

KUB

Annual Disclosures

January 17, 2019



Background of Ethics Policies

- Pre 2000: City Charter, Resolution 1, general state law
- 2000: Conflict of interest added to By-laws
- 2005: Employee Conflict of Interest Policy and required annual disclosure
- 2006: TN State Ethics Commission established
- 2007: Board adopted Ethics Policy
- 2012: By-laws ethics section updated
- 2013: Annual disclosure requirement adopted

Ethics Policy Components

- Aligns with governing statutes and guidelines
- Certifies compliance with ethical standards
 - Political activity
 - Nepotism
 - Gifts and gratuities
 - Personal and financial interests
 - Improper use of position or authority
 - Improper use of KUB time, facilities, and equipment
- Requires disclosure if a conflict exists

Annual Disclosure Form

- Form included in today's agenda packet
- Annual disclosure occurs in January
- Return forms before end of January

**KNOXVILLE UTILITIES BOARD
COMMISSIONER CONFLICT OF INTEREST FORM**

COMMISSIONER INFORMATION			
Name		KUB Accts.	
Home Address		Unit #	
City	State	ZIP	
Business Name		KUB Accts.	
Address		Unit #	
City	State	ZIP	

DISCLOSURE STATEMENTS
Please initial beside each true statement. Provide a detailed explanation on the next page for any untrue statement.

1	My residence is within Knox County limits.
2	I do not have a nepotism conflict as defined by Article X, Section 1016 of the City of Knoxville Charter. ¹
3	Other than my position as KUB Commissioner, I am not a Public Official as defined by Section 1102 of the City of Knoxville Charter ² nor am I an employee or a retiree of an energy, water or wastewater utility or energy company.
4	I do not have a personal interest or work for a business or entity which has a financial interest in any business relationship with KUB other than the purchase of utility services as defined by Section 2 of the KUB Ethics Policy (see attached policy).
5	I have not directly or indirectly accepted any money, gift, gratuity, or other consideration or favor of any kind from anyone other than KUB for the performance of an act or refraining from performance of act in the regular course of my duties as a KUB Commissioner.
6	I have not disclosed any confidential information obtained in my capacity as a KUB Commissioner other than as authorized or required by law.
7	I have not used or disclosed information obtained in my capacity as KUB Commissioner in a way that resulted in financial gain for myself or any other person or entity.
8	I have not used or authorized the use of KUB time, facilities, equipment, or supplies for private gain or advantage to myself or any other private person or entity.
9	I have not made any private purchase in the name of KUB.
10	I have not used my position as a KUB Commissioner to secure any privilege or exemption for myself or others not authorized by the Charter, general law, resolution, by-law or policy of KUB.
11	I have not accepted or continued any employment that unreasonably inhibits the performance of any affirmative duty of my position as KUB Commissioner or that conflict with any provision of the KUB Charter, any KUB Resolution, Bylaw or policy.

¹ Charter Article X, Section 1016 says, "No officer or employee elected or appointed by the council, the board of education, the civil service merit board, the Knoxville Utilities Board, or any appointing authority or administrative officer shall be related to any of said members of the council, the board of education, the civil service merit board, the Knoxville Utilities Board, or any appointing authority or administrative officer controlling or having a vote or voice in the election or appointment of said officer or employee within the third degree, either by affinity or consanguinity."

² Public Official shall mean any person who is an elected official or an employee of the City of Knoxville or any municipality, county government, or state government except for notary public, a member of the National Guard of the State of Tennessee, or employee of public education.

Board Training Requirement

- Topics:
 - Board governance
 - Financial oversight
 - Policy making and other duties
- 12 hours within first year for new Commissioners
- 12 hours over the course of each subsequent three year period

By-Laws Revision

■ Housekeeping Changes

- Clarifies language regarding required reporting
- Clarifies swearing in procedures

■ New Items

- Codifies the commitment appropriation approval process
- Codifies that Commissioners cannot be employees or retirees of a telecommunications utility or any other utility service provider

Next Steps

- Official action in February
- Effective upon approval

KUB

Safety Engagement Improving Performance

January 17, 2019





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.

