



Knoxville Utilities Board

**Board Meeting Agenda
Thursday, November 19, 2020
Noon**

Call to Order

Roll Call

Approval of Minutes

Official Action

Resolution 1426 – A Resolution Authorizing the Execution of an Amendment to the Knoxville Utilities Board’s (“KUB”) Green Invest Agreement with the Tennessee Valley Authority (“TVA”) and the Execution of Tranche Amendments for the Purchase of 290 MW of New Solar Energy under the Green Invest Program

President’s Report

Public Comments

Adjournment



Knoxville Utilities Board

November 13, 2020

Knoxville Utilities Board
445 S. Gay Street
Knoxville, Tennessee 37902-1109

Commissioners:

The November 19 Board meeting agenda includes a single official action item, a resolution authorizing the execution of amendments to KUB's Green Invest Agreement with TVA. As you may recall, the Board previously approved KUB's participation in TVA's Green Invest Program, which is designed to help companies in the Valley achieve their sustainability goals by bringing new, renewable sources of electric power generation to the Valley.

The proposed amendments include three (3) Tranche Amendments, providing for the purchase of a total of 290 MW of new solar generation spread over three new solar installations to be developed in the Tennessee Valley region. The amendments also include a change in the pricing structure for renewable sources of generation, which is a change to our base Green Invest Agreement.

Upon execution of the Green Invest Agreement with TVA in March 2020, KUB entered into agreements with TVA to purchase 212 MW of solar generation at two new solar installations, including sites to be developed in Columbus, Mississippi, and Lake County, Tennessee. These solar agreements have 20-year terms at an annual cost of \$825,000, which will be covered by a portion of KUB's annual partnership credit from TVA. The 212 MW investment represents 8% of KUB's electric system load or enough to serve 35,000 homes.

The proposed new solar purchases total 290 MW, including 35 MW of the solar installation to be developed in Columbus, Mississippi, 55 MW from a site to be developed in Tullahoma, Tennessee, and 200 MW from a future solar site in West Point, Mississippi. These agreements also have 20-year terms at a total combined annual cost of \$806,000, which will also be covered by a portion of our annual partnership credit from TVA. This new 290 MW investment represents 12% of KUB's electric system load and is enough to serve 48,000 homes.

Once executed, KUB's total combined solar investment through Green Invest will be 502 MW, representing 20% or 1.1 billion kilowatt-hours (kWh) of KUB's electric system load, which is enough to serve 83,000 households in KUB's service territory.

The proposed amendment to the pricing structure of the Green Invest Agreement provides more favorable terms and small annual fees to cover TVA's administrative costs.

Resolution 1426 authorizes the execution of the new Tranche Amendments and the pricing structure change to the base Green Invest Agreement. I recommend the approval of Resolution 1426 on first and final reading.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Gabriel Bolas". The signature is fluid and cursive, with the first name "Gabriel" and the last name "Bolas" clearly distinguishable.

Gabriel J. Bolas II
President and CEO

RESOLUTION NO. 1426

A Resolution Authorizing the Execution of an Amendment to the Knoxville Utilities Board's ("KUB") Green Invest Agreement with the Tennessee Valley Authority ("TVA") and the Execution of Tranche Amendments for the Purchase of 290 MW of New Solar Energy under the Green Invest Program

Whereas, TVA and KUB have a long-standing relationship as seller and buyer of electric power, under which KUB purchases its electric power requirements from TVA; and

Whereas, the KUB Board of Commissioners ("Board") previously adopted Resolution No. 1410, which among other things, authorized KUB's participation in TVA's Green Invest Program; and

Whereas, KUB entered into a first-of-its-kind TVA's Green Invest Agreement in March 2020 to purchase 212 MW of new solar in the Tennessee Valley; and

Whereas, KUB seeks to purchase 290 MW of additional new solar through TVA's Green Invest Program to be spread across three new solar installations in the TVA region; and

Whereas, a portion of KUB's annual partnership credit from TVA will fund this investment in 290 MW of new solar; and

Whereas, KUB's total combined Green Invest purchases of 502 MW will represent 20% or 1.1 billion kilowatt-hours (kWh) of KUB's electric system load or enough to serve approximately 83,000 homes; and

Whereas, KUB's purchase of additional solar will require the execution of Tranche Amendments to the Green Invest Agreement setting the terms and conditions of the purchase of solar from the three new solar installations; and

Whereas, TVA has revised its pricing structure for the Green Invest Program, which also requires an amendment to KUB's Green Invest Agreement with TVA; and

Whereas, KUB staff have thoroughly reviewed the amendment for the pricing structure changes and the Tranche Amendments and have determined that their execution is in the best interests of KUB and its customers.

Now, Therefore, Be it Hereby Resolved by the Board of Commissioners of the Knoxville Utilities Board:

Section 1. The President and Chief Executive Officer is hereby authorized to execute the Green Invest Agreement Amendment, setting forth the pricing structure changes, and execute the Tranche Amendments to the Green Invest Agreement providing for the purchase of the 290 MW of new solar, all in substantially the form attached hereto this Resolution as Exhibit A.

Section 2. The President and Chief Executive Officer is further authorized and empowered generally to take such action and to authorize such other persons to take such actions as may be necessary, proper or convenient to carry into effect this Resolution and to carry out the terms of the executed amendments.

Section 3. This Resolution shall take effect from and after its passage.

Kathy Hamilton, Chair

Mark Walker, Board Secretary

APPROVED ON 1st
& FINAL READING: _____
EFFECTIVE DATE: _____
MINUTE BOOK ___ PAGE _____

GREEN INVEST AGREEMENT AMENDMENT

TV-75110A, Supp. No. ____

This Amendment is between KNOXVILLE UTILITIES BOARD (Acting for and on behalf of City of Knoxville, Tennessee) ("**Distributor**"), a Tennessee municipal corporation, and TENNESSEE VALLEY AUTHORITY ("**TVA**"), a corporate agency and instrumentality of the United States of America created and existing under and by virtue of the Tennessee Valley Authority Act of 1933, as amended.

Distributor purchases all of its power requirements from TVA for resale under a rolling term contract number TV-75110A, effective July 11, 1988, as amended ("**Power Contract**").

Distributor and TVA previously entered into a Green Invest Agreement, contract number TV-75110A, Supp. No. 115, effective March 12, 2020, including all Tranche Amendment(s) entered into thereunder and incorporated by reference (referred to collectively as the "**Green Invest Agreement**") to provide new renewable energy to Company under the Power Contract.

Distributor and TVA have since determined that they would each benefit from amending certain provisions of the Green Invest Agreement.

Therefore, the parties agree as follows:

SECTION 1 - TERM

This Amendment will continue in effect until the expiration or termination of the Green Invest Agreement.

SECTION 2 - DEFINITIONS

Unless otherwise defined herein, capitalized and underlined terms are defined in the Green Invest Agreement.

SECTION 3 - AMENDMENTS TO THE GREEN INVEST AGREEMENT

3.1 - Definitions Additions

The parties hereby amend section 1 of the Green Invest Agreement by removing the definition of "REC Fee," and any reference thereto throughout the Green Invest Agreement, and by adding the following definitions to the alphabetized list:

"**Product Price Minimum**" means the minimum price of the Product, meant to represent the value of the benefit received by Company. The Product Price Minimum as of January 1, 2020, is one dollar and twenty-five cents per megawatt-hour (\$1.25/MWh) for each unit of Product. The Product Price Minimum may be changed by TVA upon 30 days written notice to Company. Any change to the Product Price Minimum will not apply to or otherwise affect any effective Tranche Amendment(s).

"**TVA Administrative Fee**" is a \$1,000.00 per month charge to compensate TVA for the cost it incurs to administer this Agreement and the associated Tranche Amendment(s). The TVA Administrative Fee will increase 3% on January 1 of each year, beginning January 1, 2021. As of the effective date of this Amendment, the TVA Administrative Fee will be applied to Distributor's monthly invoice whenever a Tranche Amendment becomes effective and an applicable Renewable Energy Facility has begun to deliver renewable power. The TVA Administrative Fee will not be applied to any previously effective Tranche Amendment executed prior to the effective date of this Amendment.

3.2 - Pricing Changes

For any Tranche Amendment(s) signed after the effective date of this Amendment, the parties hereby agree to replace, in its entirety, section 3.4 of the Green Invest Agreement with the following, to reflect the new pricing structure:

Section 3.4 Pricing. The Product price TVA will provide to Company will be determined by subtracting TVA's avoided cost from the cost of the renewable energy obtained pursuant to the PPA, with such difference not less than the Product Price Minimum in effect at the time TVA receives the Notification. TVA's avoided cost will be based on TVA's then-current economic modeling approach utilized for planning TVA's existing and incremental generation resources, and will take into account the specific combination of features of the power to be generated by TVA or to be sold under the specific proposal for the PPA, which considerations will include, without limitation, capacity, real-time energy delivery amounts ("shaping"), dispatchability, intermittency, generation source diversity, maintenance scheduling, administrative and billing requirements, variations in line losses, curtailment rights, reliability, and other risk factors. The parties will agree to the Product price through execution of a Tranche Amendment. The Product price is not subject to change following execution of such Tranche Amendment, unless otherwise agreed to in the applicable Tranche Amendment.

3.3 - Invoicing Changes

The parties hereby agree to replace, in its entirety, section 5.1 of the Green Invest Agreement with the following, to include the TVA Administrative Fee:

Section 5.1 Invoicing. TVA will invoice Distributor monthly for Product generated under each Tranche Amendment, the TVA Administrative Fee, and third-party costs for certifying, registering, and transferring RECs ("**Third-Party Costs**"), if any. Distributor shall pay for such Product, TVA Administrative Fee, and Third-Party Costs on Distributor's monthly bill for firm power in accordance with the terms and conditions in the Power Contract and each applicable Tranche Amendment. Any such monthly amount shall be netted against any credit due to Distributor in accordance with Section 5.2 or added to all other amounts payable on Distributor's monthly bill for firm power.

