KUB
KNOXVILLE
UTILITIES BOARD

November 19, 2026

Natural Gas Purchasing & Winter Update



Summary of Today's Discussion

- Natural gas purchasing
- Natural gas price risk management
- Customer winter bill projections

Resolution 1447: Gas Contracting Authority

- Board authority required for
  - Contracts in excess of six years and/or volume limits*
  - Purchase and transportation: 160,000 Dth/day
  - Storage: Five million Dth maximum inventory
- Purchasing authority delegated to CEO/CFO for contracts
  - Two years or less
  - Two to six years for purchase and transport up to 15,000 Dth/day
  - Specific authority regarding East Tennessee Natural Gas (ETNG) capacity
  - Six years (max) storage for firm withdrawal rights up to 10,000 Dth/day
- Authorizes sale of excess capacity

* Exception for ETNG capacity

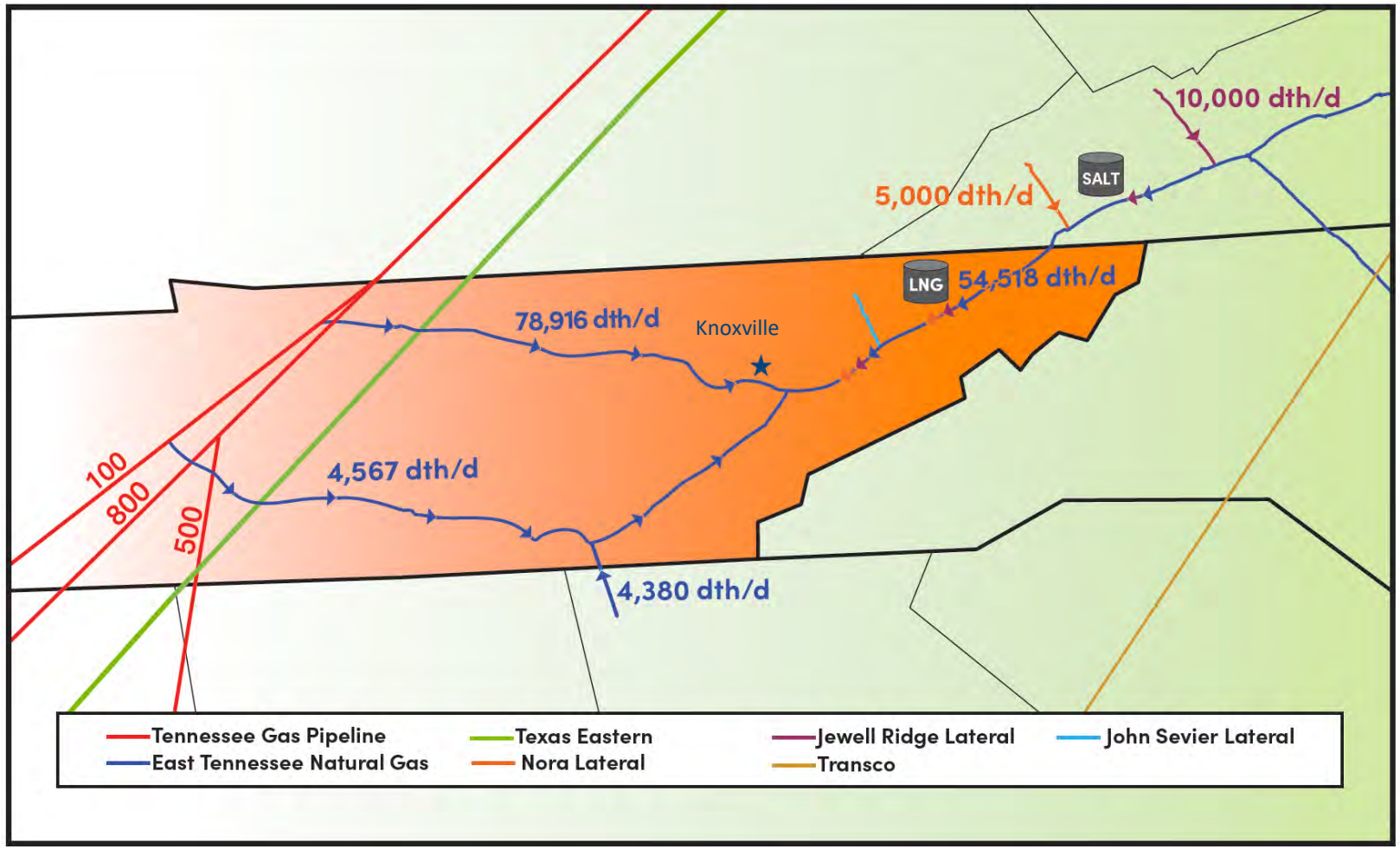
KUB Supply Contracts Winter 2026-2027

Supplier	Supply Region	Volume (Dth/day)	Firm/ Variable	Expiration
BP Energy	TX/LA	15,000	Variable	10/31/2027
ConocoPhillips	TX/LA	13,000	Variable Daily	10/31/2027
Sequent Energy*	TX/LA	10,000	Variable	10/31/2027
Twin Eagle*	TX/LA	11,433	Variable	10/31/2028
NextEra	TX/LA	12,500	Variable	10/31/2027
CNX Energy	VA	3,000	Firm	3/31/2029
Enervest	VA	2,000	Firm	3/31/2028
Morgan Stanley	TX/LA	2,800 Average	Pre-Pay Gas	10/31/2051
Goldman Sachs	TX/LA	2,800	Pre-Pay Gas	8/31/2053

