



ENVIRONMENTAL, SOCIAL, & GOVERNANCE REPORT 2023



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About KUB

Knoxville Utilities Board (KUB) is proud to provide high-quality, safe, and reliable electric, fiber, natural gas, wastewater treatment, and water services to Knox and parts of seven surrounding counties in East Tennessee. KUB's Century II infrastructure maintenance program ensures its utility systems continue to operate reliably not only for KUB's current 486,232 customers, but also for generations to come. Learn more about the operation of KUB's system in its 2023 Annual Report.

A Note from the President & CEO

I am proud to share KUB's annual Environmental, Social, and Governance report, which highlights the great work we do in our community each and every day. In Fiscal Year 2023 (FY23), we accomplished several major milestones, including launching Knoxville's first community solar project, hosting the first KUB Community Expo, and refreshing KUB's Blueprint to embody our values and mission. These accomplishments along with many others featured in this report reflect our legacy of stewardship and commitment to serve our customers.

While we have made great progress in supporting the sustainability of our community over the last several years, we recognize that our work doesn't stop there. That's why we are always striving for continuous improvement and looking for more ways to connect with our community. Our ESG priorities and goals serve as a framework to define KUB's path forward to achieving progress in these areas.



Gabriel J. Bolas II, *KUB President & CEO*

KUB's Sustainability Mission is rooted in the three key areas of ESG



Environmental

Safeguarding our communities' environmental resources and creating a greener future for generations to come



Social

Improving our social impact, both within the company and in the broader community



Governance

Maintaining a governance structure for leadership and management to drive positive change

ESG Approach

KUB's 2023 Environmental, Social, and Governance (ESG) report was designed to provide stakeholders with an overview of our sustainability progress and a look into our aspirations for the future. This report includes metrics for FY23, unless otherwise noted.

Looking Ahead: Our Aspirations

- 🎯 **400 MW of solar** by 2030
- 🎯 **70% alternative fuel** light duty fleet vehicles by 2035
- 🎯 **4,500 homes weatherized** by 2030
- 🎯 **100% access to broadband** by 2030



ESG Focus Areas



Environmental

- Renewable Energy
- Technology & Innovation
- Electric Vehicles
- Sustainable Operations & Energy Efficiency
- Environmental Stewardship



Social

- Community Involvement
- Economic Empowerment
- Addressing Energy Burden
- Diversity, Equity, & Inclusion
- Health & Safety



Governance

- Leadership & Board of Directors
- Stakeholder Engagement
- Financial & Accounting Transparency
- Business Ethics
- Risk Management & Cybersecurity



Our Progress: FY23 Sustainability Highlights

Clean Energy

1 MW

Brought online a 1 MW solar array launching **KUB Community Solar** – a first for Knoxville

325 MW

Secured commitments for 325 MW of new-to-the-Valley solar projects through TVA's Green Invest program

5,619,400 lbs CO₂e

Avoided 5,619,400 lbs of carbon dioxide (CO₂) emissions through the use of alternative fuel vehicles

Environmental Stewardship

8,976 Feet

Employee volunteers **cleaned up litter along more than 8,976 feet of stream**

350 Pounds

Donated roughly 350 lbs of clothing to Zoo Knoxville for animal enrichment to avoid landfill waste

Energy Efficiency

1,900 Customers

Educated more than 1,900 community members on energy efficiency and weatherization resources

2,600 Homes

Surpassed milestone of weatherizing 2,600 homes for low-income customers in need

\$90,000

Committed to Opportunity Knox through FY25 to support affordable housing upgrades and repairs

Community Support

\$208,000

Employees raised \$208,000 for the United Way of Greater Knoxville in calendar year 2022

2,820 Hours

Employees volunteered 2,820 hours at various agencies throughout KUB's service territory during calendar year 2022

Inclusion and Culture

1,100 Employees

Educated 1,100 employees in Diversity, Equity, and Inclusion, from senior leadership to front-line workers

6 Meetings

Held 6 Community Advisory Panel meetings to promote stakeholder engagement

12 Values

Redefined KUB's 12 core values in 2023 Blueprint refresh

Award-Winning Service

- 🏆 APGA Excellence in Environmental Stewardship
- 🏆 APGA Public Gas System Achievement Award
- 🏆 TVA EnergyRight Top Performer and Renewable Leader Awards
- 🏆 2022 U.S. Environmental Protection Agency ENERGY STAR Certification
- 🏆 2022 Alliance to Save Energy Star of Energy Efficiency
- 🏆 2022 APPA Smart Energy Provider Designation
- 🏆 Arbor Day Foundation Tree Line USA Award
- 🏆 Muse For All Core Value Award
- 🏆 Center for Energy Workforce Development Community Partnership Award
- 🏆 Salvation Army Volunteer Group of the Year



Environmental

KUB has a long legacy of environmental stewardship, both within its operations and throughout its community. KUB believes its customers today and future generations deserve a cleaner, more sustainable future, and knows its efforts can play a big part in achieving those goals.





Environmental Priorities

- Supporting the development of renewable energy and providing customers access to renewable energy programs
- Preparing for a clean and resilient energy grid compatible with distributed energy resources, smart technologies, and electric vehicles (EVs)
- Paving the road to EV adoption through partnerships and charging infrastructure investments
- Ensuring sustainable operations that prioritize efficiency, reduce emissions, protect our rivers, streams, and natural habitats, promote air quality, and reduce waste
- Helping customers conserve energy and save money

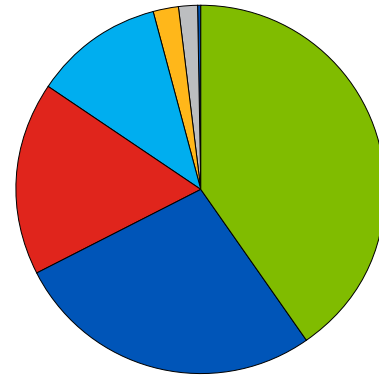
Supporting Renewable Energy

KUB is committed to improving the sustainability of its operations and providing programs for residential and business customers with clean energy needs. As renewable energy solutions are becoming increasingly important to businesses, local governments, and community members, supporting the development of clean energy resources has become a key part of KUB's strategy to help create a greener future for the communities it serves.