SECTION 4 - RATIFICATION OF THE GREEN INVEST AGREEMENT

The parties hereby ratify and confirm that the Green Invest Agreement, as amended by this Amendment, is their continuing obligation.

The remainder of this page is intentionally blank.

This Amendment is effective on the date of TVA's signature.

KNOXVILLE UTILITIES BOARD
(Acting for and on behalf
of the City of Knoxville)

By _____

Title: _____

Date: _____

TENNESSEE VALLEY AUTHORITY

By _____
Chief Financial Officer

Date: _____

TRANCHE AMENDMENT # 3

TV-75110A, Supp. No. ____

This Green Invest Tranche Amendment (“**Amendment**”) is between Knoxville Utilities Board (Acting for and on behalf of City of Knoxville, Tennessee) (“**Distributor**”), and Tennessee Valley Authority (“**TVA**”), and is subject to the provisions of the Green Invest Agreement (“**Agreement**”) Contract No. TV-75110A, Supp. No. 115. This Amendment is effective as set out in Conditions Precedent below.

Applicable Renewable Energy Facility	<p>Distributor will purchase from TVA the Product derived from new renewable generation on an as-generated basis contingent on the availability of the new renewable generation resource at SR Tullahoma LLC, accounting for 27.5% of that facility’s total renewable generation, being obtained by TVA under a power purchase agreement (“PPA”) Contract Number 6555561.</p> <p>Contract Output (MWac): 200 MW (of which 27.5% equals 55 MW) Coordinate Location: 35°20’49.10”N, 86°16’15.88”W Expected Delivery Point: delivery point on the TVA Franklin-Warrance 161-kV transmission line #2 adjacent to the site Expected Initial Delivery Date: September 29, 2023 Delivery Period (years): 20</p>
Term	The term of this Amendment runs through the expiration of the term of the PPA or the earlier termination thereof.
Product Price	The Product price for generation from the applicable Renewable Energy Facility is \$1.25 per REC.
Renewable Energy Facility Underperformance	<p>TVA will pay Distributor 4.71% of its proportionate share of the total damages owed and received by TVA from the PPA, specifically in Section 3.3, “Failure to Meet the Expected Initial Delivery Date,” and Article 8, “Supply Guarantee; Disconnection or Curtailment;” provided that, pursuant to Section 5.4 of the Agreement, Distributor shall have the right to receive replacement RECs in the event they are received by TVA under the PPA.</p> <p>In the event of early termination pursuant to Article 9, “Early Termination; Remedies” under the PPA, the percentage and allocation of damages paid to Distributor will be as set out in Section 5.4 of the Agreement.</p>
Early Termination	Section 7.3 of the Agreement will establish the early termination amount.
Conditions Precedent	This Amendment will become effective on the earlier of the PPA’s Notice to Proceed Deadline or the granting of the Notice to Proceed of the underlying Renewable Energy Facility of the PPA; in the event that the PPA is not executed within 30 days of the execution of this Amendment, this Amendment will not become effective.
Transparency of Distributor Renewable Commitments	By signing this Tranche Amendment, Distributor represents and warrants that the cost and benefits associated with this Amendment were discussed at a public meeting open to Distributor’s electric system ratepayers and that ratepayers were provided with a Distributor contact to address any inquiries regarding the effects of this arrangement.

General Terms and Conditions:	<p><u>Ratification of the Agreement.</u> The Agreement as amended by this Amendment, is ratified and confirmed as the continuing obligation of the parties.</p> <p><u>Defined Terms.</u> Capitalized and underlined terms not otherwise defined in this Amendment have the same meaning as in the Agreement.</p> <p><u>Conflicts.</u> In the event of any conflict between this Amendment and the Agreement, this Amendment controls.</p> <p><u>Assignment.</u> This Amendment will be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. Neither party may transfer or assign this Amendment, in whole or in part, without the other party's prior written consent.</p> <p><u>Amendment.</u> This Amendment may be amended only by a written agreement signed by both parties.</p> <p><u>Counterparts.</u> This Amendment may be executed in multiple counterparts, each of which will be considered an original and all of which together will be considered to be but one and the same instrument. Facsimile or PDF transmission of any signed original document, and retransmission of any facsimile or PDF transmission, will be the same as delivery of any original document.</p>
Performance Assurance	<p>Section 6 of the Agreement shall govern Distributor's Performance Assurance obligations with TVA throughout the term of this Amendment.</p>

By signing below, the parties agree to be bound by the terms and conditions contained in this Amendment and the Agreement.

Knoxville Utilities Board (Acting for and on behalf of the City of Knoxville)	Tennessee Valley Authority
<i>Signature:</i> _____ <i>Title:</i> _____	<i>Signature:</i> _____ <i>Title:</i> Chief Financial Officer
<i>Printed Name:</i> _____ <i>Date:</i> _____	<i>Printed Name:</i> John M. Thomas, III <i>Date:</i> _____

TRANCHE AMENDMENT # 4

TV-75110A, Supp. No. ____

This Green Invest Tranche Amendment (“**Amendment**”) is between Knoxville Utilities Board (Acting for and on behalf of City of Knoxville, Tennessee) (“**Distributor**”), and Tennessee Valley Authority (“**TVA**”), and is subject to the provisions of the Green Invest Agreement (“**Agreement**”) Contract No. TV-75110A, Supp. No. 115. This Amendment is effective as set out in Conditions Precedent below.

Applicable Renewable Energy Facility	<p>Distributor will purchase from TVA the Product derived from new renewable generation on an as-generated basis contingent on the availability of the new renewable generation resource at MS Solar 7, LLC, accounting for 100% of that facility’s total renewable generation, being obtained by TVA under a power purchase agreement (“PPA”) Contract Number 6556687.</p> <p>Contract Output (MWac): 200 MW Coordinate Location: 33.636, -88.653 Expected Delivery Point: TVA’s 161-kV Clay/West Point Substation Expected Initial Delivery Date: September 29, 2023 Delivery Period (years): 20</p>
Term	<p>The term of this Amendment runs through the expiration of the term of the PPA or the earlier termination thereof.</p>
Product Price	<p>The Product price for generation from the applicable Renewable Energy Facility is \$1.25 per REC.</p>
Renewable Energy Facility Underperformance	<p>TVA will pay Distributor 4.74% of its proportionate share of the total damages owed and received by TVA from the PPA, specifically in Section 3.3, “Failure to Meet the Expected Initial Delivery Date,” and Article 8, “Supply Guarantee; Disconnection or Curtailment;” provided that, pursuant to Section 5.4 of the Agreement, Distributor shall have the right to receive replacement RECs in the event they are received by TVA under the PPA.</p> <p>In the event of early termination pursuant to Article 9, “Early Termination; Remedies” under the PPA, the percentage and allocation of damages paid to Distributor will be as set out in Section 5.4 of the Agreement.</p>
Early Termination	<p>Section 7.3 of the Agreement will establish the early termination amount.</p>
Conditions Precedent	<p>This Amendment will become effective on the earlier of the PPA’s Notice to Proceed Deadline or the granting of the Notice to Proceed of the underlying Renewable Energy Facility of the PPA; in the event that the PPA is not executed within 30 days of the execution of this Amendment, this Amendment will not become effective.</p>
Transparency of Distributor Renewable Commitments	<p>By signing this Tranche Amendment, Distributor represents and warrants that the cost and benefits associated with this Amendment were discussed at a public meeting open to Distributor’s electric system ratepayers and that ratepayers were provided with a Distributor contact to address any inquiries regarding the effects of this arrangement.</p>

General Terms and Conditions:	<p><u>Ratification of the Agreement.</u> The Agreement as amended by this Amendment, is ratified and confirmed as the continuing obligation of the parties.</p> <p><u>Defined Terms.</u> Capitalized and underlined terms not otherwise defined in this Amendment have the same meaning as in the Agreement.</p> <p><u>Conflicts.</u> In the event of any conflict between this Amendment and the Agreement, this Amendment controls.</p> <p><u>Assignment.</u> This Amendment will be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. Neither party may transfer or assign this Amendment, in whole or in part, without the other party's prior written consent.</p> <p><u>Amendment.</u> This Amendment may be amended only by a written agreement signed by both parties.</p> <p><u>Counterparts.</u> This Amendment may be executed in multiple counterparts, each of which will be considered an original and all of which together will be considered to be but one and the same instrument. Facsimile or PDF transmission of any signed original document, and retransmission of any facsimile or PDF transmission, will be the same as delivery of any original document.</p>
Performance Assurance	Section 6 of the Agreement shall govern Distributor's Performance Assurance obligations with TVA throughout the term of this Amendment.

By signing below, the parties agree to be bound by the terms and conditions contained in this Amendment and the Agreement.

Knoxville Utilities Board (Acting for and on behalf of the City of Knoxville)	Tennessee Valley Authority
<i>Signature:</i> _____ <i>Title:</i> _____	<i>Signature:</i> _____ <i>Title:</i> Chief Financial Officer
<i>Printed Name:</i> _____ <i>Date:</i> _____	<i>Printed Name:</i> John M. Thomas, III <i>Date:</i> _____

TRANCHE AMENDMENT # 5

TV-75110A, Supp. No. ____

This Green Invest Tranche Amendment (“**Amendment**”) is between Knoxville Utilities Board (Acting for and on behalf of City of Knoxville, Tennessee) (“**Distributor**”), and Tennessee Valley Authority (“**TVA**”), and is subject to the provisions of the Green Invest Agreement (“**Agreement**”) Contract No. TV-75110A, Supp. No. 115. This Amendment is effective as set out in Conditions Precedent below.