Note: Base agreements are in place with several other companies and utilities

* Contract activity

KUB Transportation Portfolio

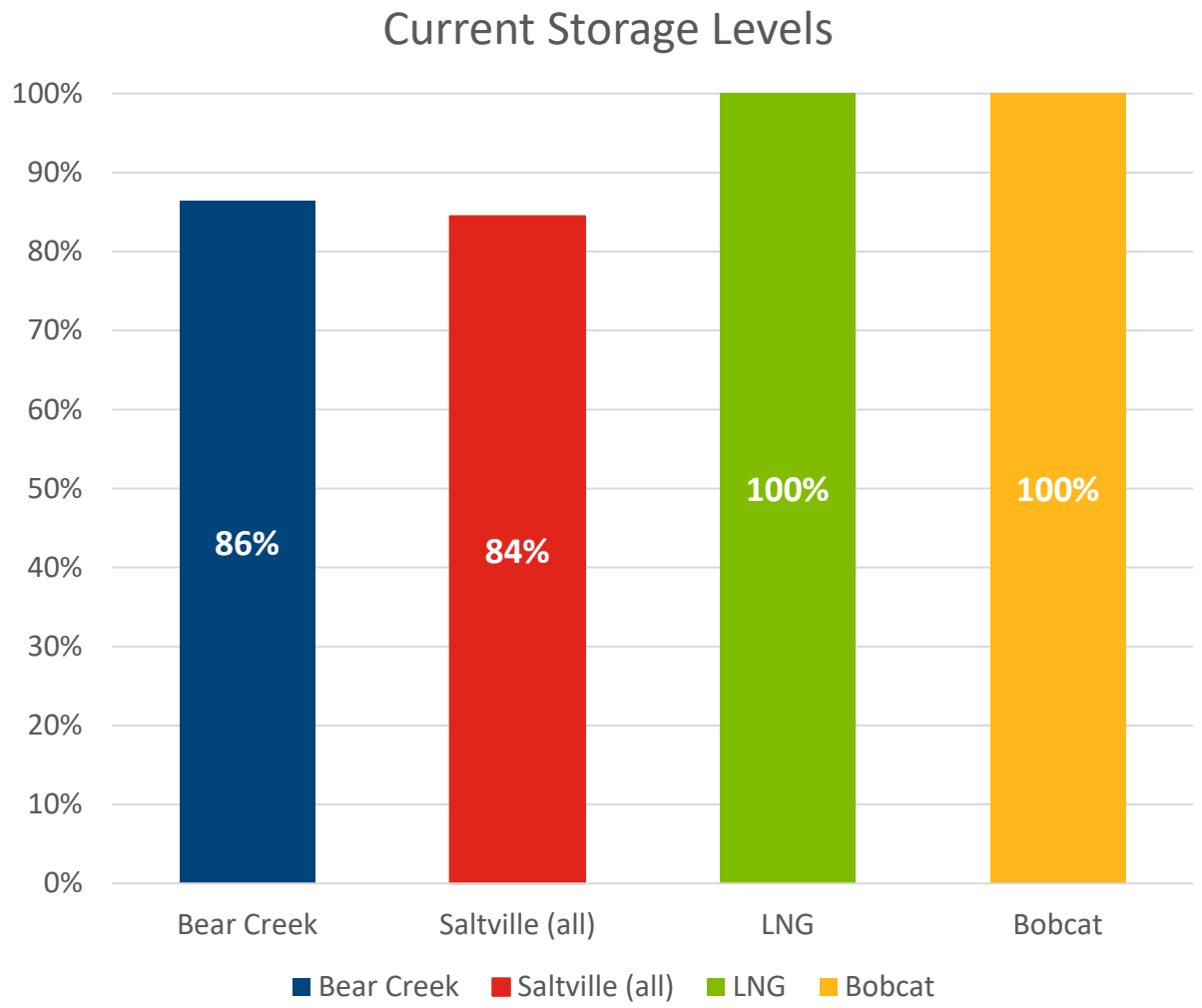


Pipeline	Volume (Dth/day)	Expiration
ETNG	157,381	10/31/2030
TGP	83,289*	10/31/2030
TETCO	7,500	10/31/2030

* Contract activity

