concerned KUB will have stranded costs if KUB continues to expand use of natural gas.

Ms. Ford noted these topics will be added to the list of discussion topics for future meetings. She confirmed the next meeting will be on November 3rd at 3:00 p.m., and she suggested not meeting in December due to busy schedules close to the holidays.

The meeting adjourned at 4:12 p.m.