



NEWS RELEASE

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For Immediate Release

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KUB Community Relations

KUB Board Approves Long Term Agreements with TVA *First-of-its-Kind Green Invest Agreement Will Support 212 MW of New Solar Generation for KUB Customers*

At its meeting today, KUB's Board of Commissioners approved a new 20-year power supply agreement with TVA that provides long-term cost stability for KUB customers, discounted wholesale rates, power supply flexibility of up to 5 percent of KUB's power to come from local sources, and makes possible a significant investment in renewable energy for KUB customers.

The new agreement will provide KUB a 3.1 percent credit on the TVA wholesale base rate – about \$9.5 million annually. With today's action, the Board also approved use of a portion of the annual credit – \$825,000 – to secure significant new solar resources for KUB customers.

KUB plans to enter a first-of-its-kind Green Invest agreement with TVA to secure 212 MW of new-to-the-grid solar power. This new solar investment would generate an anticipated 465 million kilowatt-hours (kWh) of solar output per year, an amount equal to 8 percent of KUB's annual electric load, or the equivalent of powering approximately 35,000 average homes.

"We appreciate TVA's cooperation as we worked through our due diligence on the long-term agreement, and we are very pleased to partner with TVA on this landmark purchase of renewable energy for our customers," said Gabriel Bolas, KUB President and Chief Executive Officer.

TVA launched the Green Invest program to help meet the renewable goals of private companies by building new solar facilities in the TVA region, connected to the TVA grid. The program is modeled on similar agreements made with Facebook and Google in 2018. Vanderbilt University recently announced the first Green Invest project since the program was made available across the Valley in 2019. The agreement with KUB marks the first between TVA and a local power company.



Knoxville Utilities Board

“We are proud to partner with KUB on this long-term agreement, which ensures that customers will continue to enjoy the benefits of public power for decades to come,” said Jeff Lyash, TVA President and Chief Executive Officer. “As a leader in the development of cost-effective renewable energy, we are excited to partner with KUB to bring even more clean energy to the grid for their customers.”

In addition to the solar project, KUB anticipates using the savings from the wholesale credit to benefit customers through reliability improvements, reduced or deferred rate increases, and programs to support low income and environmental efforts, among other things.

KUB is a municipal utility serving Knox and parts of seven adjacent counties and provides electric, gas, water, and wastewater services to more than 464,000 customers.

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