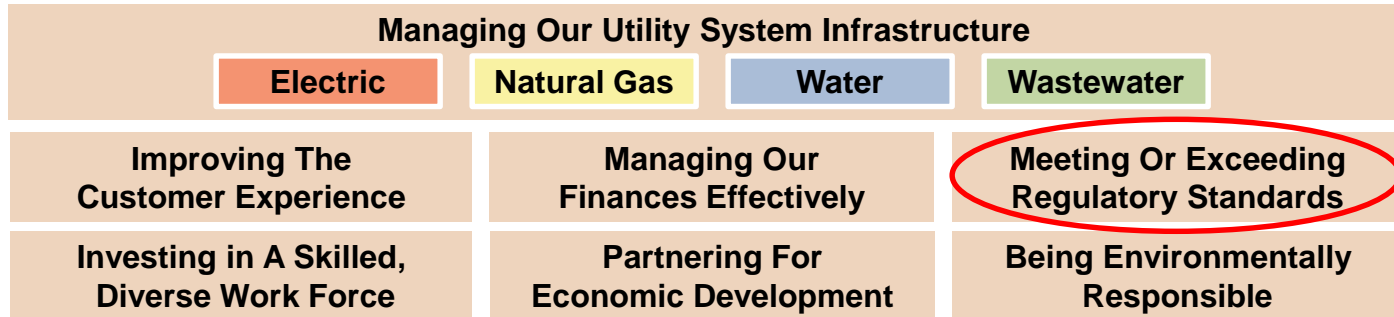
Our Mission:

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:

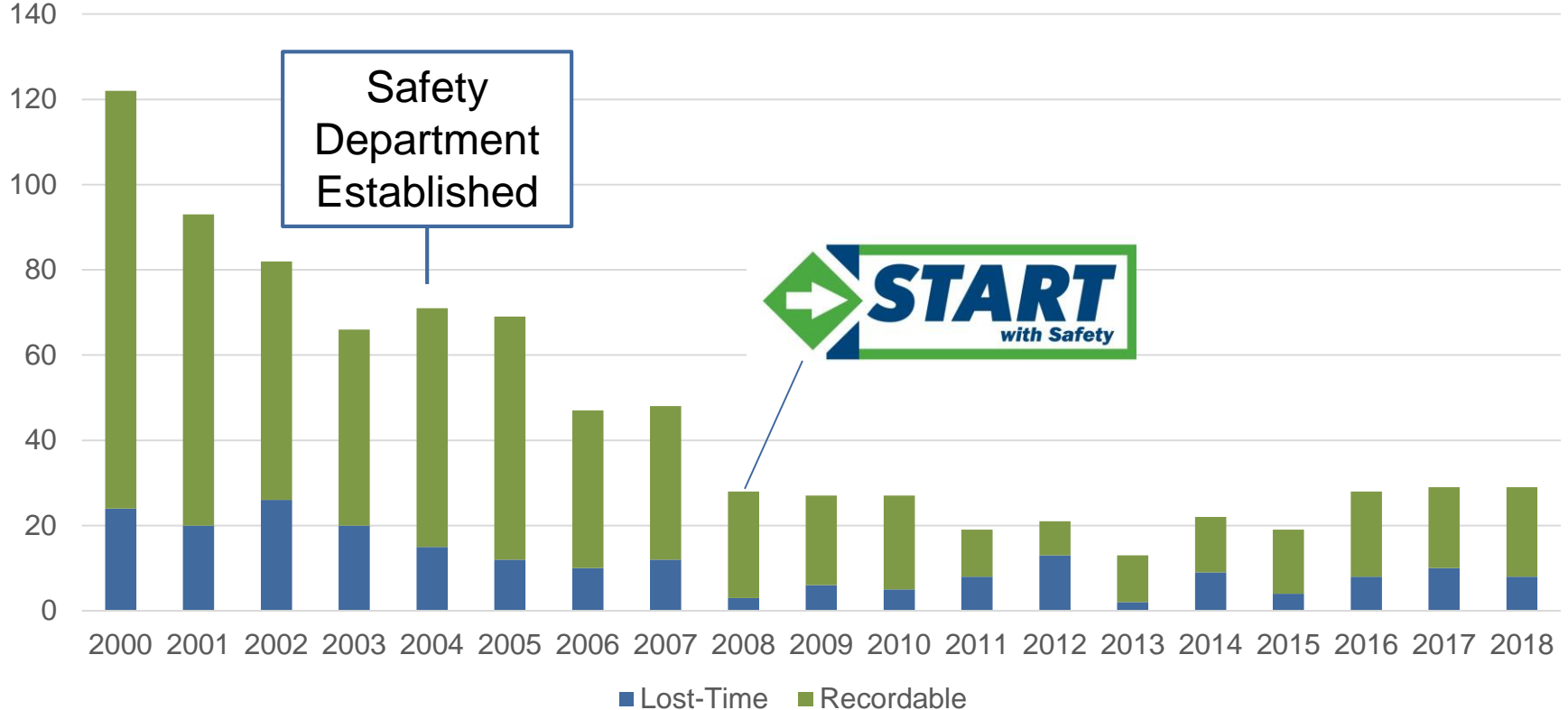


Keys to Success:



Commitment to Resources, Culture is Evident

Injuries



2018 Board Metric Focused on Serious Injuries, Proactive Efforts

- Goal: Four or fewer serious, preventable safety injuries
- Work Healthy program
- Safe Driver Training



Safety Requires Engagement from Everyone

- Management commitment
- Professional Safety staff
- Safety Stewardship Team
- Safety Engagement Team



Safety Engagement is Working

- Met FY 18 target of less than 4 serious, preventable injuries
- Driving Safety and Work Healthy programs exceeded expectations
 - Preventable motor vehicle accidents reduced by 70%
 - Strains and sprains reduced by 31%
- Over 25 ideas generated from employees to date
 - Half implemented or underway
 - Remaining planned over next two years

Continuing Safety Focus in FY 19

- Metric goal of three or fewer serious, preventable safety injuries
 - Currently 1 for FY 19
- High Hazard Engagement Teams
- Safety Advisory Council
- New employee training
- Ongoing employee engagement



KUB

Community Outreach Update

January 17, 2019





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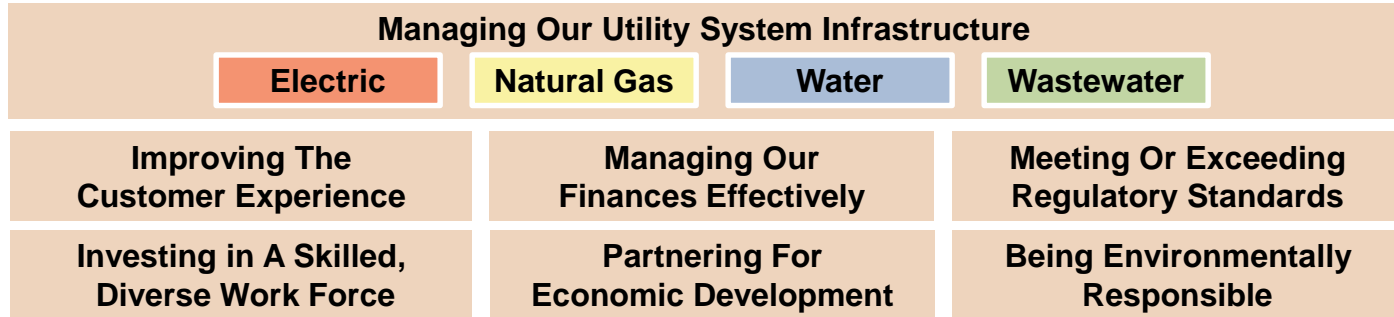
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Keys to Success:



Employees Gave More Than 3500 Hours of Service

■ Volunteer Time Policy

- Gives employees 8 hours/year for volunteer work
- 528 employees participated

■ KUB Cares

- Committee of employees from across KUB
- Clearinghouse for community service requests
- Plans and promotes volunteer efforts and initiatives
- Partners with other KUB organizations



More Than 25 Agencies Helped

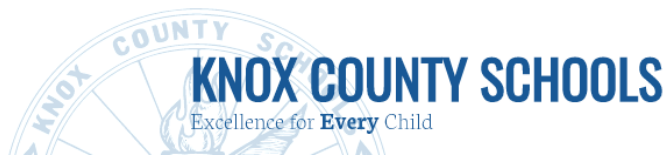
- Howard Circle of Friends
- Public Power Week of Service
- Love Kitchen
- PARK(ing) Day Knoxville
- Young Williams Shelter
- Ijams Nature Center
- And much more....