Applicable Renewable Energy Facility	<p>Distributor will purchase from TVA the Product derived from new renewable generation on an as-generated basis contingent on the availability of the new renewable generation resource at MS Solar 5 Solar Project, accounting for 17.5% of that facility’s total renewable generation, being obtained by TVA under a power purchase agreement (“PPA”) Contract Number 5921777.</p> <p>Contract Output (MWac): 200 MW (of which 17.5% equals 35 MW) Coordinate Location: 33.458704, -88.628949 Expected Delivery Point: TVA’s 161-kV Artesia Substation or alternative point as determined through the interconnection process Expected Initial Delivery Date: October 1, 2022 Delivery Period (years): 20</p>
Term	<p>The term of this Amendment runs through the expiration of the term of the PPA or the earlier termination thereof.</p>
Product Price	<p>The Product price for generation from the applicable Renewable Energy Facility is \$1.25 per REC.</p>
Renewable Energy Facility Underperformance	<p>TVA will pay Distributor 4.86% of its proportionate share of the total damages owed and received by TVA from the PPA, specifically in Section 3.3, “Failure to Meet the Expected Initial Delivery Date,” and Article 8, “Supply Guarantee; Disconnection or Curtailment;” provided that, pursuant to Section 5.4 of the Agreement, Distributor shall have the right to receive replacement RECs in the event they are received by TVA under the PPA.</p> <p>In the event of early termination pursuant to Article 9, “Early Termination; Remedies” under the PPA, the percentage and allocation of damages paid to Distributor will be as set out in Section 5.4 of the Agreement.</p>
Early Termination	<p>Section 7.3 of the Agreement will establish the early termination amount.</p>
Conditions Precedent	<p>This Amendment will become effective on the earlier of the PPA’s Notice to Proceed Deadline or the granting of the Notice to Proceed of the underlying Renewable Energy Facility of the PPA; in the event that the PPA is not executed within 30 days of the execution of this Amendment, this Amendment will not become effective.</p>
Transparency of Distributor Renewable Commitments	<p>By signing this Tranche Amendment, Distributor represents and warrants that the cost and benefits associated with this Amendment were discussed at a public meeting open to Distributor’s electric system ratepayers and that ratepayers were provided with a Distributor contact to address any inquiries regarding the effects of this arrangement.</p>

General Terms and Conditions:	<p><u>Ratification of the Agreement.</u> The Agreement as amended by this Amendment, is ratified and confirmed as the continuing obligation of the parties.</p> <p><u>Defined Terms.</u> Capitalized and underlined terms not otherwise defined in this Amendment have the same meaning as in the Agreement.</p> <p><u>Conflicts.</u> In the event of any conflict between this Amendment and the Agreement, this Amendment controls.</p> <p><u>Assignment.</u> This Amendment will be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. Neither party may transfer or assign this Amendment, in whole or in part, without the other party's prior written consent.</p> <p><u>Amendment.</u> This Amendment may be amended only by a written agreement signed by both parties.</p> <p><u>Counterparts.</u> This Amendment may be executed in multiple counterparts, each of which will be considered an original and all of which together will be considered to be but one and the same instrument. Facsimile or PDF transmission of any signed original document, and retransmission of any facsimile or PDF transmission, will be the same as delivery of any original document.</p>
Performance Assurance	<p>Section 6 of the Agreement shall govern Distributor's Performance Assurance obligations with TVA throughout the term of this Amendment.</p>

By signing below, the parties agree to be bound by the terms and conditions contained in this Amendment and the Agreement.

Knoxville Utilities Board (Acting for and on behalf of the City of Knoxville)	Tennessee Valley Authority
<i>Signature:</i> _____ <i>Title:</i> _____	<i>Signature:</i> _____ <i>Title:</i> Chief Financial Officer
<i>Printed Name:</i> _____ <i>Date:</i> _____	<i>Printed Name:</i> John M. Thomas, III <i>Date:</i> _____

**Knoxville Utilities Board
Board Meeting
Minutes
Thursday, October 22, 2020 Noon**

Call to Order

The Knoxville Utilities Board met in regular session in the Mintha Roach Corporate Services Building at 4505 Middlebrook Pike, on Thursday, October 22, 2020, pursuant to the public notice published in the October 17, 2020, edition of the *News Sentinel*. Chair Kathy Hamilton called the meeting to order at 12:00 p.m.

Roll Call

Commissioners Present: Jerry Askew, Kathy Hamilton, Celeste Herbert, Sara Pinnell, Adrienne Simpson-Brown, Tyvi Small, and John Worden.

Commissioner Absent: None

Approval of Minutes

The Minutes of the September 17, 2020 Board Meeting were approved as distributed upon a motion by Commissioner Herbert and seconded by Commissioner Small.

New Business

Consideration of Nominees for Commissioner Term Beginning January 1, 2021

Commissioner Herbert, Chair of the Nominating Committee, gave the following report:

This year's nominating process for the term beginning January 1, 2021 began in January of this year when the online application became available on KUB's website. The Committee met in August, and advertisements ran in the *News Sentinel*, KUB's website, and on social media that month.

The committee evaluated submitted applications and identified qualified applicants. The Charter requires that the Board provide the Mayor at least five nominees for each Commissioner vacancy. The Nominating Committee submitted the following five nominees:

October 22, 2020

1. Claudia Caballero
2. Nicole Chandler
3. Helen Hennon
4. Anthony Ingram
5. Elaine Streno

Chair Hamilton recognized Mark Walker, Board Secretary, who distributed and collected the ballots. Mr. Walker then reported that each of the following nominees received a majority of the votes:

1. Claudia Caballero
2. Nicole Chandler
3. Helen Hennon
4. Anthony Ingram
5. Elaine Streno

Chair Hamilton stated the names of the five nominees would be submitted to Mayor Kincannon, and she thanked the members of the Nominating Committee for their work.

Old Business

Resolution 1423, A Resolution Amending the Existing Purchased Power Adjustment of the Electric Division, as Previously Established by Resolution No. 1065, as Heretofore Amended, to Address Changes to Wholesale Power Supply Costs Provided by the Tennessee Valley Authority's Pandemic Relief Credit

President Gabriel Bolas reminded the Board last month they approved on first reading, an amendment to the Electric Division's Purchased Power Adjustment related to the Pandemic Relief Credit KUB will receive from TVA. He recognized Mark Walker, Senior Vice President and Chief Financial Officer, to provide a brief overview prior to their consideration on second and final reading.

President Bolas recommended adoption of Resolution 1423 on second and final reading. His written recommendation is included in Attachment 1.

Upon a motion by Commissioner Askew and a second by Commissioner Pinnell Resolution 1423 was adopted by a roll call vote on second and final reading. The following Commissioners voted "aye": Askew, Hamilton, Herbert, Pinnell, Simpson-Brown, Small, and Worden. No Commissioner voted "nay".

October 22, 2020

New Business

Resolution 1424, A Resolution in Appreciation of the Tennessee Valley Authority for COVID-19 Pandemic Relief Efforts in Support of Valley Residents and Businesses

President Bolas advised the Board that KUB is extremely grateful to TVA for the Pandemic Relief Credit, which will be used to help KUB customers struggling to pay their bills due to the Pandemic, as well as the other forms of assistance provided by TVA to help KUB customers and our community during this time. As the Board requested last month, a resolution has been prepared expressing the Board's deep appreciation for TVA's relief assistance. He recognized Bill Coley, KUB's General Counsel, to present the resolution. He also recognized Amy Edge, Customer Delivery Manager, Dan Pratt, Vice President of Customer Delivery, and Robbie Ansary, Customer Service Manager, from TVA who attended the meeting.

President Bolas recommended adoption of Resolution 1424 on first and final reading. His written recommendation is included in Attachment 2.

Upon a motion by Commissioner Small and a second by Commissioner Herbert, Resolution 1424 was adopted by a roll call vote on first and final reading. The following Commissioners voted "aye": Askew, Hamilton, Herbert, Pinnell, Simpson-Brown, Small, and Worden. No Commissioner voted "nay".

Dan Pratt, TVA Vice President of Customer Delivery, expressed his and TVA's appreciation of the resolution.

Resolution 1425, A Resolution Appointing Members of the Community Advisory Panel

President Bolas reminded the Board in August they passed a resolution directing staff to assemble a Community Advisory Panel. He recognized Susan Edwards, Senior Vice President and Chief Administrative Officer, to provide an update on the slate of nominations KUB has prepared for their consideration.

President Bolas recommended adoption of Resolution 1425 on first and final reading. His written recommendation is included in Attachment 3.

October 22, 2020

Commissioner Herbert made a motion to amend Resolution 1425. She advised the Board that the Nominating Committee interviewed several applicants who were not included in the nominations to the full Board. One applicant, Felecia Outsey, stood out to the Committee as someone who would be an excellent member of the Community Advisory Panel. Ms. Outsey lives in East Knoxville and works at a daycare and a community arts program. She is active in several community organizations, including some that are addressing issues related to low-income energy burdens. In Ms. Outsey's interview she talked about bridging gaps between KUB and the community, which is a primary purpose of the panel. Commissioner Herbert moved to amend Resolution 1425 by adding to Attachment A, Felecia Outsey, contingent upon her acceptance.

Upon a motion by Commissioner Herbert and a second by Commissioner Small, the amendment to Resolution 1425 was adopted by a roll call vote on first and final reading. The following Commissioners voted "aye": Askew, Hamilton, Herbert, Pinnell, Simpson-Brown, Small, and Worden. No Commissioner voted "nay".

Upon a motion by Commissioner Herbert and a second by Commissioner Small, Resolution 1425, as amended, was adopted by a roll call vote on first and final reading. The following Commissioners voted "aye": Askew, Hamilton, Herbert, Pinnell, Simpson-Brown, Small, and Worden. No Commissioner voted "nay".

President's Report

Winter Update

President Bolas reminded Commissioners that staff provides an update each fall on the natural gas industry and KUB's compliance with natural gas purchasing requirements. He recognized Sherri Ottinger, Manager of Rates, to provide this year's update.