KUB Electric Energy Mix 2022

(TVA as-delivered aggregated generation power sources)



- Nuclear 40.43%
- Natural Gas 27.31%
- Coal 16.96%
- Hydroelectric 11.3%
- Renewables 2.23%
- Other 1.76%
- Diesel <.01%

Green Invest

KUB's most significant contribution to renewable energy is its commitment to purchase solar power through TVA's Green Invest Program on behalf of KUB customers. In 2020, KUB became the first local power company to participate in the program with a commitment to purchase 502 megawatts of solar – the largest of any organization to take advantage of the Green Invest program. While supply chain pressures impacted the timeline and ability to build a portion of the originally planned solar capacity, KUB is currently on track to bring online a total of 325 MW by 2026 with a \$3.1 million annual investment for the next 20 years. When complete, Green Invest projects will provide renewable energy for approximately 14% of KUB's electric load. This commitment is a major step towards the City of Knoxville's sustainability goals as well as KUB's renewable energy goal to support the development of 400 MW of solar by 2030.

Named top Tennessee
"SunRiser" utility by
 Southern Alliance for
 Clean Energy

325
 MW

Enough Energy
 to Power
54,000 Homes

Generation Flexibility

KUB will soon have the ability to generate up to 82 MW of its electric load through TVA's Generation Flexibility program. This program enables local power companies to increase access to renewable energy, lower costs for customers, and promote economic development in the region. Generation Flexibility will play a major role in supporting KUB's renewable energy goals and the local development of clean energy resources. In FY23, KUB began developing its flexibility deployment strategy to maximize benefits for both customers and KUB's distribution system.

KUB Community Solar

In April 2023, KUB launched Knoxville's first community solar program in partnership with the City of Knoxville and the Tennessee Valley Authority. KUB Community Solar connects customers to clean, locally generated renewable energy.

KUB invested \$1.4 million to build the 1 megawatt array, which is composed of more than 2,000 individual panels. KUB partnered with the City of Knoxville to locate the array at its Public Works Complex, repurposing 3 acres of a brownfield site that would otherwise have limited use.

KUB Community Solar was designed to provide an option for homeowners, renters, and businesses to support local solar generation and reduce their carbon footprints without needing to install panels at their homes. When developing the program, KUB focused on ways to maximize benefits for the Knoxville community. It was important to prioritize affordability, which is why KUB set a low-cost, monthly subscription fee in order to eliminate barriers associated with larger, upfront costs. KUB is also evaluating opportunities within the Inflation Reduction Act (IRA) that could significantly improve economics for subscribers.



By the Numbers

1 MW Array

- Enough Energy to **Power 100 Homes**
- Avoids on average 964 metric tons of **CO₂e emissions** per year
- **87%** Subscribed

Customer Renewable Energy Programs

KUB Community Solar	Allows customers to subscribe to local solar generation for a monthly fee and receive credit for their portion of the energy produced
Green Switch Match	Allows customers to match 100% of their monthly electric consumption with solar energy
Green Switch	Allows customers to purchase solar energy in 200 kWh blocks
Green Invest	Enables commercial and industrial customers to invest in new, utility scale solar and storage projects through long-term agreements
Green Flex	Provides commercial and industrial customers bulk purchase options for wind Renewable Energy Credits (RECs)



Supporting Customer-Owned Solar

KUB has more than 300 customer-owned solar arrays interconnected to its distribution system, and for many years, KUB has partnered with TVA to offer distributed generation programs for these customer-owned systems.

Green Connect	Connects KUB customers interested in solar or battery installation at their homes with a Quality Contractor Network
Dispersed Power Production	Allows customers to own renewable generation at their properties and receive payment for excess generation
Green Power Providers	Historically enabled customers to install renewable generation at their homes and businesses and receive premium power purchase payments from TVA. While the program is no longer open for new sign-ups, KUB will have GPP customers until their 20-year agreements expire.





Embracing Change Through Innovation

As the utility industry evolves, KUB seeks smarter ways to keep its community connected and promote a clean and resilient distribution system. The energy system of the future will support a wide array of clean energy sources, implementation of smart technologies, and widespread adoption of electric vehicles. KUB collaborates with many stakeholders and industry partners and facilitates an internal Utility Transformation Team to stay at the forefront of these efforts.



Grid Modernization Roadmap

Recent advancements in digital, information, and telecommunication technologies require utilities like KUB to continually look for opportunities to adapt and improve. In 2022, KUB began the process of developing an internal Grid Modernization Roadmap to identify future trends and needs for the electric distribution system. The roadmap, which was completed in FY23, establishes a series of projects and initiatives to guide KUB's path forward in enhancing capability, resiliency, and reliability of KUB's electric grid.

Managing Energy Demand

<p>Time of Use Rates</p>	<p>Implemented in November 2020, KUB's Time of Use rate structure incentivizes load shift by sharing the financial benefits with participants. KUB's Time of Use program offers rates that vary based on the time of day energy is used.</p>
<p>Peak Power Partners</p>	<p>TVA's Peak Power Partners program is a partnership with Enel X that offers incentives to commercial and industrial customers that can provide peak load reduction during times of energy system need. KUB's Kuwahee Wastewater Treatment Plant and Mark B. Whitaker Water Treatment Plant participate in the program along with approximately 50 other commercial and industrial customers.</p>

Removing Barriers to Electric Vehicle Adoption

Supporting the adoption of electric vehicles (EVs) is a major component of KUB's sustainability efforts. KUB understands that electric utilities are uniquely equipped to support the development of charging infrastructure within their communities and that KUB's distribution system will play a key role as residents and businesses look to transition to electric vehicles.

KUB staff participate in a variety of partnerships and teams dedicated to addressing barriers to EV adoption:

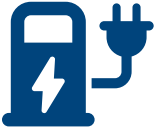
- Member of East Tennessee Clean Fuels since 2004, serves on Board of East Tennessee Clean Fuels, and founding member of Drive Electric Tennessee
- Participant in various TVA and Drive Electric Tennessee working groups aimed at removing barriers to EV adoption
- TVA and Electric Power Research Institute fleet electrification study participant, which assesses how utility companies can plan for increased electric fleet loads coming to the distribution system
- Ongoing partnerships with commercial and industrial customers looking to electrify their fleets

Electric Vehicle Programs

<p>EV Charger Rebates</p>	<p>In 2019, KUB became the first local power company to offer an electric vehicle incentive. KUB's EV Charger Rebate Program provides residential customers with rebates up to \$400 to purchase and install level 2 chargers for their homes.</p>
<p>Qmerit</p>	<p>In 2023, KUB began a pilot program in partnership with TVA to offer customers a seamless experience when making the switch to an electric vehicle. Qmerit makes the EV installation process simple by connecting homeowners with certified installers for level 2 EV charging.</p>
<p>EVC Power Rate</p>	<p>KUB was the first TVA local power company to introduce the new Electric Vehicle Charging (EVC) rate, which reduces demand charges for separately metered EV stations and helps support the development of new chargers in its service territory.</p>
<p>Workplace and Public Charging</p>	<p>KUB has been a member of the East Tennessee Clean Fuels Coalition's Tennessee Workplace Charging Partnership since 2016. KUB provides free level 2 charging to its employees at its Hoskins Operations Center and Jackson Avenue campuses. KUB also provides free charging to the public at its downtown Knoxville Promenade parking garage.</p>



EV Fast Charger Projects



In FY23, KUB began a project to install two public fast charging stations as part of the TVA Fast Charge Tennessee network. The Fast Charge Tennessee program aims to reduce range anxiety for EV drivers by installing fast charging stations every 50 miles along major travel corridors. KUB will install two stations as part of the program, one in downtown Knoxville in partnership with the City of Knoxville and the other in Seymour in partnership with Food City. The stations are expected to be complete by early 2024.