KUB Employees Serve Our Community



United Way
of Greater Knoxville



Program Benefits KUB and its Customers

- Improves the community
- Builds good will and trust
- Boosts employee engagement
- Encourages teamwork throughout KUB



2018 East Tennessee Corporation of the Year

”As the region's Volunteer Center, we believe it is important to honor the good work being done by volunteers every day.”
~*Volunteer East Tennessee*



KUB

Gas Pipeline Incident Update

January 17, 2019

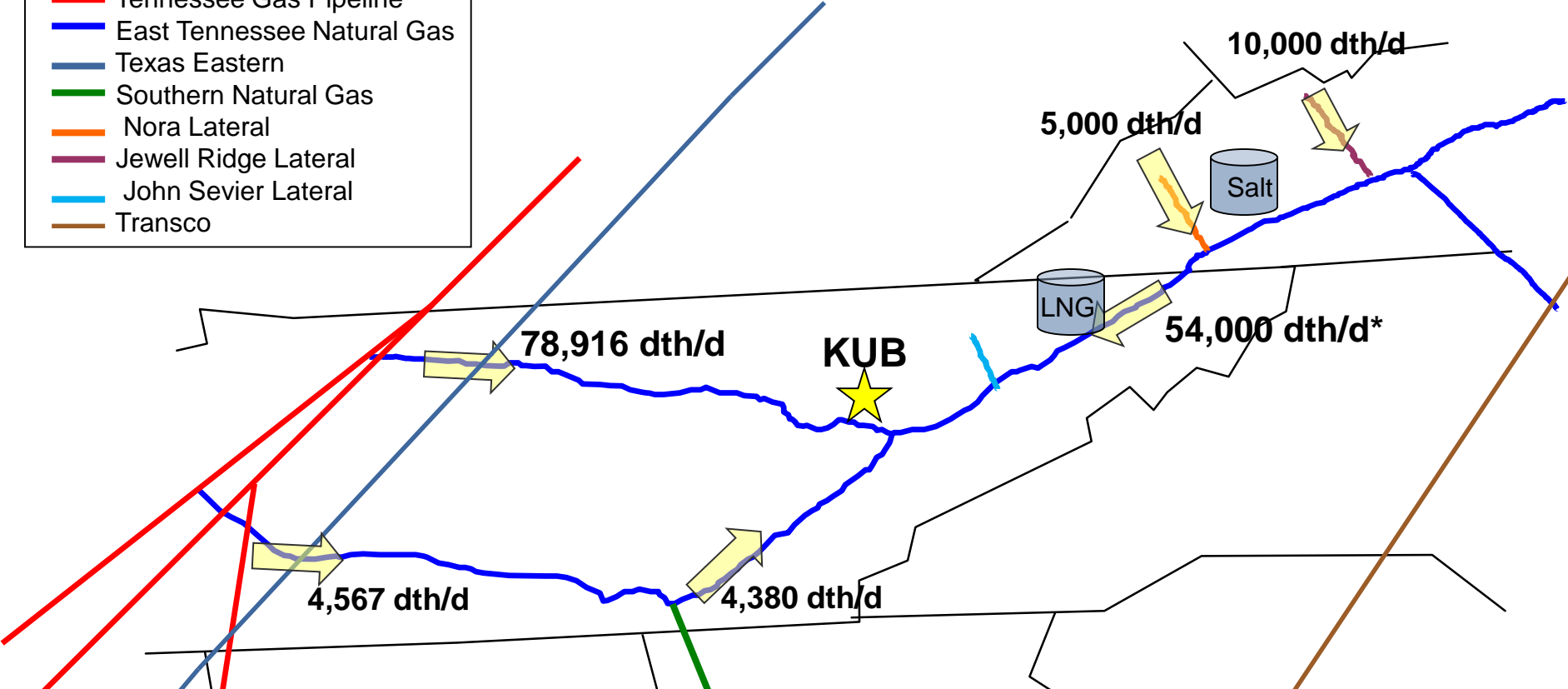


December 15 Smith County Pipeline Rupture

- Damage to Enbridge pipeline halted a significant portion of gas deliveries to eastern Tennessee
- KUB's response:
 - Used LNG storage and alternative supplies to maintain service
 - Curtailed supply to interruptible customers
 - Made public appeals for conservation
- Damaged section placed back into service at reduced capacity on December 29