KUB Storage Portfolio

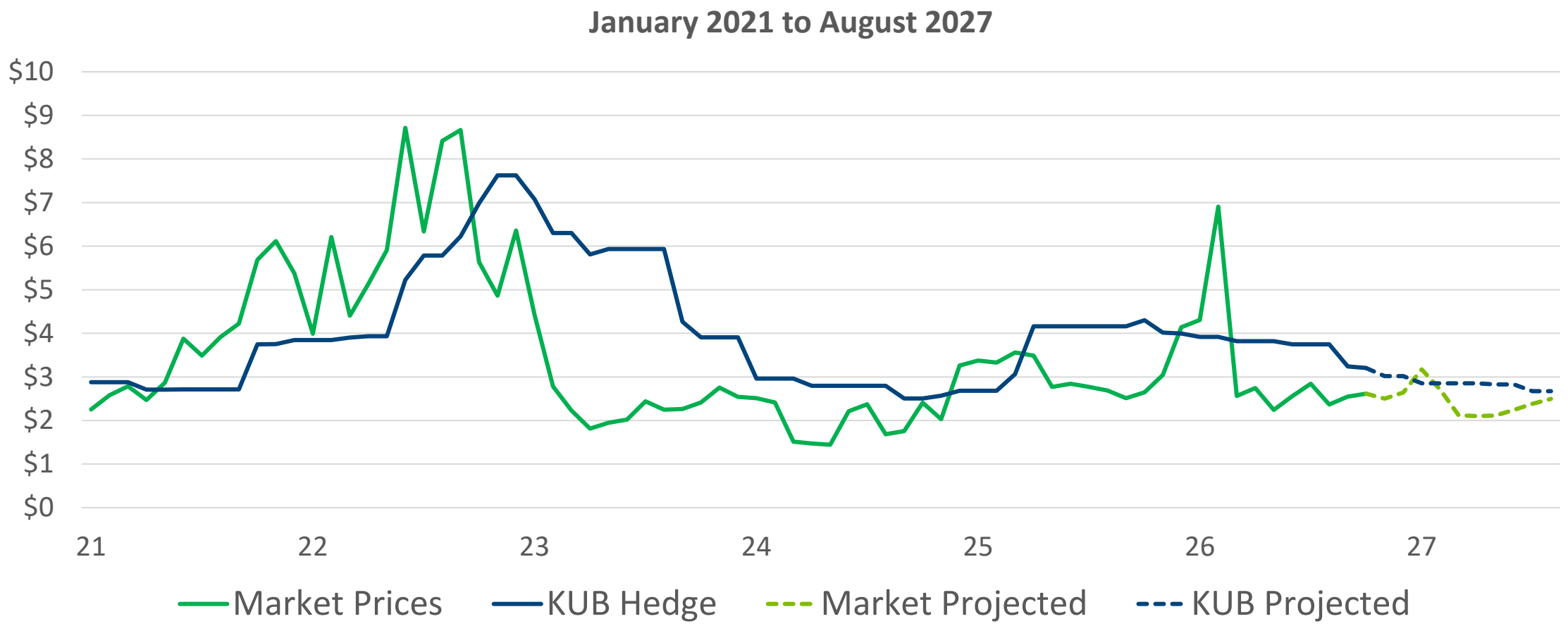
Storage	Pipeline	Volume (Dth)	Expiration
Bear Creek	TGP	3,325,920	10/31/2030
Saltville 1	ETNG	200,000	3/31/2028
Saltville 2	ETNG	100,000	3/31/2028
Saltville 3	ETNG	100,000	3/31/2030
LNG	ETNG	412,000	10/31/2030
Bobcat	TETCO	150,000	10/31/2030
		4,287,920	