Operating with Sustainability in Mind

When it comes to environmental stewardship, KUB is constantly striving to improve the sustainability of its operations through facilities upgrades, retrofits, more efficient operations, and new initiatives to better align operations with KUB's environmental mission.

Operational Highlights

- LEED and EnergyStar certified buildings
- More than \$400,000 invested in multi-year LED lighting installations at multiple facilities
- Usage of compressed natural gas (CNG), electric, hybrid-electric, and flex-fuel alternative fuel vehicles to make up 41% of KUB's light duty fleet
- Beneficial reuse of biomethane at KUB's Kuwahee Wastewater Treatment Plant to redirect emissions away from the environment and reduce natural gas usage
- Recycling, materials reuse, and waste reduction programs
- Over 100 kW of rooftop solar installed on the KUB Hoskins Operations Center facilities
- Procurement environmental checklist to ensure project managers, consultants, and contractors consider various opportunities for environmental sustainability on projects
- Certified as Arbor Day Foundation Tree Line Utility since 2001 and prunes according to the foundation's high-quality standards



Employee Environmental Efforts

Environmental Employee Team Reduces Waste with Zoo Knoxville Textile Donations

KUB's textile recycling program aims to reduce landfill waste by recycling worn KUB logo attire and employee clothing donations. In 2022, KUB's Environmental Employee Team conducted a donation campaign to collect hundreds of pounds of clothing for Zoo Knoxville. After weeks of collection, employee volunteers processed all the clothing, removing buttons, elastic, and zippers that can be harmful to the animals. Processed donations were taken to Zoo Knoxville for its Animal Enrichment Program, which creates situations that promote species-typical behaviors. Situations include permanent exhibit items, training sessions, and introduction of novel items such as scents, substrate, and foods.



Osprey Project

When KUB was notified of a previously active osprey nest located on a pole, KUB employees developed a plan to safely discourage osprey from nesting on the utility pole. Various departments worked together to construct and install an alternative nesting structure while adhering to state and federal guidelines. This collaborative effort provided a safer location for the birds to nest and helps to avoid electric service disruption.



Stream Cleanups

KUB employees conduct multiple stream cleanups per year as part of the community's Adopt-A-Stream and River Rescue programs. These programs promote citizen-based monitoring and litter prevention in order to protect the health and safety of local waterways. Employee volunteers use waders, gloves, trash bags, and other protective items to remove debris from three different streams that run through KUB campuses. These efforts clean up more than 8,976 feet of stream and collect dozens of bags of trash annually.

Protecting East Tennessee's Rivers and Streams

Some of KUB's most important positive impacts on sustainability are related to its water and wastewater systems, which serve more than 200,000 customers in the Knoxville area each day. KUB participates in a variety of water quality efforts to ensure its community's drinking water and waterways are safe.

Community Partnerships

KUB is a member of an area Water Quality Forum, a cooperative network of agencies, non-profit organizations and citizens who have worked for over 20 years to improve the health of waterways in East Tennessee and maintain a water quality educated community.

Award Winning Results

KUB's plants receive Peak Performance awards from the National Association of Clean Water Agencies (NACWA) each year for excellence in operations and compliance in meeting or exceeding regulations.

Water Quality Stream Monitoring Program

The Water Quality Stream Monitoring Program monitors the quality of local waterways to locate and eliminate wastewater discharges that impact water quality. KUB assesses water quality data on a routine basis and monitors to ensure water quality criteria are being met.

Cross-Connection Control Program

The Cross-Connection Control Program helps to ensure protection of the public water system and that regulatory requirements are met. Through the program, KUB works closely with commercial and industrial customers to ensure backflow prevention devices are installed and tested.

Proper Disposal of Medications

KUB also works with a variety of local agencies to ensure proper disposal of unwanted medications, which if flushed down the drain can be difficult to treat and a potential problem for aquatic life. Proper disposal also protects the quality of KUB's biosolids product. Since 2008, KUB has partnered with these organizations to ensure over 20,000 pounds of unwanted medications were properly disposed of rather than flushed to the wastewater system.

Wastewater Management Programs and Performance

Proactive Grease Control, Private Sewer Lateral, and Industrial Pretreatment programs are key components for working with customers to protect the environment.

Century II

KUB's Century II system replacement and maintenance program was put in place to address aging infrastructure, an issue that utilities nationwide currently face.

Regulatory Compliance

KUB's wastewater treatment plants maintain compliance with wastewater National Pollutant Discharge Elimination System (NPDES) permits and maintain programs to prevent sanitary sewer overflows (SSOs).

Biosolids

For over 30 years, KUB has beneficially reused biosolids, the nutrient-rich product of the wastewater treatment process. With this program, 100% of KUB biosolids (approximately 27,000 wet tons annually) are certified as a fertilizer by the Tennessee Department of Agriculture. Since 2011, KUB's Biosolids Beneficial Reuse Program has been Platinum certified through the National Biosolids Partnership (NBP).

Fleet

KUB has promoted the use of alternative fuels in its fleet since 1970 when it first converted some vehicles to run on compressed natural gas (CNG). Today, KUB is proud to have a fleet powered by CNG, electric and hybrid technology, and E85 flex fuel. These vehicles demonstrate KUB's commitment to reducing emissions for improved air quality and saving on fuel consumption.

In 2022, KUB developed a Fleet Modernization Strategic Plan to drive further adoption of alternative fuel vehicles within its fleet and modernize the fleet through strategic replacement cycles. Through strategic replacement of traditional internal combustion engine vehicles with electric, hybrid-electric, CNG, and flex fuel technology, this effort places KUB on the path to reach its goal of 70% alternative fuels within its light duty fleet by 2035.