Recognition of Environmental Initiatives

President Bolas recognized Mike Bolin, Vice President of Utility Advancement, to share details of two awards KUB recently received, the TenneSEIA Solar Champion award and American Public Power Association's Smart Energy Provider award.

Other Business

None

October 22, 2020

Public Comment

None

Adjournment

There being nothing further to come before the Board, Chair Hamilton declared the Board meeting adjourned at 1:00 p.m.

Kathy Hamilton, Chair

Mark Walker, Board Secretary

Attachments

Attachment 1	Recommendation Letter and Resolution 1423 – A Resolution Amending the Existing Purchased Power Adjustment of the Electric Division, as Previously Established by Resolution No. 1065, as Heretofore Amended, to Address Changes to Wholesale Power Supply Costs Provided by the Tennessee Valley Authority’s Pandemic Relief Credit – Second and Final Reading	<u>Page(s)</u> 10281 – 10299
Attachment 2	Resolution 1424 – A Resolution in Appreciation of the Tennessee Valley Authority for COVID-19 Pandemic Relief Efforts in Support of Valley Residents and Businesses	10300 – 10301
Attachment 3	Resolution 1425 – A Resolution Appointing Members of the Community Advisory Panel	10302 – 10311



October 16, 2020

Knoxville Utilities Board
445 S. Gay Street
Knoxville, Tennessee 37902-1109

Commissioners:

The October 22 Board meeting agenda includes four official action items, including the selection of nominees to be sent to the Mayor to fill the Board seat to be vacated by Commissioner Pinnell at the end of this year (no resolution), two resolutions related to Pandemic relief assistance provided by TVA, and a resolution formally appointing members to the initial KUB Community Advisory Panel.

An overview of each resolution is provided below.

Resolution 1423 (Second Reading)

Resolution 1423 amends the Electric Division's Purchased Power Adjustment (PPA) for changes in KUB's wholesale power costs provided by TVA's Pandemic Relief Credit.

The TVA Board recently approved \$200 million in Pandemic Relief Credits to be provided to local power companies (like KUB) in the TVA service region and TVA's direct-served customers. KUB will receive its credits through its wholesale power invoice over a period of 12 months beginning with its October invoice.

KUB's Pandemic Relief Credits have two components: a 2.5% credit for standard service power costs and a 2.5% credit for non-standard service power costs. Non-standard service costs represent power purchased from TVA for our largest commercial and industrial electric customers. The credits associated with non-standard service must be applied directly to the monthly bills of the affected customers. However, for the standard service credits, KUB has some flexibility in how they are used.

KUB will use the standard service credits, estimated to be \$7.3 million in total, to provide financial assistance to KUB residential and business customers with past due balances accrued during the Pandemic crisis. We are currently establishing an arrangement with the Knoxville/Knox County Community Action Committee for the administration of the assistance. To use the credits in this manner, the PPA must be amended.

The Board approved Resolution 1423 on first reading at the September 17 meeting, and I recommend its approval on second and final reading.

Resolution 1424

At the September Board meeting, the Board expressed a desire to adopt a resolution expressing its appreciation for TVA and its Pandemic relief efforts in support of residents and businesses in the Tennessee Valley, including KUB customers.

In addition to the Pandemic Relief Credits, TVA has provided additional forms of assistance for our community and customers through Community Cares Grants and its Back-to-Business credit program. TVA also continues to provide on-going assistance through its Home Uplift program that provides matching funds for home weatherization for low-income customers.

Through Resolution 1424, the Board expresses its deep appreciation for TVA and its financial relief assistance to help KUB customers impacted by the Pandemic. I recommend its approval on first and final reading.

Resolution 1425

As you will recall, the Board adopted a resolution at its August meeting establishing a Community Advisory Panel and directing the President and CEO to identify members for the initial Panel. The resolution required the Board to adopt a subsequent resolution prior to November 1, 2020, setting forth the composition of the Panel.

Since the August meeting, staff received input from the City Administration, the Board, and the community to help identify members representing a diversity of viewpoints, experience, and expertise to serve on the Panel. A total of 16 members have been identified and are recommended for Board approval.

Resolution 1425 appoints members of the initial Community Advisory Panel and authorizes the President and CEO, in consultation with the Board Chair, to appoint future vacancies of the Panel. I recommend its approval on first and final reading.

Respectfully submitted,



Gabriel J. Bolas II
President and CEO

RESOLUTION NO. 1423

A Resolution Amending the Existing Purchased Power Adjustment of the Electric Division, as Previously Established by Resolution No. 1065, as Heretofore Amended, to Address Changes to Wholesale Power Supply Costs Provided by the Tennessee Valley Authority's Pandemic Relief Credit

Whereas, Knoxville Utilities Board of Commissioners (the "Board") has rate setting authority pursuant to Article XI of the Charter of the City of Knoxville; and

Whereas, the Board previously adopted Resolution No. 1065, as heretofore amended, providing for a Purchased Power Adjustment ("PPA") for the Electric Division; and

Whereas, Knoxville Utilities Board ("KUB") purchases its full electric power requirements from the Tennessee Valley Authority ("TVA"); and

Whereas, the communities in KUB's service territory have been impacted by the worldwide COVID-19 pandemic; and

Whereas, TVA has announced a Pandemic Relief Credit to be provided to local power companies to invest in their communities and support those they serve; and

Whereas, TVA will provide Pandemic Relief Credits in two categories, one based on Standard Service volumes, and the other based on the volumes of each Non-Standard Service customer: and

Whereas, KUB will receive Pandemic Relief Credits from TVA on the monthly wholesale power invoice for the period October 2020 to September 2021; and

Whereas, KUB staff has recommended updating the existing Purchased Power Adjustment to account for changes in wholesale power cost associated with TVA's Pandemic Relief Credit; and

Whereas, it is KUB staff's recommendation to use the Standard Service Pandemic Relief Credits to provide utility bill assistance to KUB customers, particularly those with past due balances accrued during the Pandemic crisis; and

Whereas, the Board has determined, upon recommendation from KUB staff, that it is in the best interest of KUB, its customers, and the community to amend the PPA in response to TVA's provision of Pandemic Relief Credits to be provided on the wholesale power supply invoice to KUB; and

Whereas, in accordance with Section 1107(L) of the Charter of the City of Knoxville, KUB has provided the required public notice of not less than five (5) days prior to a meeting of the Board when a rate schedule change is to be considered.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF THE KNOXVILLE UTILITIES BOARD:

Section 1. That the Purchased Power Adjustment previously established in Exhibit A of Resolution 1414, shall be effective on October 1, 2020 with the new Exhibit A attached to this Resolution.

Section 2. That the previously approved Exhibit B of Resolution 1414, which provides for Time of Use rates, will become effective November 1, 2020 as previously approved.

Kathy Hamilton/s
Kathy Hamilton, Chair

Mark Walker/s
Mark Walker, Board Secretary

APPROVED ON 1st
READING: 9-17-20
APPROVED ON 2ND
READING: 10-22-20
EFFECTIVE DATE: 11-1-20
MINUTE BOOK 43 PAGE 10283-10299

**RESOLUTION 1423
EXHIBIT A
PURCHASED POWER ADJUSTMENT
EFFECTIVE OCTOBER 1, 2020**

PURCHASED POWER ADJUSTMENT

I. Provision for Adjustment

The electricity rates per kWh, per kW or per customer account billed as set forth in the Rate Schedules of the Electric Division (Division) shall be increased or decreased by amounts hereinafter described, which amounts are called the "Purchased Power Adjustment" or the PPA.

II. Intent and Application to Various Purchases

(a) This Purchased Power Adjustment is intended to assure that KUB recovers on an equitable basis the total cost of electricity purchased for delivery to its electricity sales customers. The PPA is further intended to assure that no excess or deficiency in cost recovery from KUB's electric customers occurs.

(b) The PPA anticipates various costs of purchased power for the general distribution system including, but not limited to:

1. the cost of energy purchased
2. the cost of power demanded
3. the amount of hydro preference adjustment

III. Definitions

The following definitions shall apply to the terms as used in this Section. Any term used in this Section that is not otherwise defined in this Section shall have the meaning customarily ascribed to that term in the electric industry.

(a) Adjustment period – the twelve-month period beginning with the Effective Date of the Purchased Power Adjustment

(b) Base Rates of Purchased Power are:

1. Standard Service Base Rates – as set forth in Appendix A to this resolution
 - i. Demand kW Base Rate – the components designed to recover the cost of demand through Demand kW Sales

- ii. Demand kWh Base Rate – the components designed to recover the cost of demand through Demand kWh Sales
 - iii. Energy kWh Base Rate – the components designed to recover the cost of energy purchased through Energy kWh Sales
 - iv. Residential Customer Hydro Credit – the component designed to allocate the customer based hydro credit to each eligible residential customer account billed
 - v. Hydro Energy Credit – the components designed to allocate the wholesale hydro energy credit to applicable Energy Sales
 - vi. Hydro Energy Debit – the components designed to allocate the wholesale hydro energy debit to applicable Energy Sales
2. Manufacturing and General Power Service Cost Components – the wholesale base rates as set forth in the current wholesale rate schedules from Supplier plus an historical average for distribution losses
- (c) Base Retail Electric Rates – the retail rates per kWh or kW of electricity use or power demanded, or per customer account billed, exclusive of PPA components
- (d) Billing Determinants – average Standard Service units billed to KUB by its Supplier during the Computation Period, adjusted for known and measurable changes
- 1. Demand Billing Determinants – average Standard Service kW
 - 2. Energy Billing Determinants – average Standard Service kWh
 - 3. Residential Customer Hydro Credit – the sum of eligible residential customer accounts billed during KUB’s most recently completed fiscal year
 - 4. Hydro Energy Credit – average kWh used to calculate the hydro adjustment *credited* to KUB
 - 5. Hydro Energy Debit – average kWh used to calculate the Hydro adjustment *debited* to KUB
- (e) Change in Purchased Power Cost = Projected Purchased Power Cost less Power Cost Recovery (As follows):