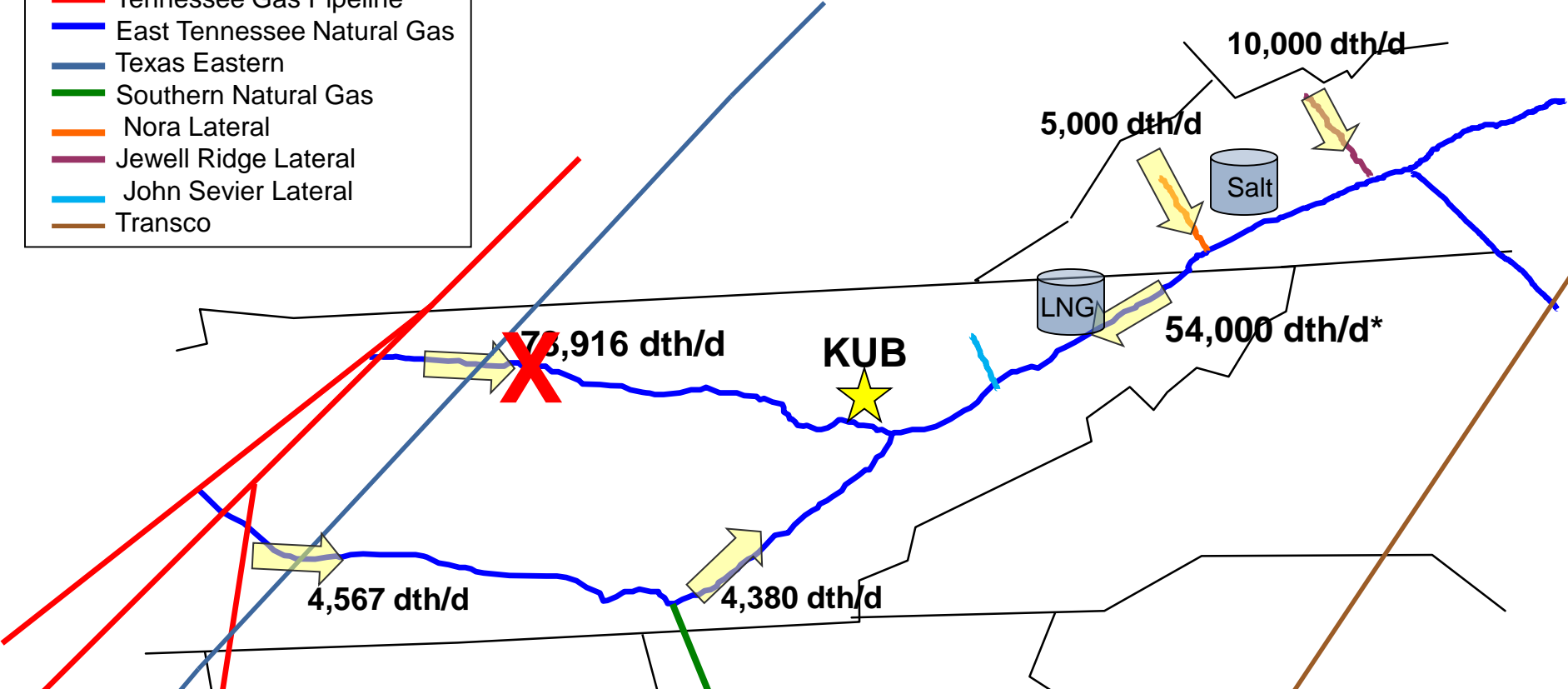
KUB's Gas Transportation Portfolio

- Tennessee Gas Pipeline
- East Tennessee Natural Gas
- Texas Eastern
- Southern Natural Gas
- Nora Lateral
- Jewell Ridge Lateral
- John Sevier Lateral
- Transco