Fleet Modernization Strategic Plan

- Improve integrity and resiliency of KUB's vehicles through fleet modernization
- Transition from the use of fossil fuels to cleaner energy alternatives
- Reduce energy and fuel consumption by right-sizing and deploying managed idling technologies



Gas Emissions Reductions

As a natural gas distributor, KUB's goal is to meet the needs of its customers while operating a safe and reliable distribution system. Operating responsibly to minimize its environmental impact is important to KUB. In 2022, KUB was recognized by the American Public Gas Association (APGA) with an Excellence in Environmental Stewardship Award and a Public Gas System Achievement Award, which highlight KUB's leadership in safety, integrity, innovation, and sustainability. This commitment to excellence, along with continual and incremental improvements, is key in reducing methane emissions from an engineering, operational, and maintenance perspective.

Damage Prevention and Public Awareness Programs

Targets third party damages, which are the biggest source of methane emissions on KUB's system, by conducting outreach to contractors and promoting community awareness to help prevent damage to the system.

Distribution Integrity Management Program

Prioritizes replacement of aging infrastructure as well as equipment and pipeline components through accelerated actions, such as the steel, cast iron, and ductile iron replacement programs.

Preventive Maintenance Programs

Promotes early detection of leaks by surveying more often than required and repairing sooner than required.

Emergency Response

Ensures timely response to reports of gas leaks.

Construction Practices, Equipment, and New Technologies

Implements construction standards and new technologies to minimize gas loss.

Operator Training

Trains employees to correctly install, monitor, and repair gas system assets.

APGA Environmental Roadmap

KUB is often recognized as a leader by industry peers for its high standards of safety, integrity, and sustainability. KUB was instrumental in informing APGA's Environmental Roadmap, which highlights best practices for public gas companies to operate sustainably. The roadmap defines company-specific practices for four tiers of environmental stewardship, of which KUB typically meets the highest level.

EPA Methane Challenge

In 2016, KUB joined as a Founding Partner in the EPA Methane Challenge, a voluntary program sponsored by the U.S. Environmental Protection Agency (EPA) that encourages oil and natural gas companies to adopt cost-effective technologies and practices that improve operational efficiency and reduce methane emissions. Since enrollment, KUB has made progress in achieving goals set by the Methane Challenge, most notably by removing all cast iron from KUB's system.

Customer Energy Conservation

KUB, in partnership with TVA EnergyRight®, offers solutions to customers including tips, energy audits, and even incentives to help them save. For years, KUB has worked to provide energy-efficient solutions for its customers. Through KUB's partnership with EnergyRight, the Tennessee Valley has a wide range of resources and incentives available for residential or business customers to utilize.

EnergyRight Residential Services	Residential customers have access to resources for TVA-led home energy evaluations, DIY home energy assessments, financing for home energy upgrades, and the EnergyRight Marketplace to help them make smart energy saving choices for their homes.
Home Energy Workshops	Homeowners and renters are equipped with the knowledge on how to save energy in their homes, save money on their utility bills, and live more comfortably.
Kids and Teens Energy Workshops	KUB employees facilitate free interactive educational workshops for kids ages 5-18. Topics covered include energy usage, production, and conservation.
EnergyRight Business and Industry	Commercial and industrial customers have access to incentives, a preferred partners network, and industry-specific training to implement energy solutions.





Social

KUB is committed to having a positive social impact for its employees, customers, and the communities it serves. That's why as an organization, KUB has been intentional about taking steps to foster meaningful connections and enhance the lives of those within its reach.





Social Priorities

Addressing energy burden for KUB customers and ensuring equitable access to services

Participating in the communities KUB serves

Building partnerships and programs which promote economic empowerment and create high-quality jobs

Developing intentional programs and policies to promote diversity, equity, and inclusion (DEI)

Ensuring the safety and well-being of KUB customers and employees

Enhancing the Lives of Customers

KUB's service territory encompasses a diverse population, which includes a wide range of urban and rural communities. As in many communities, some neighborhoods struggle with financial stability and aging housing, often leaving residents and businesses with utility bills they cannot afford. KUB facilitates a variety of programs to help alleviate energy burden and make utilities more affordable for customers.

Weatherization Partnerships



KUB, along with its community partners and customers, has provided weatherization services for more than 2,600 homes in the Knoxville community since 2015. Various programs including Knoxville Extreme Energy Makeover (KEEM), Round It Up, and TVA Home Uplift have offered energy-efficient upgrades at no cost with the goal of lowering utility bills for low-income households. Through these programs, almost \$30 million has been contributed to upgrading the efficiency of low-income households, which includes KUB's ongoing annual investment of \$1 million per year. Homes that receive weatherization see an average reduction in energy use of 15%.



More than
2,600 homes weatherized
since 2015

Community Outreach

For several years, KUB has partnered with community organizations to promote efficiency programs and energy savings education. In 2023, KUB began partnering with Socially Equal Energy Efficient Development (SEED) on an outreach campaign to engage some of Knoxville's most at-risk and underserved populations. KUB supplied training and educational content for SEED employees to hold community-centric workshops that focus on energy conservation and utility bill education.



In 2023, KUB also committed to providing \$90,000 in funding over the next three years for SEED's Opportunity Knox program. Opportunity Knox is a collaboration between SEED and the Solar Energy Loan Fund (SELF), which aims to foster energy efficiency, storm resilience, and sustainability through affordable housing repairs and upgrades in KUB's service territory.

Uplifting Our Community

KUB partners with TVA on many initiatives to improve utility efficiency and affordability for businesses in Knoxville. TVA programs such as School Uplift, Community Centered Growth pilot, and Connected Communities aim to provide small businesses and schools in disadvantaged communities with strategic energy management tools and technology solutions. These programs are a key component of KUB and TVA's strategy to reduce energy burden.



Water Savers Efficiency Program

Through KUB's Water Savers program, in partnership with the Knoxville-Knox County Community Action Committee (CAC), low-income residential KUB water and/or wastewater customers are eligible for free repairs and efficiency improvements. Services provided include replacing inefficient toilets, adding low flow faucet or shower heads, and even repairing water line leaks.

Providing Aid to Those in Need

KUB has a long history of supporting the community through a variety of assistance programs. In 1973, KUB hired its first social worker, becoming the second utility company in the nation to have a social services department. Since then, KUB has continued to be a leader in customer service and assistance. Today, three full-time social workers partner with approximately 200 agencies throughout KUB's service area to provide individualized assistance to those in need.



KUB's customer counselors manage an average of **25,000 customer contacts each year**. In 2022, counselors **received and processed more than \$16 million in financial assistance** from local and federal agencies.

Project Help Emergency Heating Assistance

Project Help is an emergency heating-assistance program for those in need. Each winter, this program provides electricity, natural gas, propane, heating oil, wood, or coal for families across KUB's service territory. Project Help depends solely on contributions from the community and fundraisers. KUB collects Project Help donations and sends 100 percent of the funds to the Knoxville-Knox County CAC, which administers the program. In 2022, 225 households received \$96,397 in assistance. In the past five years, more than 2,200 households have received approximately \$970,000 in assistance.