1. Change in Demand Cost = Projected Demand Cost less Demand Cost Recovery
 - i. Change in Demand Cost kW = Change in Demand Cost x (Demand kW Power Cost Recovery/Demand Cost Recovery)
 - ii. Change in Demand Cost kWh = Change in Demand Cost x (Demand kWh Power Cost Recovery/Demand Cost Recovery)
 2. Change in Energy Cost = Projected Energy Cost less Energy Cost Recovery
 3. Change in Residential Customer Hydro Credit Cost = Projected Residential Customer Hydro Credit Cost less Residential Customer Hydro Credit Cost Recovery
 4. Change in Hydro Energy Credit Cost = Projected Hydro Energy Credit Cost less Hydro Energy Credit Cost Recovery
 5. Change in Hydro Energy Debit Cost = Projected Hydro Energy Debit Cost less Hydro Energy Debit Cost Recovery
- (f) Computation Period – the thirty-six (36) month period utilized to compute historical volumes purchased from Supplier and billed to customers. Such period shall be the thirty-six (36) month period ending on the last day of the fiscal year which is not more than ninety-three (93) days prior to the proposed Effective Date, as hereinafter defined, which month shall be determined by KUB based upon the availability of the needed information
- (g) Computation Period Sales – historic volumes billed to customers adjusted for known and measurable changes
1. Demand kW Sales – the sum of the average power demanded (kW) metered to Standard Service customers
 2. Demand kWh Sales – the sum of the average volumes of electricity having a demand component (kWh) metered to Standard Service customers
 3. Energy kWh Sales – the sum of the average volumes of electricity (kWh) metered to Standard Service customers
 4. Residential Customer Hydro Credit Sales – the sum of eligible residential customer accounts billed in the most recent KUB fiscal year

5. Hydro Energy Credit Sales – the sum of the average volumes to which the wholesale hydro energy credit applies, expressed in kWh, metered to eligible residential customers
 6. Hydro Energy Debit Sales – the sum of the average volumes to which the wholesale hydro energy debit applies, expressed in kWh, metered to Standard Service customers
- (h) Green Invest Cost – the incremental invoiced cost, including Product price and Third-Party Costs, if any, from TVA associated with purchase of renewable energy from TVA under the Green Invest Agreement, or any similar program offerings by TVA in pursuit of renewable energy for KUB customers, as may be amended from time to time, as approved in Resolution 1410, as may be amended from time to time
- (i) Long-term Partnership Credits – all wholesale invoice credits provided by TVA in recognition of signing the TVA Long-Term Agreement, as may be amended from time to time, as approved in Resolution 1410, as may be amended from time to time
- (j) Manufacturing and General Power Service – power and energy sold and billed to KUB under any classification other than Standard Service
- (k) Power Cost Recovery – the Projected Purchased Power Cost recovery during the Adjustment Period using the Base Rates. The Power Cost Recovery shall be calculated as follows:
1. Demand Cost Recovery – the sum of the Demand kW Power Cost Recovery and the Demand kWh Power Cost Recovery as described below:
 - i. Demand kW Power Cost Recovery = Demand kW Base Rates (\$) x Demand kW Sales (kW)
 - ii. Demand kWh Power Cost Recovery = Demand kWh Base Rates (\$) x Demand kWh Sales (kWh)
 2. Energy Cost Recovery = Energy kWh Base Rates (\$) x the sum of Energy kWh Sales (kWh)
 3. Residential Customer Hydro Credit Cost Recovery = Residential Customer Hydro Credit (\$) x Residential Customer Hydro Credit Sales (#)

4. Hydro Energy Credit Cost Recovery = Hydro Energy Credit (\$) x Hydro Energy Credit Sales (kWh)
 5. Hydro Energy Debit Cost Recovery = Hydro Energy Debit (\$) x Hydro Energy Debit Sales (kWh)
- (l) Projected Purchased Power Cost – the Purchased Power Costs projected to be incurred by the Division during the Adjustment Period. The Purchased Power Costs shall be based on the best information available to KUB and shall have categories as follows:
1. Projected Demand Cost = all projected Purchased Power Demand Costs including, but not limited to, Demand Billing Determinants x the appropriate Supplier Rates
 2. Projected Energy Cost = all projected Purchased Power Energy Costs including, but not limited to, Energy Billing Determinants x the appropriate Supplier Rates
 3. Projected Residential Customer Hydro Credit Cost = Residential Customer Hydro Credit Billing Determinants x the appropriate Supplier Rates
 4. Projected Hydro Energy Credit Cost = Hydro Energy Credit Billing Determinants x the appropriate Supplier Rates
 5. Projected Hydro Debit Cost = Hydro Energy Debit Billing Determinants x the appropriate Supplier Rates
- (m) Purchased Power Costs – the total cost, paid or to be paid to Supplier in connection with the purchase of electricity for the Division excluding the following: Long-term Partnership Credits, Standard Service Pandemic Relief Credits, and Green Invest Costs. Purchased Power Costs are segregated into categories as follows:
1. Purchased Power Demand Costs – all Purchased Power Costs related to and varying with power demanded (i.e. kW)
 2. Purchased Power Energy Costs – Purchased Power Costs, including both fuel and non-fuel components of electricity, and excluding calculation of Hydro Energy Debits and Hydro Energy Credits, related to and varying with energy consumption (i.e. kWh)
 3. Purchased Power Residential Customer Hydro Credit Costs – all Purchased Power costs calculated as a credit based on number of eligible residential accounts billed

4. Purchased Power Hydro Energy Credit Costs – all Standard Service Purchased Power costs calculated as a credit based on eligible Hydro Energy Credit volumes (i.e. kWh)
5. Purchased Power Hydro Energy Debit Costs – all Standard Service Purchased Power costs calculated as a debit based on eligible Hydro Energy Debit volumes (i.e. kWh)

Total Purchased Power Costs shall exclude Long-term Partnership Credits, Standard Service Pandemic Relief Credits, and Green Invest Costs.

All other costs not directly attributable to one of the categories described above shall default to Purchased Power Energy Costs.

All costs not attributable to Manufacturing and General Power Service shall default to Standard Service.

- (n) Standard Service – power and energy taken by KUB from Supplier for resale to customers and billed to KUB by Supplier at Standard Service wholesale rates
 - (o) Standard Service Pandemic Relief Credits – that portion of wholesale invoice credit provided by TVA, calculated based on Standard Service usage, and designed to provide base wholesale rate relief during the wholesale invoice period October 2020 through September 2021
 - (p) Supplier – any entity that sells electricity to the Division
 - (q) Supplier Rates – the Supplier’s rates which are known or if not known which are reasonably anticipated to be in effect on the first day of the Adjustment Period
- IV. Seasonal periods shall be determined as defined in the retail rate schedules of KUB’s Electric Division.
- V. Computation of the Purchased Power Adjustment Components

All change in costs which can be directly attributed to specific customer classes shall be recovered from those customer classes; where change in costs cannot be directly attributed to specific customer classes those costs shall be divided over all Standard Service demand or energy sales as applicable.

Where change in costs cannot otherwise be directly attributed, the change in costs shall be divided over applicable Energy kWh Sales.

The components of the Purchased Power Adjustment shall be computed and rounded to the nearest hundredth of a cent per kWh, with five thousandths of a cent to be increased to the next higher hundredth of a cent, for adjustments affecting kWh; and computed and rounded to the nearest cent per kW, with five tenths of a cent to be increased to the next higher cent, for adjustments affecting kW, as follows:

- (a) Demand kW Component = $\text{Change in Demand Cost kW} / \text{Demand kW Sales}$
- (b) Demand kWh Component = $\text{Change in Demand Cost kWh} / \text{Demand kWh Sales}$
- (c) Energy Component = $\text{Change in Energy Cost} / \text{Energy kWh Sales}$
- (d) Residential Customer Hydro Credit Component = $\text{Change in Residential Customer Hydro Credit Cost} / \text{Hydro Energy Credit Sales}$
- (e) Hydro Energy Credit Component = $\text{Change in Hydro Energy Credit Cost} / \text{Hydro Energy Credit Sales}$
- (f) Hydro Energy Debit Component = $\text{Change in Hydro Energy Debit Cost} / \text{Hydro Energy Debit Sales}$
- (g) Manufacturing and General Power Service Energy Component - Any energy rate per kilowatt hour (kWh) set forth in the current wholesale rate schedules for any rate schedule of the Electric Division duly adopted by the Board for Manufacturing and General Power Service subsequent to this resolution shall be increased or decreased, as applicable, by an amount equivalent to the increase or decrease for the wholesale energy rate for each respective rate schedule, plus an amount to provide for any change in distribution loss charges due to an increase or decrease in the respective wholesale energy rate
- (h) Manufacturing and General Power Service Demand Component - Any demand rate per kilowatt (kW) set forth in the current wholesale rate schedules for any rate schedule of the Electric Division duly adopted by the Board for Manufacturing and General Power Service subsequent to this resolution shall be increased or decreased, as applicable, by an amount equivalent to the increase or decrease in the wholesale demand rate for each respective rate schedule, plus an amount to provide for any change in distribution loss charges due to an increase or decrease in the respective demand rate

VI. Application and Effective Date of the Purchased Power Adjustment

(a) The Purchased Power Adjustment shall consist of the following:

1. Standard Service Demand kW Purchased Power Adjustment – the Demand kW Component
2. Standard Service Demand kWh Purchased Power Adjustment – the Demand kWh Component
3. Standard Service Energy Purchased Power Adjustment – the Energy Component
4. Residential Hydro Credit Purchased Power Adjustment – the Residential Customer Hydro Credit Component and the Hydro Energy Credit Component
5. Hydro Energy Debit Purchased Power Adjustment – the Hydro Energy Debit Component
6. Manufacturing and General Power Service Purchased Power Adjustment – the sum of the Manufacturing and General Power Service Demand Component and the Manufacturing and General Power Service Energy Component

(b) Each Purchased Power Adjustment shall apply to billing periods beginning on or after the Effective Date of such adjustment.