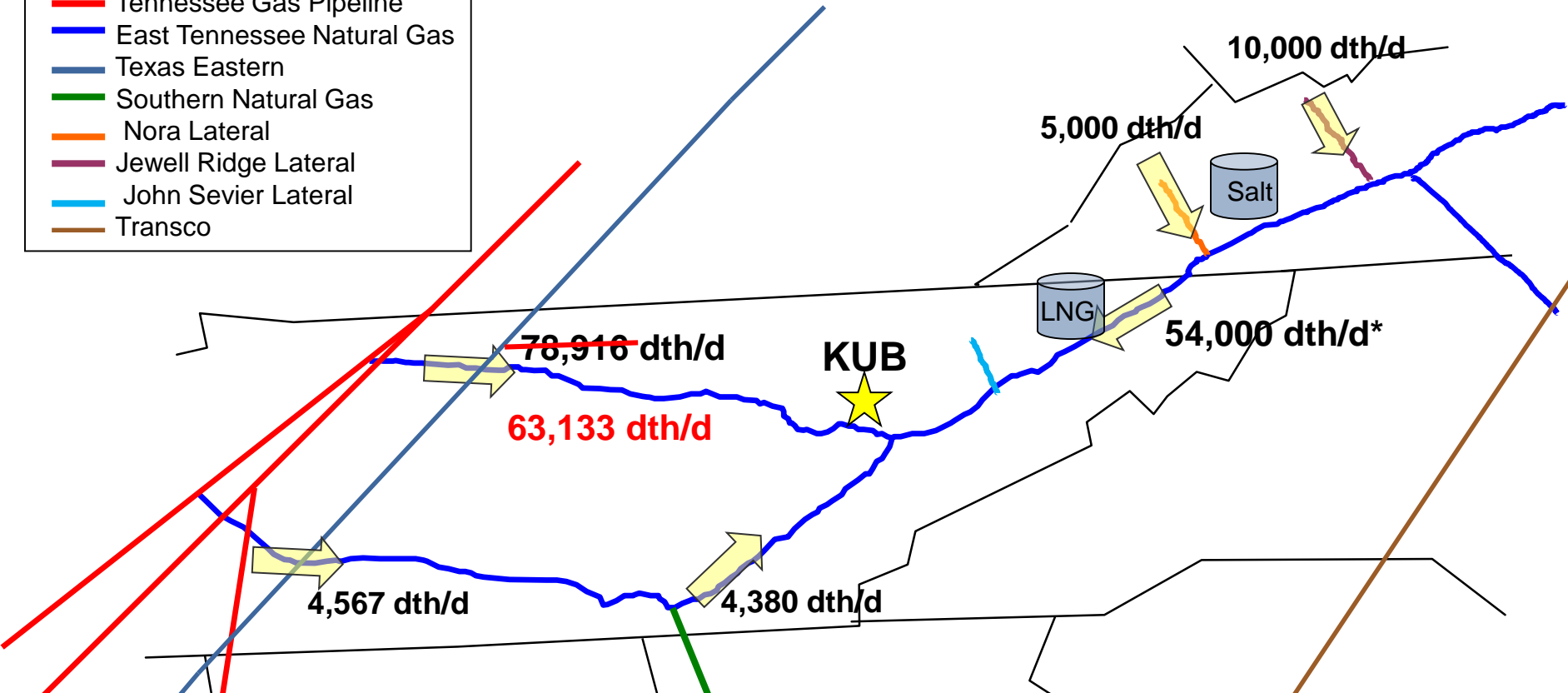
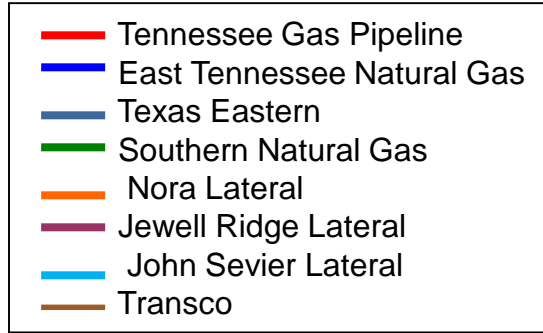