Investing in Our Customers

TVA provided local power companies a 2.5% base rate pandemic relief credit in 2020. KUB used its credit to establish a new low-income bill payment assistance program, the COVID Utility Relief Fund (CURE). CURE has since provided over \$7.4 million in assistance to 11,054 customers. This was the first program KUB offered that extended support to both residential and business customers. Of the 11,054 customers assisted through this program, 340 were businesses.

KUB also leveraged TVA's Pandemic Recovery Credit to pay off any remaining payment plans that were set up in October 2020 to assist customers with extended bill payment after a seven-month disconnection moratorium. Funds were distributed starting in January 2022. The Payment Plan Payoff has provided \$434,064 to 750 customers since its inception.

KUB allocated \$5 million of TVA's Pandemic Recovery Credit to create the Utility Bill Support Program, which provides electric customers with one-time assistance of \$600, \$800, or \$1,000 based on their electric consumption throughout the previous 18 months. This program has provided over 6,000 households \$4.5 million in support.

KUB also provided support to the non-profit community in partnership with TVA. In 2022, KUB matched TVA's \$220,000 in funding to provide a total of \$440,000 in grant funding to 15 non-profit organizations operating in KUB's electric service area. KUB will match an additional \$110,000 to provide a total of \$220,000 in grant funding in FY24.



Internet Payment Assistance Efforts

KUB customers are eligible for the Affordable Connectivity Program (ACP), which is offered by the Federal Communications Commission to ensure that households can afford the high-speed internet they need for work, school, and more. The benefit provides \$30 per month toward internet service for households at or below 200% of the Federal Poverty Guidelines.

KUB also developed its ConnectED student internet assistance program with funding provided by the City of Knoxville. KUB ConnectED will be available to households with K-12 students who are eligible for ACP. This benefit provides \$50 per month toward KUB Fiber service and, when paired with ACP, households will receive free internet service. The rollout will begin in KUB's current fiber service territory with a goal to expand as the fiber network expands and additional funding becomes available.

Community Involvement

Community is one of KUB's core values, and community outreach efforts are an important way KUB connects with customers and organizations within its service area. KUB offers a variety of free workshops, demonstrations, and presentations to community groups and organizations. In FY23, KUB conducted more than 100 educational and outreach appearances. These appearances included the following:

H2O to Go: KUB's traveling water station provides high-quality drinking water at community events. This reduces single-use plastic waste and costs for both the organization and attendees at events.

Energy & Water Savings Workshops: KUB facilitators teach attendees how to conserve energy and water to save money on utility bills, in partnership with TVA EnergyRight®.

Power Line Safety Demo: KUB overhead construction employees built an electric safety trailer that uses an electrified power line and transformer to educate the community on the importance of proper safety around electric infrastructure.

Educational Presentations: KUB representatives fulfill requests from community groups to share information about a various topics including KUB Fiber internet services, water quality, utility vehicles, and more.

Community Expo

KUB hosted its first Community Expo in FY23 as an opportunity to connect with the community and share information about programs and assistance available to customers. Representatives from across the organization shared information ranging from KUB careers, general utility information, bill payment assistance, efficiency resources, internet availability, and more. The event was hosted by a centrally located community partner, The Change Center. The inaugural event concluded with 245 registrations. There are plans to grow this event in FY24.





External Engagement Team

In an effort to increase its support for local nonprofits, recruiting efforts, and community involvement, KUB developed the External Engagement Team. This team is made up of various departments that interact with community members and is charged with maximizing KUB's impact through a strategic, intentional approach while ensuring KUB is a good steward of ratepayer dollars.

Employee Efforts

KUB Cares

KUB began offering Volunteer Time Off as a benefit for employees after celebrating its 75th anniversary in 2014. Since then, KUB employees have served more than 20,000 hours with non-profit and community organizations. In 2022 alone, employees served 2,820 hours. Volunteerism and other philanthropic efforts are organized and promoted by an employee-led committee, KUB Cares. This committee is comprised of representatives across departments and from various levels of the organization. In FY23, KUB Cares coordinated both a fall and spring Week of Service with a combined total of 208 employee volunteers serving 863.5 hours in the community.

KUBEA

The KUB Employee Association also supports the community, while promoting understanding and teamwork within the organization. This group elects officers annually to guide employee appreciation activities and fundraising campaigns benefiting KUB retirees, current KUB employees in need, and organizations like the United Way of Greater Knoxville.

United Way Campaign

KUB has been a supporter of the United Way of Greater Knoxville for decades. A team of employees oversees an annual fundraising campaign, including event planning for the campaign kickoff and closing celebration where all proceeds go to the local United Way. All donations to the United Way are raised by KUB employees via payroll deductions, purchasing tickets to these events, and participation in activities planned by this team of employee volunteers. KUB's 2022 United Way campaign raised over \$208,000, and in the past 10 years KUB employees have donated more than \$2 million to the organization.



Supplier Diversity

KUB is committed to preventing discrimination and providing equal opportunity in every facet of the organization. KUB's Procurement Department acquires appropriate goods and services at the best possible total cost to meet KUB's operational needs. KUB's Supplier Diversity Program was designed to ensure that all business opportunities are provided in a non-discriminatory and inclusive manner while balancing local and federal requirements..



In FY23, KUB awarded more than **\$32.8 million in MBE/WBE contracts**, making up **11.3% of total KUB purchasing**.

KUB employs a Minority Business Enterprise/Women Business Enterprise (MBE/WBE) Program Coordinator to serve as a liaison for MBEs, WBEs, small businesses, and majority-owned businesses seeking opportunities. KUB promotes its Supplier Diversity Program through community partnerships and at various local events. To help inexperienced businesses obtain pre-qualification to do business, KUB employees provide businesses with guidance throughout the process.

KUB maintains a contractor, supplier, and vendor database, which is augmented through referrals from other municipal agencies and direct contacts during conferences and business meetings. KUB prepares reports on economic activity to the President and CEO; the Board of Commissioner's Audit and Finance Committee; and Knoxville's Mayor and City Council through the Title VI Report.

In FY23, KUB issued **10 SBE bids** for various materials and services. As a result, KUB made a total of **\$309,441.54 in bid awards to 7 different SBEs**.

Small Business Enterprise Program

KUB's Small Business Enterprise (SBE) Program began in 2020 for entities with 50 or fewer full-time employees and maximum annual gross revenue of \$10,000,000. The SBE Program works to ensure that SBEs have opportunities and are provided in a non-discriminatory and inclusive manner to all qualified small business enterprises. As with the Supplier Diversity Program, KUB uses a variety of communication channels to distribute SBE Program opportunity information. KUB may seek purchases exclusively from small business enterprises that are between \$15,000 and \$100,000 through publicly advertised bids.