1. The Standard Service Demand kW Purchased Power Adjustment shall be added to or deducted from, as appropriate, the Base Retail Electric Rates for Rate Schedule GSA, and for any other rate schedule designated for Standard Service of the Electric Division, duly adopted by the Board subsequent to this resolution.
2. The Standard Service Demand kWh Purchased Power Adjustment shall be added to or deducted from, as appropriate, the Base Retail Electric Rates for Rate Schedules RS, GSA, LS, and for any other rate schedule designated for Standard Service of the Electric Division, duly adopted by the Board subsequent to this resolution.
3. The Standard Service Energy Purchased Power Adjustment shall be added to or deducted from, as appropriate, the Base Retail Electric Rates for Rate Schedules RS, GSA, LS, and for any other rate schedule designated for Standard Service of the Electric Division, duly adopted by the Board subsequent to this resolution.

4. The Residential Hydro Credit Purchased Power Adjustment shall be added to or deducted from, as appropriate, the Base Retail Electric Rates for Rate Schedule RS.
 5. The Hydro Energy Debit Purchased Power Adjustment shall be added to or deducted from, as appropriate, the Base Retail Electric Rates for any rate schedule, other than Rate Schedule RS, designated for Standard Service of the Electric Division.
 6. The Manufacturing and General Power Service Purchased Power Adjustment shall be added to or deducted from, as appropriate, the Base Retail Electric Rates for rate schedules other than those designated for power and energy sold under Standard Service.
- (c) The Purchased Power Adjustment shall be computed as of and shall take effect on the first day of each calendar month (the "Effective Date").
- (d) Each computation of the Purchased Power Adjustment shall be promptly filed with the Chief Financial Officer and shall be accompanied with appropriate documentation supporting the calculation of the Purchased Power Adjustment.

VII. Purchased Power Accounting

- (a) To appropriately match revenues with the cost of purchased power as contemplated under this PPA, KUB shall originally record Purchased Power Costs as debit entries in the "Unrecovered Purchased Power" account. Monthly KUB shall debit the appropriate subaccount(s) of "Other Power Supply Expenses" with an amount equal to the product obtained by multiplying the appropriate power cost components (the sum of the Base Rates of Purchased Power and the current applicable Purchased Power Adjustment) by the appropriate sales billed to customers. The corresponding monthly credit entry shall be made to the "Unrecovered Purchased Power Cost" account.
- (b) The "Unrecovered Purchased Power Cost" account shall be subclassified into appropriate subaccounts, but at a minimum separate subaccounts shall be maintained for demand, energy, residential customer hydro credit, hydro energy credit, and hydro energy debit categories of the Purchased Power Costs.
- (c) If it cannot be determined which subaccount should be debited, the energy subaccount will be debited.

VIII. Adjustment for Over or Under Recovery of Standard Service Purchased Power Cost

- (a) To permit amortization of the accumulated balance in the “Unrecovered Purchased Power Cost” account, KUB shall include on August 1 of each year the June 30 balance of the “Unrecovered Purchased Power Cost” account for such year in the calculation of the Standard Service Purchased Power Adjustment. This balance shall be included in each monthly calculation of the Standard Service Purchased Power Adjustment commencing on August 1 and thereafter until the following August 1 at which time it shall be superseded by the then current June 30 balance.
- (b) The “Unrecovered Purchased Power Cost” balance shall be segregated into demand, energy, hydro energy credit, and hydro energy debit categories, and shall be added to or deducted from, as appropriate, the applicable Demand Costs, Energy Costs, Hydro Energy Credits, and Hydro Energy Debits included in the Standard Service Purchased Power Adjustment.

IX. Annual Reporting

Annually KUB shall retain an independent consultant to audit the transactions in the “Unrecovered Purchased Power Cost” account and the related Standard Service Purchased Power Adjustment calculations to verify that the procedures and intent of this Standard Service Purchased Power Adjustment are being followed. The independent consultant shall report his or her findings to The Board’s Audit and Finance Committee.

**RESOLUTION
APPENDIX A**

**BASE RATES OF PURCHASED POWER
STANDARD SERVICE**

	Summer	Winter	Transition
Residential Credit Eligible kWh			
demand kWh base	0.01975	0.01935	0.01935
energy kWh base	0.05462	0.05462	0.05462
hydro energy credit	-0.00297	-0.00297	-0.00297
Residential Customer Hydro Credit	As Stated in Current Effective Wholesale Contract		
Residential Debit Eligible kWh			
demand kWh base	0.01975	0.01935	0.01935
energy kWh base	0.04886	0.04886	0.04886
hydro energy debit	0.00279	0.00279	0.00279
GSA1 kWh			
demand kWh base	0.02383	0.02342	0.02342
energy kWh base	0.05533	0.05533	0.05533
hydro energy debit	0.00279	0.00279	0.00279
GSA2			
1st 15,000 kWh			
demand kWh base	0.01990	0.01949	0.01949
energy kWh base	0.05926	0.05926	0.05926
hydro energy debit	0.00279	0.00279	0.00279
additional kWh			
demand kWh base	0	0	0
energy kWh base	0.05033	0.05033	0.05033
hydro energy debit	0.00279	0.00279	0.00279
>50kW			
demand kW base	9.04	8.25	8.25
energy kWh base	0	0	0
GSA3			
kWh			
demand kWh base	0	0	0
energy kWh base	0.05033	0.05033	0.05033
hydro energy debit	0.00279	0.00279	0.00279
0-1000 kW			
demand kW base	9.41	8.65	8.65
energy kWh base	0	0	0
>1000 kW			
demand kW base	11.57	10.81	10.81
energy kWh base	0	0	0
LS kWh			
demand kWh base	0.00375	0.00375	0.00375
energy kWh base	0.04013	0.04013	0.04013
hydro energy debit	0.00279	0.00279	0.00279

**RESOLUTION 1423
EXHIBIT B
APPENDIX A TO THE PURCHASED POWER ADJUSTMENT
EFFECTIVE NOVEMBER 1, 2020**

APPENDIX A

**BASE RATES OF PURCHASED POWER
STANDARD SERVICE**

Residential Credit Eligible kWh	Summer	Winter	Transition
demand kWh base	0.02437	0.02396	0.02396
energy kWh base	0.06070	0.06070	0.06070
hydro energy credit	-0.00297	-0.00297	-0.00297

Residential Customer Hydro Credit As Stated in Current Effective Wholesale Contract

Residential Credit Eligible kWh - TOU

Onpeak kWh

demand kWh base	0.11957	0.11957	0.11957
energy kWh base	0.07229	0.07229	0.07229
hydro energy credit	-0.00297	-0.00297	-0.00297

Offpeak kWh

energy kWh base	0.06010	0.06010	0.06010
hydro energy credit	-0.00297	-0.00297	-0.00297

Residential Debit Eligible kWh

demand kWh base	0.02437	0.02396	0.02396
energy kWh base	0.05494	0.05494	0.05494
hydro energy debit	0.00323	0.00323	0.00323

Residential Debit Eligible kWh - TOU

Onpeak kWh

demand kWh base	0.11957	0.11957	0.11957
energy kWh base	0.07229	0.07229	0.07229
hydro energy debit	0.00323	0.00323	0.00323

Offpeak kWh

energy kWh base	0.06010	0.06010	0.06010
hydro energy debit	0.00323	0.00323	0.00323

GSA1

kWh

demand kWh base	0.02845	0.02804	0.02804
energy kWh base	0.06141	0.06141	0.06141
hydro energy debit	0.00323	0.00323	0.00323

GSA1 TOU

Onpeak kWh

demand kWh base	0.11957	0.11957	0.11957
energy kWh base	0.07229	0.07229	0.07229
hydro energy debit	0.00323	0.00323	0.00323

Offpeak kWh

energy kWh base	0.06010	0.06010	0.06010
hydro energy debit	0.00323	0.00323	0.00323

GSA2	Summer	Winter	Transition
1st 15,000 kWh			
demand kWh base	0.02452	0.02411	0.02411
energy kWh base	0.06534	0.06534	0.06534
hydro energy debit	0.00323	0.00323	0.00323
additional kWh			
demand kWh base	0	0	0
energy kWh base	0.05641	0.05641	0.05641
hydro energy debit	0.00323	0.00323	0.00323
>50kW			
demand kW base	11.10	10.31	10.31
energy kWh base	0.00	0.00	0.00
 GSA2-A TOU			
Onpeak kWh			
demand kWh base	0.11957	0.11957	0.11957
energy kWh base	0.07229	0.07229	0.07229
hydro energy debit	0.00323	0.00323	0.00323
Offpeak kWh			
energy kWh base	0.06010	0.06010	0.06010
hydro energy debit	0.00323	0.00323	0.00323
 GSA2-B TOU			
Onpeak kWh			
demand kWh base	0.11957	0.11957	0.11957
energy kWh base	0.07229	0.07229	0.07229
hydro energy debit	0.00323	0.00323	0.00323
Offpeak kWh			
energy kWh base	0.06010	0.06010	0.06010
hydro energy debit	0.00323	0.00323	0.00323
 GSA3			
kWh			
demand kWh base	0	0	0
energy kWh base	0.05641	0.05641	0.05641
hydro energy debit	0.00323	0.00323	0.00323
0-1000 kW			
demand kW base	11.47	10.71	10.71
energy kWh base	0.00	0.00	0.00
>1000 kW			
demand kW base	13.63	12.87	12.87
energy kWh base	0.00	0.00	0.00
 LS kWh			
demand kWh base	0.00837	0.00837	0.00837
energy kWh base	0.04621	0.04621	0.04621
hydro energy debit	0.00323	0.00323	0.00323