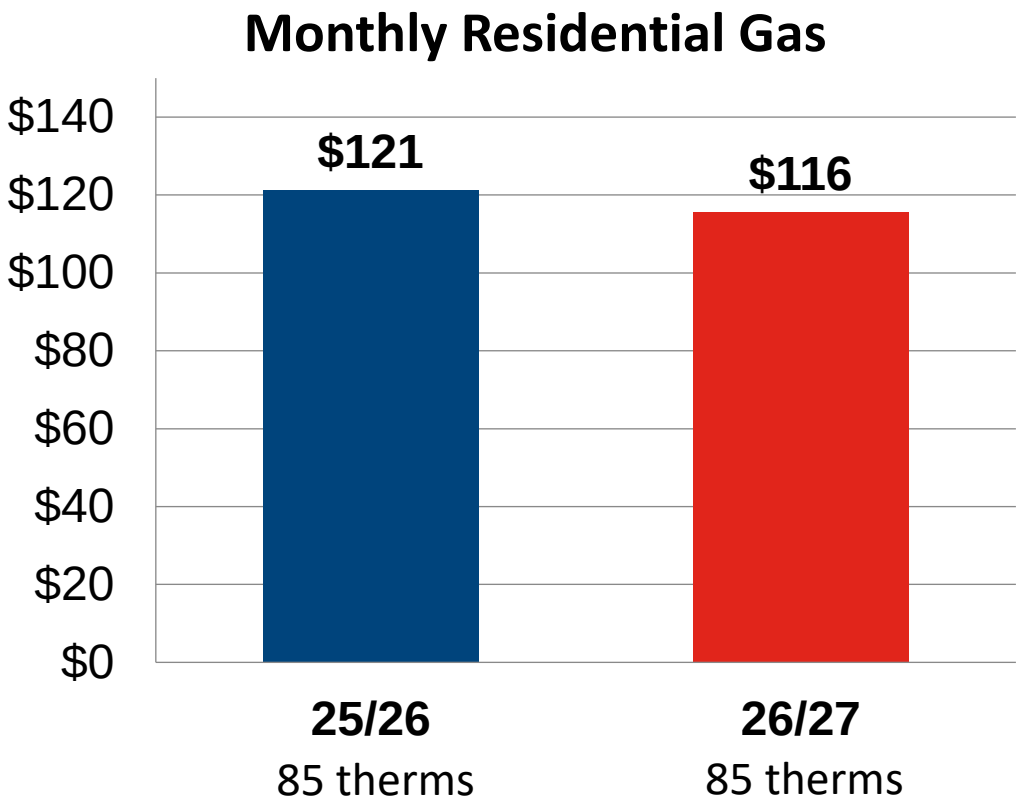
Resolution 1388: Price Risk Management

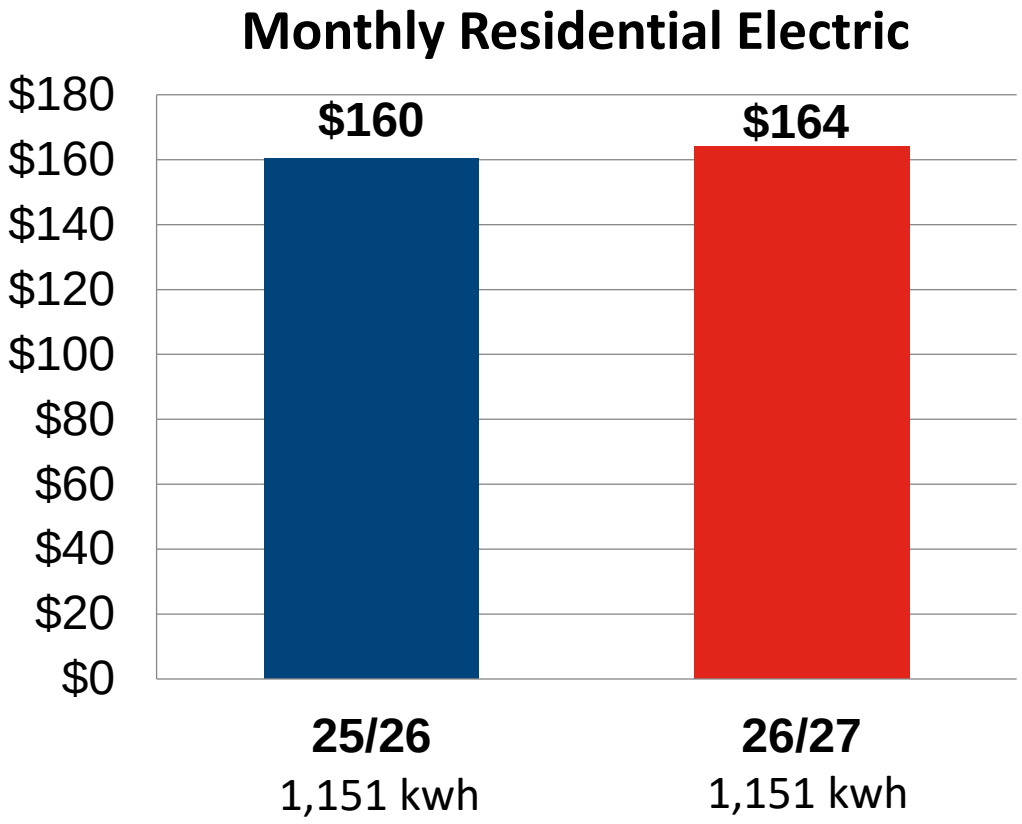
- Price Risk Committee approved the current strategy, which targets 25% hedged for near-month purchases.
  - Month of November: 22%
- All transactions complied with Price Risk Management Policy.
- Monthly status reports to Price Risk Committee