The Employee Experience

KUB knows that the first step to a good customer experience is ensuring a good employee experience. KUB's goal is to recruit and retain top talent by fostering an inclusive environment, offering competitive compensation and benefits, encouraging wellness program involvement, enhancing safety culture, and developing employees for long-term success.



Diversity, Equity, and Inclusion (DEI)

At KUB, appreciating the diversity of employees, ensuring equitable practices, and being inclusive is a top priority. KUB is striving to do the following:

1. Ensure every employee feels valued, has a sense of belonging, and feels included and safe.
2. Enhance decision making, problem solving, and innovation skills.
3. Gain a greater understanding of diverse customers' needs and circumstances resulting in better service delivery.

To continue this vision in FY23, several measures were put in place including hiring a third full-time DEI staff member, conducting company-wide DEI training, analyzing demographic information, enhancing strategic hiring practices, and launching a utility apprenticeship program.

To ensure DEI is at the heart of the KUB culture, training on terminology and how to practice DEI principles continued at the leadership level for 185 executives, managers, appraisers, and supervisors as well as began at the frontline level for over 900 employees. Next year, the goal is to have all frontline employees participate in a second training session that goes deeper into DEI principles and how they contribute to the work of KUB while leaders will continue their training through the seven-session DEI series.



1,100 employees trained in DEI

In addition to training, KUB made enhancements to its recruiting process by creating strategic plans for hard-to-fill vacancies and positions that lacked diverse representation in the candidate pool. KUB also expanded its social media presence by utilizing candidate sourcing tools and direct messaging. To enhance KUB's presence in the community and to expand the talent pool, recruiters attended 51 job fairs in FY23 including new partnerships with the UTK Employer Advisory Council, UTK Business Analytics Fair, Emerald Youth Foundation Career Fair, Blount County Job Fair, and TCAT Career Fairs in Anderson County.

Utility Apprenticeship Program

In FY23, KUB launched a Utility Apprenticeship program that targets candidates who desire stable careers in the utility industry but have limited or no prior utility experience. One goal of the program is to create accessible career pathways for people from historically underrepresented groups and to provide another path for employment for prior participants in KUB's TeenWork program. The one- to two-year apprenticeship is a full-time position with benefits while the employee learns foundational knowledge of the utility industry in one of the following areas: Meters, System Maintenance, Underground Construction, Transportation, and Water/Wastewater Plant Operations. Once complete, the employee advances into a Level I Technician in the department of the apprenticeship. So far four of the six apprentices have completed their apprenticeship and advanced into a Level I.



Utility Apprentices completed a specialized orientation program including hands-on learning in topics like vehicle safety, ergonomics, and job safety briefings

TeenWork Program



KUB TeenWork is a career readiness program designed to prepare high school students for life after graduation. KUB has partnered with Austin-East High School since 1995 and has since expanded to include Central High School and Fulton High School. Students from these schools participate in a series of workshops during the spring semester that teach skills such as public speaking, resume writing, money management, team building, and professional dress. Over the summer, students who successfully finish the spring workshops and complete a rigorous interview process are hired for paid summer internships at KUB or a partnering business, including First Utility District, Knoxville Chamber, Knox County Government, and West Knox Utility District. In FY23, KUB welcomed Covenant Health as a new business partner.

In FY23, KUB continued to structure and grow the program with the support and guidance of a working team and a strategic team. The working team is comprised of representatives from various departments who volunteer their time to help plan, implement, and chaperone the spring workshops TeenWorkers participate in. Working team members also serve as mentors during the summer internship process. The strategic team is made up of four managers from diverse departments who assist in strategizing for new school expansion, recruiting new business partners, and long-range planning for program sustainability. Both teams include former TeenWorkers who successfully completed the program and now work full-time at KUB.

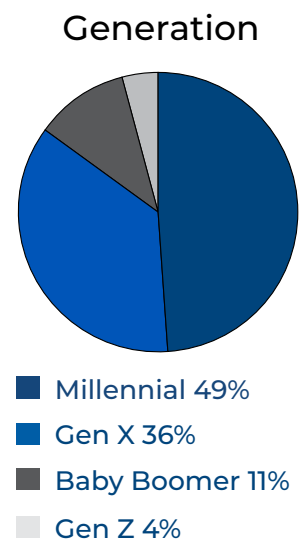
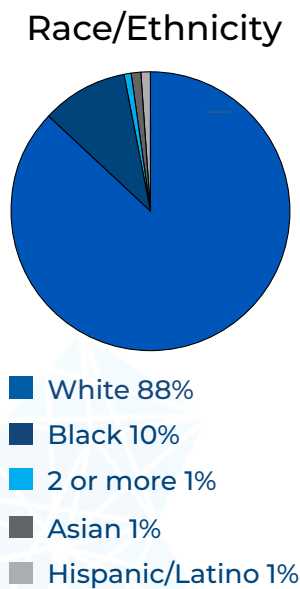
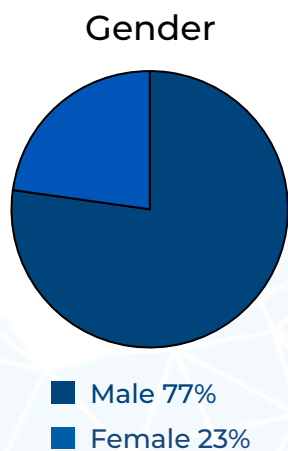


Employee Demographics

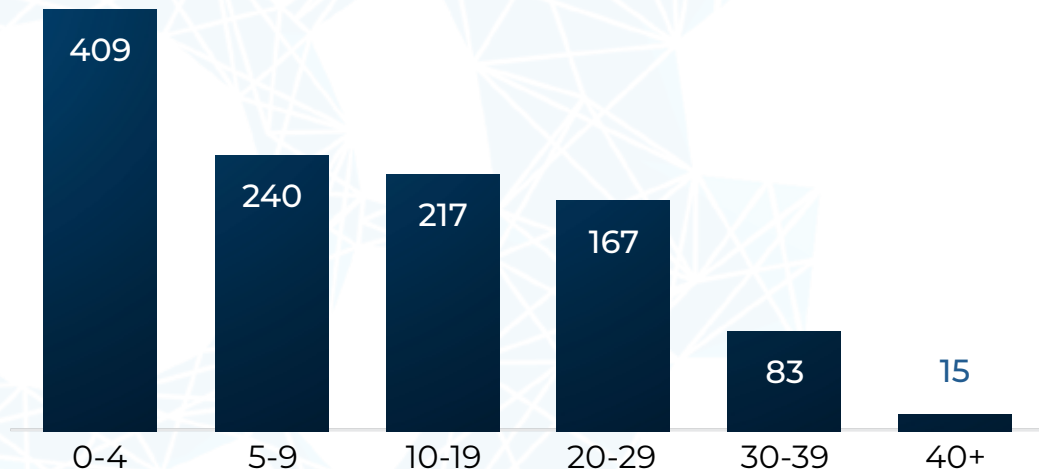
A demographic analysis is an important step to understanding equity in access and diverse representation across the organization. Below is the demographic breakdown of full-time employees at the end of FY 23.