RESOLUTION NO. 1424

A Resolution in Appreciation of the Tennessee Valley Authority for COVID-19 Pandemic Relief Efforts in Support of Valley Residents and Businesses

Whereas, the COVID-19 health pandemic started causing significant adverse financial and wellness impacts on Tennessee Valley residents and businesses in March 2020 and has since continued to cause hardship; and

Whereas, a number of Knoxville Utilities Board (“KUB”) residential and business customers are experiencing financial difficulties due to the pandemic and need utility bill payment assistance; and

Whereas, the Tennessee Valley Authority (“TVA”) joined KUB and other organizations in acting early in the pandemic to provide relief for customers who are having difficulty paying utility bills; and

Whereas, TVA implemented its Back-to-Business credit program in May 2020 and recently extended it to provide financial relief to large commercial and industrial electric customers who fully or partially suspended operations due to pandemic impacts; and

Whereas, TVA has provided \$160,000 in Community Care grants for agencies in KUB’s service area providing pandemic-related assistance; and

Whereas, TVA has announced a Pandemic Relief Credit to be provided to local power companies to invest in their communities and support those they serve; and

Whereas, KUB will receive Pandemic Relief Credits from TVA on its monthly wholesale power invoice for the period October 2020 to September 2021, which are estimated to total around \$7.3 million for standard service wholesale costs; and

Whereas, KUB intends to use the \$7.3 million to provide utility bill assistance to KUB customers, particularly those with past due balances accrued during the pandemic; and

Whereas, TVA has previously provided significant support for KUB’s low-income customers, as evidenced through programs such as the Knoxville Extreme Energy Makeover and Home Uplift for weatherization assistance; and

Whereas, TVA has a long legacy of partnership with KUB to provide safe, reliable, and affordable service and is demonstrating great leadership through all these efforts to support economic recovery and assistance for customers most in need.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE BOARD OF COMMISSIONERS OF THE KNOXVILLE UTILITIES BOARD:

Section 1. That this Board hereby gratefully acknowledges and expresses its deepest appreciation to TVA for its dedicated service and COVID-19 pandemic relief efforts for the Tennessee Valley and for KUB customers.

Section 2. That this Resolution shall take effect from and after its passage and that a copy shall be provided to TVA.

Kathy Hamilton/s
Kathy Hamilton, Chair

Adrienne Simpson-Brown/s
Adrienne Simpson-Brown, Vice Chair

Jerry Askew/s
Jerry Askew, Commissioner

Celeste Herbert/s
Celeste Herbert, Commissioner

Sara Pinnell/s
Sara Pinnell, Commissioner

Tyvi Small/s
Tyvi Small, Commissioner

John Worden/s
John Worden, Commissioner

APPROVED ON 1st
& FINAL READING: 10-22-20
EFFECTIVE DATE: 10-22-20
MINUTE BOOK 43 PAGE 10300-10301

RESOLUTION NO. 1425

A Resolution Appointing Members of The Community Advisory Panel

Whereas, on July 28, 2020, the City of Knoxville's City Council passed Resolution R-208-2020, which endorsed KUB's intent to establish a Community Advisory Panel to gather input from KUB customers, with lower incomes and environmental protection interests, to inform specific areas of operations, help build strong community relationships and to address specific issues raised by members of the community with regard to accessibility and transparency of KUB decisions; and

Whereas, in response to City Council's Resolution, the KUB Board of Commissioners passed Resolution 1420 on August 20, 2020, establishing a Community Advisory Panel; and

Whereas, the KUB Board of Commissioners directed the President and CEO to take all steps necessary to establish a KUB Community Advisory Panel; and

Whereas, KUB sought input from City Administration and City Council to identify members representing a diversity of viewpoints, experience, and expertise to serve on the Community Advisory Panel upon; and

Whereas, the KUB Board of Commissioners has reviewed and approved Staff's recommended list of Panel members to serve on the KUB Community Advisory Panel.

Now, Therefore, Be it Hereby Resolved by the Board of Commissioners of the Knoxville Utilities Board:

Section 1. That the initial Panel members, attached to and incorporated herein by reference as part of this Resolution as Attachment A, are hereby appointed (*see footnote below).

Section 2. That the administration of the Panel as outlined in the Structure and Ground Rules, attached to and incorporated herein by reference as part of this Resolution as Attachment B, is hereby adopted.

Section 3. That the President and CEO, in consultation with the Board Chair, is authorized to appoint future vacancies of the Panel and make any necessary changes to the Structure and Ground Rules.

Section 4. That this Resolution shall take effect from and after its passage and that a copy shall be provided to members of City Council, the City Mayor, and the City of Knoxville Recorder.

*Resolution 1425 was amended to add Felecia Outsey as a member of the Community Advisory Panel.

Kathy Hamilton/s
Kathy Hamilton, Chair

Mark Walker/s
Mark Walker, Board Secretary

APPROVED ON 1st
& FINAL READING: 10-22-20
EFFECTIVE DATE: 10-22-20
MINUTE BOOK 43 PAGE 10302-10311



- **Christina Bouler**, AIA, CDT is a licensed architect and partner at Aplos, an architecture and development firm in Knoxville. After graduating from the University of Tennessee with a Bachelor of Architecture and prior to joining the Aplos team, she worked with University of Tennessee professors Tricia Stuth and Ted Shelton at Curb Studio while pursuing independent housing research and local development projects. Christina is passionate about equitable urban growth through contextually sensitive design and development. She serves on various housing advocacy committees, the City of Knoxville Board of Zoning Appeals, and is the founding board member for Welcome House Knoxville, a local nonprofit which offers transitional housing for refugees. (City of Knoxville, Central)
- **Mark Campen** is a native Knoxvilleian, who lives with his wife, Emily, son, Parson, and daughter, Phoebe, in the Fountain City area. Mark is the Owner/Operator of Conservation Cooperative. Mark served two City Council terms representing the 5th District. He also served as Executive Director of the Tennessee Chapter of the Izaak Walton League whose mission is to conserve, restore, and promote the sustainable use and enjoyment of our natural resources. Mark was most recently named the 2020 Fountain City Man of the Year. Mark is a graduate of University of Tennessee with a Bachelor of Science degree in Wildlife and Fisheries Science and a minor in Forestry. He is an avid outdoorsman who enjoys camping, fishing, hiking, birdwatching, and gardening. (City of Knoxville, North)
- **Tiki Dixon** holds a Bachelor of Science in Biology from the University of Arkansas at Pine Bluff. Mr. Dixon has more than 36 years of experience, including his 22 years of service in the U.S. Army where his duties included serving as an Inspector General (IG) (responsible for organizational inspections, investigations, and audits), maintaining the chemical accident response program for the U.S. Army located in North America, and training personnel how to defend and deploy nuclear, biological, and chemical weapons. Since retiring as a Lieutenant Colonel, he has managed engineering and environmental remediation services projects, particularly for the U.S. Department of Defense (DoD) and U.S. Department of Energy (DOE). As a Vice President within a Fortune 500 engineering company, he managed the operational implementation of programs up to \$50M and 150 personnel. Currently, Mr. Dixon is retired from commercial work and is enjoying life as a pastor of Oak Grove AME Zion Church. (Knox County, Southwest)

- **Coral Getino** is originally from Spain, although she has called Knoxville home for 30 years. A chemist by trade, she worked at ORNL last century. From 2000 to 2003 she was a Lecturer at the University of Tennessee, and in 2005 she became a business owner. She is the president of Spanish Language Solutions, Inc., a small firm that provides foreign language services in the legal, medical, business, and educational fields. Coral has also been a long-time member of the Immigrant/Hispanic and Disability/Autism communities and remains very interested in diversity and inclusion efforts in Business and Education. (Knox County, Southwest)
- **Erin Gill** serves as Chief Policy Officer and Deputy to City of Knoxville Mayor Indya Kincannon, a role in which she oversees numerous strategic initiatives to ensure Knoxville is a vibrant and sustainable city where all people have the opportunity to thrive. She previously served as the City's Director of Sustainability and oversaw efforts to improve the environmental, economic, and social health of the Knoxville community through municipal leadership and community partnerships. Erin holds a Master of Environmental Management degree from the Yale School of Forestry & Environmental Studies and a B.A. in History from the University of Notre Dame. (City of Knoxville, East)
- **Tim Hill** is the Co-Founder/ President of Hatcher-Hill Properties, a leading real estate development, brokerage, and asset management firm founded in 2004 and based in Knoxville. Hatcher-Hill develops commercial and mixed-use properties in Knoxville and surrounding areas. Its primary focus is historic preservation, revitalization of commercial buildings, and business recruitment. Additionally, Tim has 16 years of prior experience as an executive and partner in a variety of transportation and logistics companies. Tim currently serves on the board for Knoxville/ Knox County Planning Commission, Knox Heritage and CareCuts of Knoxville and is member of the Bearden Village Council. (City of Knoxville, West)
- **Barbara Kelly** has served as Executive Director of the Knoxville Knox County Committee Action Committee (CAC) since 1999, bringing extensive knowledge and experience gained through more than 40 years of social, neighborhood and community work. She joined CAC as Director of Neighborhood Services to establish, organize, and lead the CAC Neighborhood Service Centers to link the low-income community to services, training and opportunities for involvement at the local level. Under her leadership, CAC has strengthened its capacity to serve the complex needs of low -income individuals and families. CAC provides services for children, youth, families, and the elderly. Barbara believes that getting it right and ensuring opportunity for each individual to achieve their full capacity leads to thriving families and a healthy community for all. Barbara is a graduate of the City University of New York majoring in Sociology and Social Work. She has completed numerous management and professional development courses through the community action network and other professional organizations. (City of Knoxville, West)