KUB Hedges vs. Market Prices

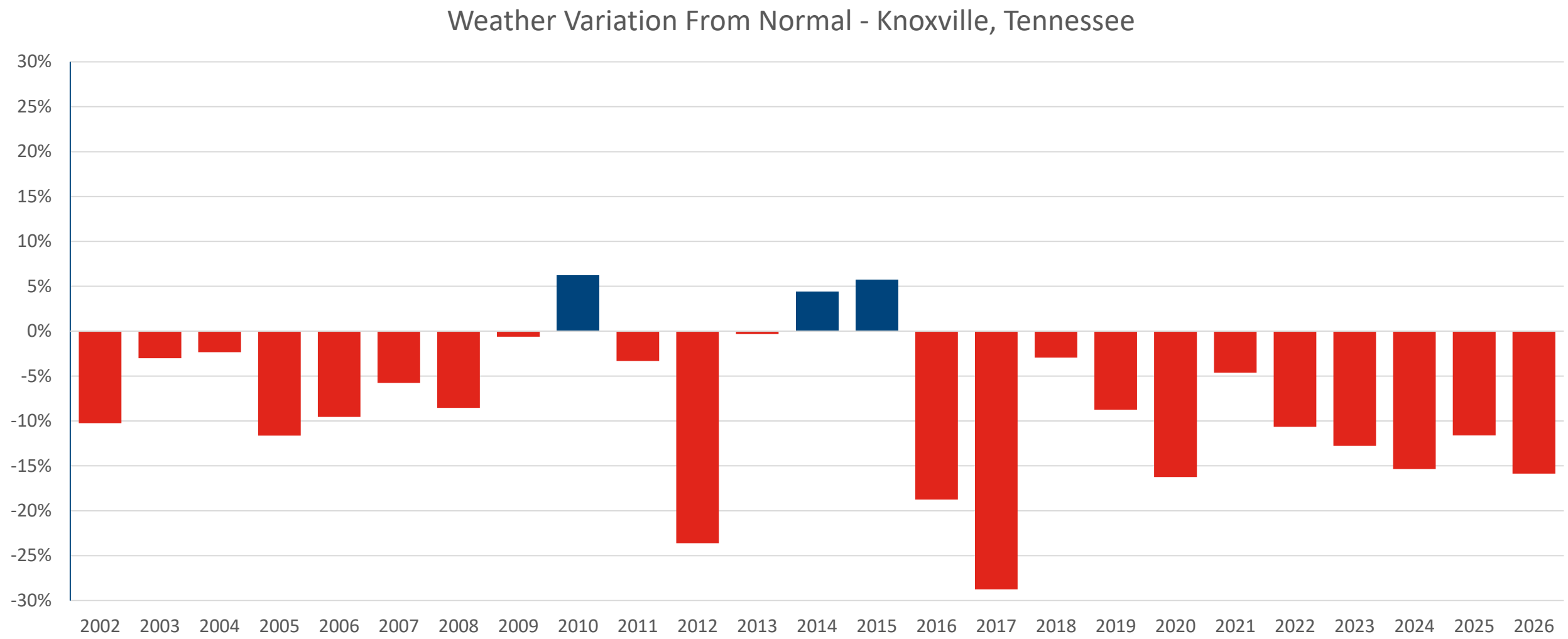


Winter Bill Projections





Weather Impacts to Winter Bills



Guiding Customers to Tips, Tools, and Programs

Knoxville Utilities Board
Published by Hootsuite · October 27 at 8:36 AM ·

Small changes around the house can make a big difference in lowering your energy consumption as temperatures drop!