Full Time Employees at-a-Glance

June 30, 2023



Tenure Groups



Average Tenure = 11.3 years



Compensation and Benefits

There are several ways KUB ensures employees have competitive and fair compensation and benefits. Each year, an analysis is completed to ensure pay grades are competitive. Employees and leaders then engage in a pay-for-performance appraisal process to determine salary increases based on established goals and success.

In addition to the pay-for-performance model, all full-time employees receive the following benefits:

- Generous health benefits with low premiums and deductibles
- Benefits starting from day one of employment
- 401(k) contributions and matches
- Paid time off which is available for use after an employee's first payday
- 11 paid holidays
- Free financial advising
- Educational assistance

Employees take advantage of all these programs as evidenced by over 95% being enrolled in KUB medical insurance, over 550 financial advising appointments and webinars completed, \$3,794,561 million in 401(k) matches and non-elective contributions made, and \$83,795 in educational assistance given in the last fiscal year.



Wellness

Helping employees be safe, healthy, and well is another way KUB retains its people. KUB employees have access to a contracted nurse, registered dietician, and an industrial athletic trainer to assist in being healthy and well. Employees can also complete annual biometric screenings and participate in a wellness bonus program for completing healthy activities throughout the year. Each employee and their family members are eligible for six free mental health counseling sessions per issue per year through the Employee Assistance Program (EAP). In 2023, EAP utilization was at 8.2% which is about 25% higher than the national average of other companies with access to free counseling programs.

Workforce Safety

KUB is committed to the safety and well-being of its employees and is always looking for ways to promote a culture of safety and improve overall safety performance. KUB's safety programs promote enhanced safety communications strategies that influence safe behavior while maintaining a positive relationship between employees. These strategies equip leaders within operations, construction, and maintenance departments with the skills to communicate safety messages to employees and coworkers in an effective and non-threatening manner.



Learning and Development

KUB promotes learning and career growth through employee training and development programs. The Business Education Series (BES) program provides employee networking opportunities across departments and disciplines while teaching about 10 different areas of KUB's business. Last fiscal year alone, BES classes had 243 participants. In addition, KUB provides career growth classes from learning new software to understanding how to write emails in a business setting. In the same 12-month period, these sessions had nearly 400 participants. Leadership development is also a vital part of KUB's culture as evidenced by 30 new leaders completing an eight-session HR Essentials series to help them navigate unique situations they may face after moving from peer to leader.

To encourage learning outside the classroom, KUB's Learning and Development Team created an intranet site promoting learning opportunities and information relevant to employee growth. The site expands on the educational assistance benefit, provides detailed personal and professional development resources, and serves as a KUB knowledge hub for new employees.

Governance

KUB recognizes that a strong governance framework is key to effectively managing utility operations while driving progress toward community needs and sustainability. Whether it be through maintaining affordability or ensuring the integrity of KUB's utility systems, ethics, transparency, and accountability are at the heart of every business decision.





Governance Priorities

Ensuring community needs are at the forefront of KUB business decisions

Maintaining a financial balance between KUB utility infrastructure operations and its commitment to sustainability and its community

Operating ethically as a provider of crucial public services

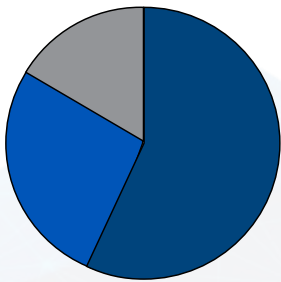
Ensuring the integrity and reliability of KUB utility systems

Leadership and Board of Commissioners

KUB's leadership is committed to operating in a manner that yields lasting impacts which enhance the quality of life for customers, employees, and the communities it serves. KUB is governed by seven commissioners who serve seven-year terms. Commissioners are nominated by the Board of Commissioners, appointed by the Mayor of Knoxville, and confirmed by City Council. The Board of Commissioners appoints a President and CEO, who in turn appoints other officers. KUB operates under the provisions of the Knoxville City Charter, KUB's bylaws, and the rules and regulations for each utility system.

KUB Board of Commissioners Diversity and Experience

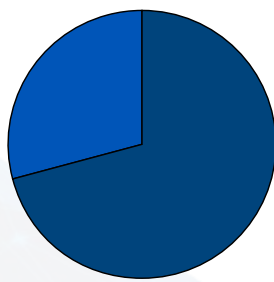
Ethnicity



43% of KUB Board Members are people of color

- White
- Black
- Hispanic

Gender



71% of KUB Board Members are Women

- Women
- Men

Professional Experience

- Community Service
- Non-profit Leadership
- Justice and Legal System
- Workforce Development
- Diversity and Inclusion
- Business Administration
- Communications & Marketing
- Financial Management
- Education
- Sustainability



Adrienne Simpson-Brown
Chair



Tyvi Small
Vice-Chair



Claudia Caballero



Ron Feinbaum



Cynthia Gibson



Kathy Hamilton



Celeste Herbert

ESG Senior Staff Workshop

KUB's sustainability efforts span across many areas of the organization. Keeping initiatives progressing in alignment requires frequent communication and collaboration between work groups. In FY23, KUB hosted an ESG Senior Staff Workshop to discuss KUB's sustainability priorities, activities, and goals. The workshop provided leadership the opportunity to identify targets and resources necessary for furthering KUB's ESG initiatives.

Engaging Stakeholders

KUB collaborates with a wide variety of stakeholders, starting with its customers and including regulators, community service organizations, educational institutions, government partners, and others. KUB's Community Advisory Panel was established in 2020 to seek input from its customers on key policy matters that impact them and to share that input with KUB's Board of Commissioners. The panel's members represent a diversity of viewpoints, experience, and expertise.

KUB Culture

Business Ethics

As a provider of crucial public services, KUB recognizes its responsibility to operate in an ethical manner. Accordingly, KUB's Board adopted an Ethics Policy in 2005 establishing standards of conduct for KUB commissioners, officers, and employees. KUB's Ethics Policy provides guidance for conflicts of interest, use of information or assets, use of position or authority, acceptance of gratuities, and other applicable guidance and regulations, which govern KUB's ethical conduct.