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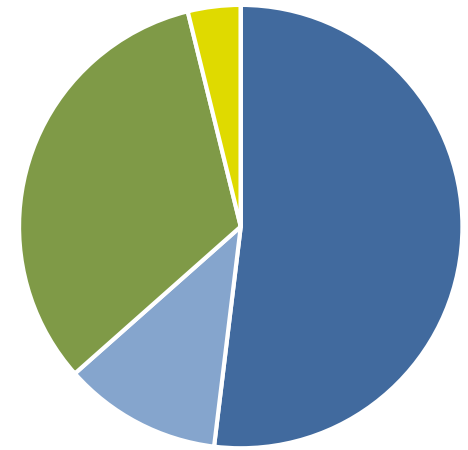
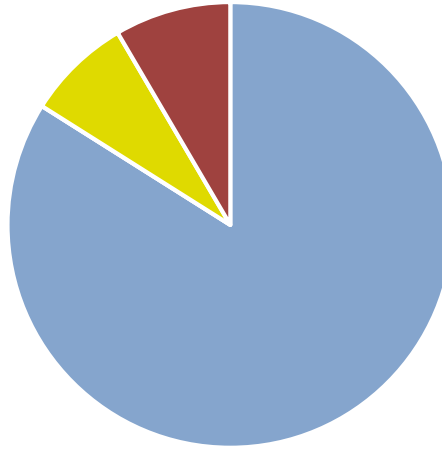
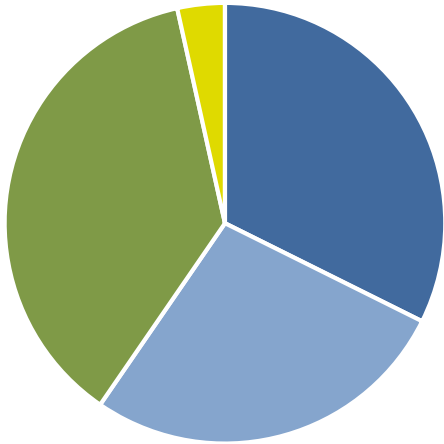


Gas Supply Response

Before

December 16 - 29, 2018

Current

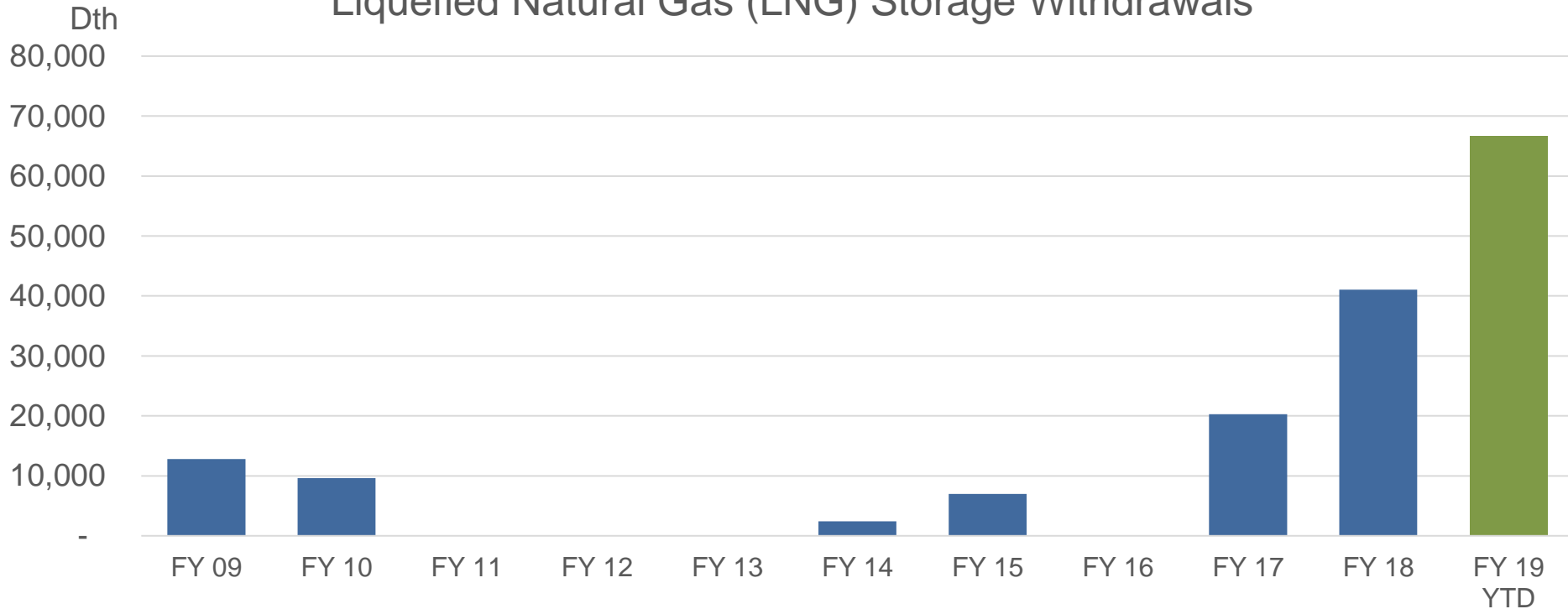


■ Purchases (TGP, Tetco) ■ Purchases (ETNG) ■ Storage - TGP ■ Storage - Saltville ■ Storage - LNG