Our free energy savings workshops provide customers simple tips to conserve energy and save money while staying comfortable throughout the colder months.

Learn more and register your group for a workshop at kub.org/workshops. See less





Knoxville Utilities Board
Published by Hootsuite · October 28, 2025 ·

Temperatures are starting to drop in East Tennessee, and it is time to start preparing for winter.

One way you can ease seasonal usage spikes is with Levelized Billing!

Levelized Billing takes a rolling 12-month average of your usage and bills you based on that average.

The program makes budgeting easier with more consistent bill amounts.

You can sign up today at kub.org/levelized. See less



Knoxville Utilities Board
Published by Hootsuite · November 14, 2025 ·

You can make a difference this winter! ❤️

KUB offers emergency heating assistance to customers in need through Project Help. Project Help depends solely on contributions from our community.

Customers can donate to Project Help in the following ways:

1. Make a one-time donation online at kub.org/projecthelp
2. Make a one-time donation by mailing a check payable to Project Help to P.O. Box 59017 Knoxville, TN 37950
3. Set up a recurring monthly donation

Learn more about Project Help at kub.org/projecthelp. See less



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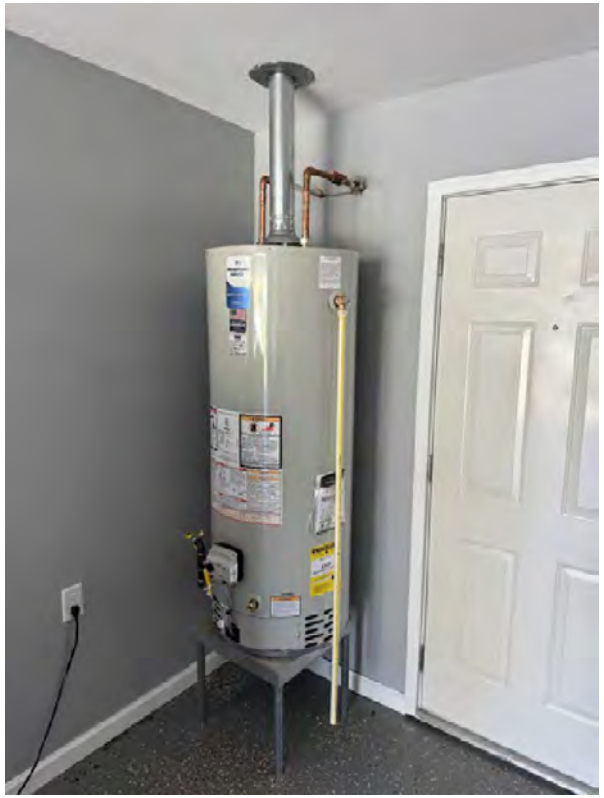
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November 19, 2026

Appliance Services Program



How KUB Began Offering Appliance Services





- Launched natural gas water heater installation pilot in December 2017
- Offered free installation with natural gas reconnection
- Installed 130 water heaters
- Gained insight into customer needs and installation practices
- Established a dedicated, in-house installation team

Why KUB Began Offering Appliance Services

- Provide value-added products and services for our customers
- Expand access to natural gas appliances where options are limited
- Make appliance selection and installation easier and more convenient
- Provide a trusted, one-stop source for appliances and installation
- Promote the benefits and use of natural gas
- Leverage our expertise to provide safe service and installation
- Strengthen customer relationships through high-quality service and support

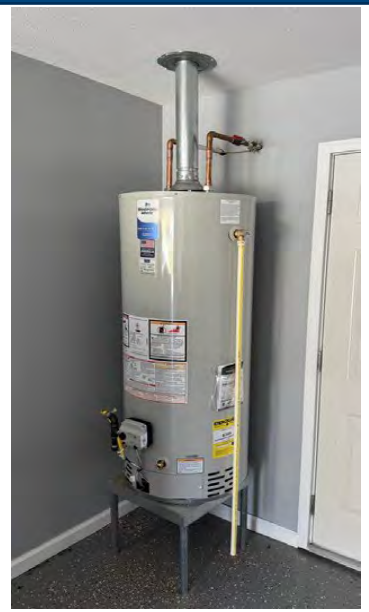
Current Appliance Offerings

- Appliances
  - Tank water heaters (natural gas and electric)
  - Natural gas tankless water heaters
  - Other gas products: grills, logs, heaters, and stoves
- Customer benefits
  - 0% on-bill financing for appliances purchased from KUB
  - Natural gas appliance rebates