- **Terry Ledford** serves as the Director of Energy Management for Facilities Services at the University of Tennessee where he is responsible for reducing the overall cost of utilities while improving performance of campus systems and maintaining or improving indoor air quality. Terry is also involved in design, maintenance, and operation of HVAC, steam generation and distribution, electric generation and distribution, compressed air, nitrogen, water treatment, and water distribution systems at UT. Terry holds a Bachelor of Science in Mechanical Engineering and is a licensed Engineer. (Knox County, Southwest)
- **Gwen McKenzie** serves as the Executive Director for Legacy Housing Foundation, an organization focused on providing innovative programs, life enhancing services and strong affordable housing communities for those in need. In 2017, Gwen became the first African American woman to serve on City Council in the history of Knoxville. Gwen represents the 6th District and also serves as Vice Mayor. Gwen's passion for helping others expands over 25 years with many organizations. Gwen co-founded the Faith Leaders initiative, which is a weekly call with 70+ ministers and faith leaders to ensure they have accurate information on COVID-19, resources to assist those in need, access to testing in underserved communities and health education. Gwen currently serves as a Director on the following Boards: Knoxville Area Urban League, Community Action Committee (CAC), Legacy Housing Foundation, Zoo Knoxville, and Girl Talk. She is a Leadership Knoxville Class of 2020 alumni and member of Knoxville NAACP and Town Hall East Community Association. (City of Knoxville, East)
- **Amy Midis** grew up in Houston, Texas and moved to Knoxville in 1997. Amy's service to her community includes serving as President of Forest Heights Neighborhood and as a member of Bearden Village Council, City of Knoxville's Public Property Naming Committee, Stakeholder's Advisory Committee for Recode Knoxville and the Neighborhood Advisory Council. Amy holds a bachelor's degree in biomedical science from Texas A&M and a master's in business administration (MBA) from the University of Tennessee. Amy is a Financial Analyst at Covenant Health and an outdoor enthusiast who competed in 5 Ironman Triathlons including qualifying and completing the Ironman World Championship in Kona, Hawaii (2008). (City of Knoxville, West)
- **Kent Minault** spent many years in the acting field, which included performing in top theaters in San Francisco and Los Angeles. In 2010, he volunteered with the Sierra Club's Beyond Coal campaign. After victory getting LA off coal, he joined the LA County Electric Bus Coalition and within a year, got LA Metro to transition to electric buses by 2030. He organized three electric vehicle events in Watts and helped found the Watts Clean Air Committee, installing rooftop solar and helping residents enter union apprenticeship programs. After moving to Knoxville, Kent organized an electric vehicle event in East Knoxville in collaboration with SEED, a prominent environmental justice organization. He's on the Harvey Broome Group's Executive Committee and has served for nearly a year as the Group's Political Chair. He's developed a strategy for endorsing local candidates and is working with the State

Political Team on 2020 endorsements. He works regularly with the state Beyond Coal Team and the Chapter Energy Team as well as with the Bull Run Neighbors. (City of Knoxville, Central)

- **David Myers** is the County Attorney and the Delinquent Tax Attorney for Union County. David was born and raised in Maynardville. David is a strong believer in community development and is a small business advocate. David graduated from Wake Forest Law School. (Union County)
- **Mike Odom** is the president and CEO of the Knoxville Chamber; a position that he has held since 2019. The chamber is focused on transforming itself into an economic prosperity organization in support of its mission of driving regional economic prosperity. In order to accomplish this goal, it has developed a new five-year strategic vision called Path to Prosperity that is committed to developing an economic ecosystem based on six work areas: business retention and expansion, business attraction, business climate, entrepreneurship/small business, infrastructure, and talent. (Knox County, Southwest)
- **Haseeb Qureshi** serves as a full-time Attorney and Entrepreneur-in-Residence (EIR) for Morehous Legal Group, PLLC. Haseeb has received statewide recognition as a “Legal Pioneer” for his perspectives on the law industry and his work with startups and entrepreneurs at all stages. In 2019, Haseeb joined the Department of Management at the Haslam Business College at the University of Tennessee as an Adjunct Lecturer, focusing on courses within the entrepreneurship curriculum. Haseeb holds a B.S. in Business Administration with a double major in Psychology from Carnegie Mellon and a J.D. from University of Tennessee College of Law. (Knox County, North)
- **Dr. Vivian Underwood Shipe** is a native of Knoxville Tennessee. Retiring in 2018 after 35 years of service with the Post Office, she returned to federal service in 2019 and has served for the last two years as both a recruiter and supervisor for the 2020 Census. She is also a reporter for the Tennessee Tribune, a state-wide paper based in Nashville. Vivian believes in being part of the change you want to see and currently serves on the following committees and boards: The Knoxville Suffragist Coalition, A charter member of the East Knoxville Lions Club, The Knoxville Elder Abuse Task Force, board member of the Behavior Mental Health Awareness Coalition of East Tennessee, member of the state Pre Arrest Diversion Committee, board member, Knox Renaissance, Co-lead, Family/Community Sector, ALL4Knox, and a member of the Faith Leaders Initiative. She is founder and Executive Director of I AM The Voice of the Voiceless. She is a recipient of the John Duncan Community Advocacy Award and a member of the Leadership Knoxville Class of 2021. (City of Knoxville, West)

- **Dr. Stephen A. Smith** has 30 years of experience affecting change for the environment. Since 1993, Dr. Smith has led the Southern Alliance for Clean Energy (SACE) as its Executive Director. Under Dr. Smith's leadership, SACE has grown to be a premier voice for clean energy issues in the region. Dr. Smith currently serves on the State of Tennessee Energy Policy Council and on the Knoxville Mayor's Climate Council. He also serves on the board of Floridians for Solar Choice. Dr. Smith holds a doctorate in veterinary medicine from the University of Tennessee and a Bachelor of Science in biology from Kentucky Wesleyan College. In 2009, he and his family commissioned a 7.1-kilowatt rooftop solar photovoltaic (PV) system on their Knoxville home. (City of Knoxville, Northwest)



Structure and Ground Rules

I. Purpose

The purpose of the Community Advisory Panel is to enhance the ability of KUB to hear concerns about major policy areas from members of the community. These areas include, but are not limited to, rate structure and the impact on low income customers, the implementation of broadband service, the use of alternative energy sources, customer programs and services, and regulatory issues impacting customers. These policy areas often overlap. In addition to ensuring that KUB is aware of key community and stakeholder concerns, the panel will assist in communicating information back to the groups they represent, ensuring that the larger community will grow in its understanding of the issues faced by KUB and other utilities.

II. Representation

The Community Advisory Panel is made up of 15 – 17 individuals that is representative of the diversity of KUB's customers, and key stakeholders in development and technology. The panel includes:

- *representatives of low-income communities*
- *representatives of environmental advocates*
- *representatives of neighborhoods served by KUB*
- *City of Knoxville representatives*
- *representatives of the business community.*

The charter members of the panel shall serve an initial term of three years each. Thereafter, terms will be staggered so that 1/3 of the members will have terms expiring each year. Should a member fail to complete a term, KUB will identify a replacement member to represent the constituency of the departing member.

Members will not be compensated for their service, but incidental expenses (parking, etc.) will be reimbursed by KUB.

III. Public Meetings

Meetings of the Community Advisory Panel are open to the public and are sunshined. The Panel will operate under the provisions of the Tennessee Open Meetings Law. Each meeting will have an opportunity for a public forum.

IV. Primary Responsibilities of Members

- Commit to attending all of the regularly scheduled meetings of the Community Advisory Panel and all working group (sub-committee) meetings relevant to the concerns of their constituents;
- Arrive at each meeting fully prepared to discuss the issues on the agenda. Preparation will include reviewing meeting summaries and other technical information distributed by KUB and its consultants in advance of each meeting, and a willingness to consider many perspectives on the goals, constraints and policy options under consideration.
- Keep members of their groups, and the community at large informed about the Panel's deliberations and to actively seek their input. They should also seek feedback on particular issues or questions under discussion by the Panel.
- Strive throughout the process to bridge gaps in understanding, to seek creative resolution of differences, and to commit to the goal of achieving a common understanding of key issues facing KUB.

V. Communication and Decision Making

The purpose of the Community Advisory Panel is to share information, discuss concerns and viewpoints, and work towards a better understanding of positions on key issues. There will be no votes taken during the Panel's deliberations. Rather the discussions will be geared to ensure that all concerns are discussed among the board members and communicated to KUB staff and to the board and that major KUB policies in the areas of focus are explained to Panel members.

In order to facilitate an open and collaborative discussion, Panel members will be asked to follow the following rules for communication:

- Only one person will speak at a time and no one will interrupt when another person is speaking;
- Each person will express his or her own views rather than speaking for others at the table;
- No one will make personal attacks or issue statements blaming others for specific actions or outcomes;

- Each person will strive to maintain a sense of humor, listen well, and be open-minded.

VI. Role of Facilitator

Facilitation will be provided by William Lyons, who will be compensated by KUB. The facilitator will:

- work closely with KUB staff and Panel members to formulate the agenda for all meetings and facilitate these proceedings;
- identify and synthesize points of agreement and disagreement and communicate these to the Panel in the form of written meeting summaries;
- assist in building common understanding among Panel members with regard to its findings;
- facilitate compliance with all the above listed ground rules;
- advocate for a fair process, and remain utterly nonpartisan with respect to the outcome of the Panel's deliberations;
- summarize and communicate the results of the Panel meetings to KUB leadership and their technical consultants. Board members and KUB staff will attend Panel meetings.
- work closely with KUB staff to provide administrative support of the panel's work, including the development of meeting plans and follow up activities (preparation of minutes, regular mailings to members, drafting of reports and other materials, review and editing of documents for the Panel, arranging for speakers or presentations at Panel meetings, etc.).

VII. Media

Meetings of the Community Advisory Panel will be fully noticed and open to the media. KUB Communications staff will serve as the primary media contact (594-7988).

VIII. Meeting Summaries

Meeting summaries will be prepared following each meeting and made available online. Attendance will be kept at each meeting, and a roster of those in attendance will be included with each meeting summary.

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