LNG is Reserved for Peak Day Use

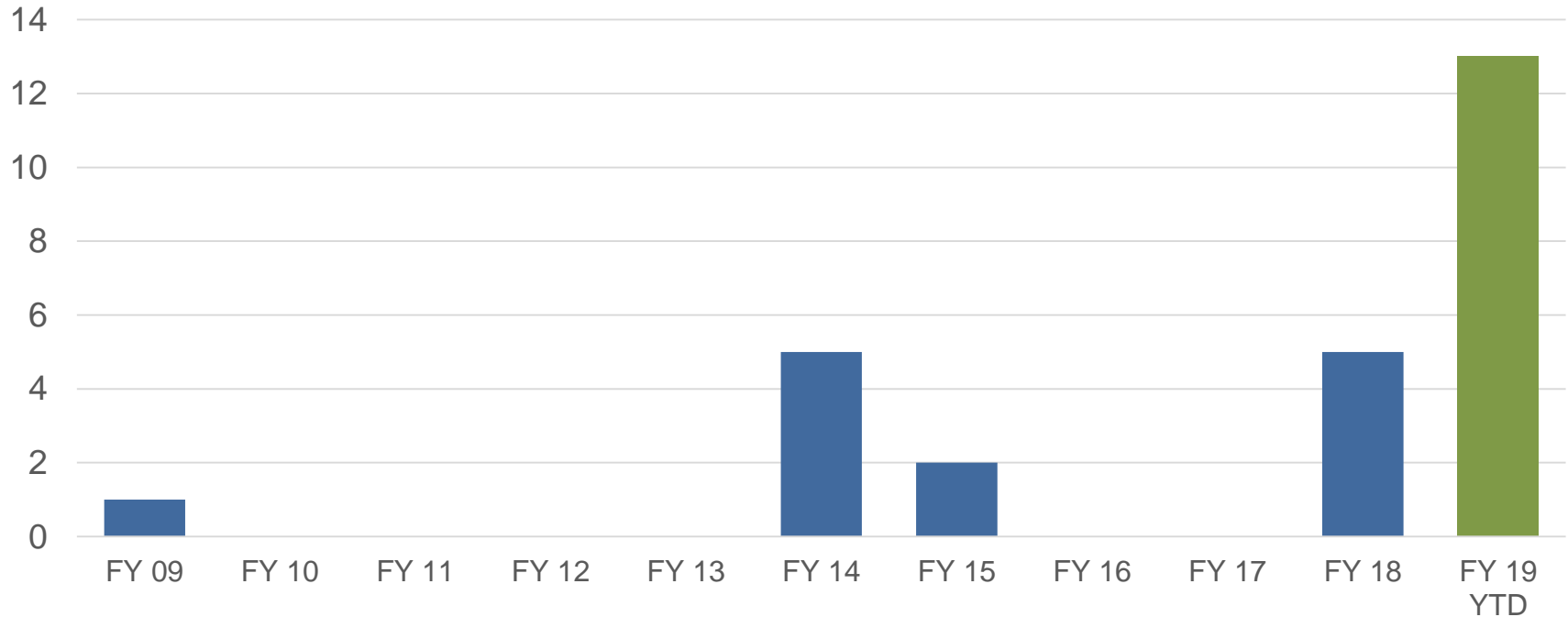
KUB Stores 412,000 dth

Liquefied Natural Gas (LNG) Storage Withdrawals



Interruptible Gas Customers Help Manage Supply

Days Curtailed



KUB Communications with Customers



News Release

December 20, 2018
For Immediate Release

For more information, contact:
Your Represented Utility

Area Natural Gas Utilities Working Together
Update on Smith County Natural Gas Pipeline Incident

10NEWS

KUB asks customers to reduce natural gas use



Earlier this week, a pipeline ruptured in middle Tennessee, cutting supply from one of several pipelines that serve East Tennessee.

10NEWS

KUB says customers shouldn't worry about a natural gas shortage



A natural gas pipeline issue in Middle Tennessee is cutting off all natural gas from a section of pipeline that serves many utility companies in East Tennessee. Local utilities are working together to keep supplies flowing.

Future Gas Supply Actions

- Continued need for gas supply flexibility
- Increased likelihood of additional interruptible curtailments
- Anticipate two-week pipeline outage after heating season
- Post-event debrief
- Future supply planning

KUB