Current Appliance Offerings













Installation & Support Services

- Installation services
  - Customer-owned fuel line
  - Customer-purchased new appliances
- Ongoing support
  - Annual maintenance for KUB-purchased water heaters
  - Repair and warranty services for KUB-purchased water heaters
  - Limited emergency after-hours service
  - Appliance pilot relighting





Installation & Support Services













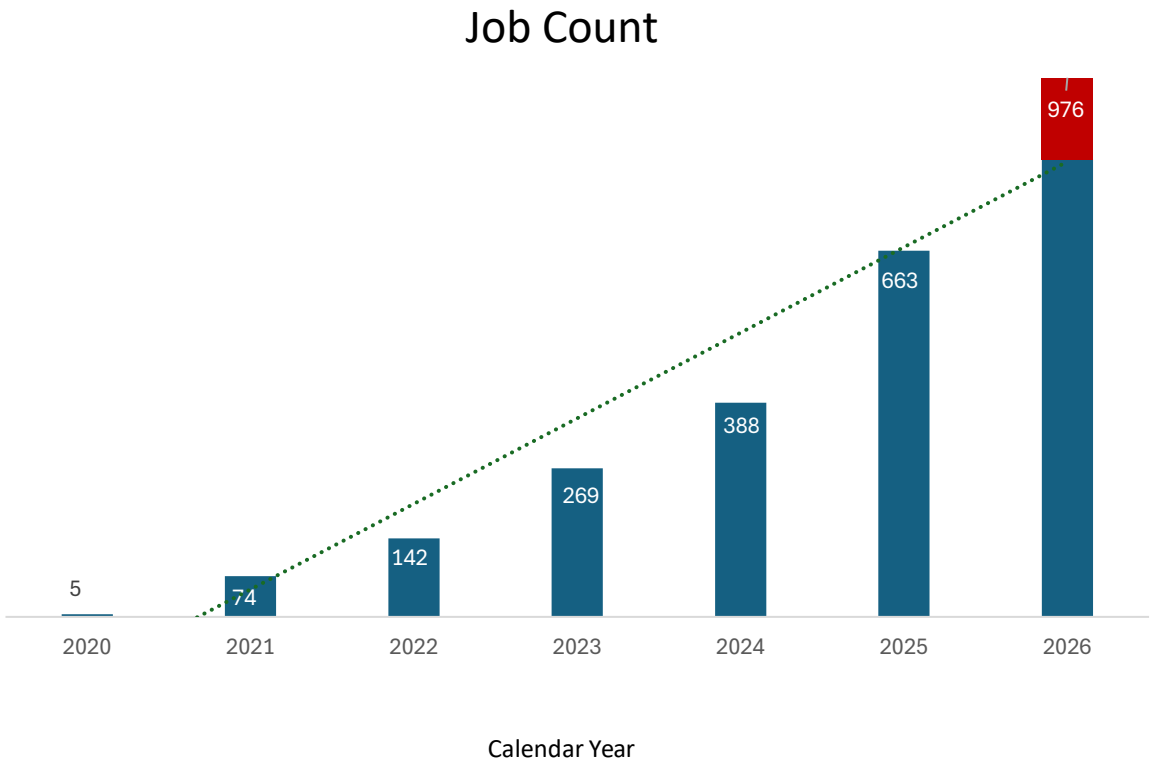
What Customers Can Expect

- Personalized on-site consultation
- Clear options, pricing, and timelines
- Coordinated permitting and scheduling
- Efficient, one-day installation goal
- Ongoing warranty support



One System – One Seamless Process

- All-in-one work management tool
- Dispatching, scheduling
- Customer communication
- Manage customer interactions
- Send estimates and contracts
- Track jobs and sales
- Collect customer reviews and feedback



Customer Reviews

H, Shari
Jul 13, 2026

Tyler & Jamal did a wonderful job with my gas log installation. Tyler explained the ignition process very well and was patient with me when I wanted to try it myself. The logs look very realistic and I am very glad I made the upgrade.

W, Janet
Aug 05, 2026

Had a great experience with KUB regarding my gas log purchase and install. From estimate to install quick and efficient. I had priced gas logs through two other companies and they were four times what KUB quoted me. Very appreciative that this service was available.

P, Melissa
May 14, 2026

Had new gas logs installed and a new gas line designed for our outdoor built in grill area.....they were on time, efficient and installed the new grill! Would highly recommend using them rather than a private plumber.....the gas inspector also said as included in the price quote. Reasonable price and efficient work! Thank you Dillion and your team!!!

H, Tim
Jun 26, 2026

Excellent service, quality, and support. The technicians are some of the best, if not the best, in the industry. I am highly pleased and recommend considering KUB first for your next natural gas solution, whether it is a new water heater, gas logs, or gas appliance. Thank you KUB!

O, Scott
Jul 08, 2026

KUB did an excellent job removing and replacing the hot water heater in our house. The team is efficient, professional and explained the water heater installation and operation so I fully understood.

Marketing & Advertising

- Direct mail and email
- Radio advertisements
- Magazines and publications
- Social media
- Billboards
- KUB customer portal
- Vehicle graphics
- High school banners
- TV ads and sponsorships
- East Tennessee Natural Gas marketing program

Marketing & Advertising













Natural Gas Generator Pilot

- Piloting generator installations
- Building internal expertise and processes
- Refining payment and program requirements
- Preparing for a soft fall launch





Launching Generator Installations, Delivering More for Customers

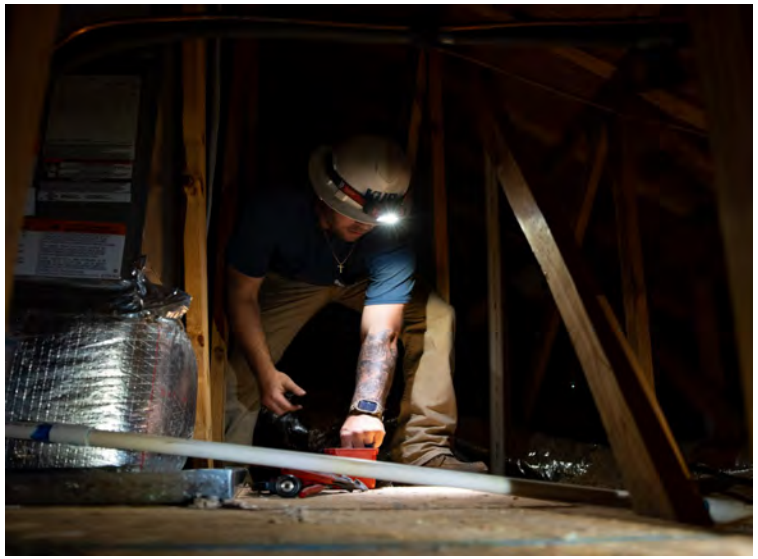
- Natural gas service installation
- New tankless water heater
- Fuel line extension to gas stove
- New natural gas generator

All work completed in-house by KUB teams!





Launching Generator Installations, Delivering More for Customers











Looking Ahead

- Continue to be a one-stop solution for our customers
- Remain committed to delivering quality products and services
- Drive sales growth by expanding appliance and service offerings
- Invest in our employees so they are trained and equipped to meet our customers' needs

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2026 United Way Campaign



KUB Employees Proudly Support United Way

- 100% employee-funded campaign
- Fundraising events, agency education, and community service
- Employee-led campaign
  - Campaign Co-Chairs: Kevin Keaton and Tracy Hubbs
  - Leadership Giving Chair: Deanna Unger
- Cross-organizational committee









2026 Campaign Highlights

- Leadership Giving Breakfast
- Fall Festival of Hope Celebration Event
  - Silent Auction
  - Employee Maker's Market
  - Food, fun, and fellowship
- Partner Agency Drive
  - Helping Mamas
  - Friends of Literacy
- Agency Visits
  - 40+ employees
  - Nine agencies visited
- Week of Service
  - Nine agencies supported
  - 90 employees volunteered







Week of Service Agencies

- Magnolia Harbor Carefarm
- Compassion Closet
- Knoxville Dream Center
- Second Harvest
- Knoxville Botanical Gardens and Arboretum
- Muse Knoxville
- KAPA Kitchen
- For the Love of Reading
- Keep the Tennessee River Beautiful







Making a Difference

- **$190,000+** raised during the 2026 United Way campaign
- Over **1,200** donated items to local organizations
- More than **$2 million** contributed over the last decade
- **300+** volunteer hours served
- Continued commitment to supporting and investing in the communities we serve



KUB supporting United Way Greater Knoxville

small acts BIG IMPACTS

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