Blueprint Refresh

In January 2023, KUB's Board of Commissioners endorsed an updated version of the KUB Blueprint. KUB established its Blueprint in 2014 as part of a strategic planning process. For nearly a decade, the Blueprint has served as a prominent reminder to the organization of KUB's vision, mission, and values. The addition of KUB's Fiber Division called for a refresh, which also provided the opportunity to streamline the document and better reflect today's environment.

KUB | BLUEPRINT

<p>Our Vision</p> <p>KUB creates connections and enhances the quality of life in our East Tennessee communities so everyone can thrive.</p>	<p>Our Mission</p> <p>KUB exists to serve its customers as a trusted partner and steward, providing industry-leading energy, water, and fiber optic services.</p>
<p>Our Value</p> <p>Our Customers</p> <ul style="list-style-type: none"> • Our services are safe, reliable, and affordable • We are committed to great customer service • Our decisions consider everyone's needs <p>Our Co-workers</p> <ul style="list-style-type: none"> • We put safety first and take care of each other • We take pride in our hard work and expertise • We invest in our people 	<p>Our Community</p> <ul style="list-style-type: none"> • We are committed to a cleaner environment • We are personally invested in our community • We help our region grow <p>Our Culture</p> <ul style="list-style-type: none"> • We always do our best and strive for better every day • We hold ourselves to high ethical standards • We value diversity, equity, inclusion, and belonging for all



Let's Connect Sessions

To engage with KUB employees, President and CEO Gabriel Bolas holds quarterly Let's Connect sessions. In these sessions, he shares information about KUB's vision, mission, and values with timely, real-world examples of how the organization supports them.

Financial Stability

KUB's financial stability is key to enabling sustainability investments while balancing the need to provide safe, reliable, and affordable utility services. KUB's financial strategy is a proactive, balanced approach to manage costs, support customer growth, and use debt responsibly. KUB utilizes a long-range, 10-year financial plan to support the Century II program, which ensures sustainable lifecycle replacement and maintenance for each utility system with steady investment, incremental rate increases when needed, and an equitable sharing of the costs for service between today's customers and future generations. KUB is committed to financial transparency, and financial plans are endorsed by its Board of Commissioners.

Inflation Response Plan: Adjusting to Today's Market

In FY23, KUB announced the development of an Inflation Response Plan to assess the impact that current economic conditions have on KUB's short- and long-term funding approaches. The pandemic presented unprecedented systemic changes over the past three years, including challenging supply chain and labor markets and rising inflation. KUB's Inflation Response Plan will focus on ways to manage impacts without sacrificing integrity or commitment to serve the community. Recommendations will be incorporated into KUB's FY 2025 financial planning process.

Grants Team

Recent legislation has expanded opportunities to pursue federal and state funding that can support KUB's environmental and social goals. In 2022, KUB formed a team to scout and assess which programs—including both grants and tax credits—can best help KUB accomplish its mission.

One such example of this has been the team's instrumental role in assessing opportunities under the 2022 Inflation Reduction Act. KUB engaged a consultant to evaluate funding mechanisms for both KUB operations and customers. KUB presented its assessment of findings to the Community Advisory Panel to identify community outreach strategies for informing customers of available resources, which has included internal and external trainings, web content, and social media.



Resiliency

KUB has committed a considerable amount of time, planning, and attention to operational business continuity and risk management. KUB's operations are comprehensive and include plant, distribution, and equipment assets in numerous locations as well as various network and enterprise information technology (IT) systems to manage KUB data and assets. KUB uses a variety of methods to identify, evaluate, and manage risks across the organization in order to ensure the reliability and resiliency of its essential services.

Emergency Planning and Disaster Recovery

Maintaining plans for continuity and recovery of KUB's essential operational functions in the event of a natural disaster or other emergency is a focus of ongoing evaluation and planning. KUB's emergency preparedness efforts encompass training and exercises, community and responder outreach, mutual aid arrangements, emergency resources, and redundancy and backup measures to minimize impact and expedite recovery time in the event of an emergency.

Integrity Management Programs

KUB implements both regulatory and non-regulatory integrity management programs for areas of higher vulnerability. These programs utilize threat identification, risk analysis, strategic planning, mitigation actions, and performance measures to promote the integrity of KUB's crucial assets.

Reliability Metrics

KUB uses a variety of methods to collect and assess reliability data for KUB systems and operations. Reliability metrics are overseen by KUB's Audit and Finance Committee and presented annually to the KUB Board of Commissioners.

Cybersecurity Measures

KUB has put in place a variety of policies, procedures, and technologies to protect the integrity of its enterprise IT systems. KUB also conducts cybersecurity training for new employees as well as regular refresher training to equip employees with knowledge to help identify and prevent cyberattacks on KUB systems.

Performance Data

This section shares information for key indicators that reflect KUB's sustainability progress. For Organizational Metrics monitored by the KUB Board's Audit and Finance Committee, targets and achievement statuses are indicated. Program year refers to KUB's Fiscal Year (FY), which runs July 1 through June 30, unless otherwise noted.

PTD = Program to Date

Organizational Metrics: ■ = Target met or exceeded ■ = Target not met

Electric Power Energy Mix

Metric	Unit	CY 2021	CY 2022
Average Scope 2 Emissions Rate	CO2 lbs/MWh	649.56	671.11

Renewable Energy Programs

Metric	Unit	2022	2023	2024 Target
Community Solar subscription rate ¹	%	---	87%	70%
Green Switch Match participation	participants	261	294	
Green Switch participation	participants	1,622	1,543	
Green Flex participation	participants	2	2	

Electric Vehicle Programs

Metric	Unit	2022	2023
Rebates awarded (PTD)	rebates	293	454
Rebate funds contributed (PTD)	\$	\$114,624	\$177,639

Biosolids

Metric	Unit	2022	2023
Biosolids produced	wet tons	26,522	27,459
Exceeding Vector Requirement	%	55%	45%
Farms permitted with TDEC	farms	52	53
Acres permitted	acres	4,287	4,333

Fleet

Metric	Unit	2022	2023
AFV fleet vehicle percentage (light duty)	%	39%	42%
Miles driven	miles	3,769,615	3,810,111
Fleet carbon efficiency	grams of CO2e/mi	1,337	1,346

¹ Community Solar Organizational Metric

a. FY23: Achieve at least 50% subscription of the 2,115 available shares for KUB's Community Solar Program.

b. FY24: Achieve at least 70% subscription of the 2,115 available shares for KUB's Community Solar Program.

Weatherization and Efficiency Programs

Metric	Unit	2022	2023	2024 Target
Energy Efficiency Education ²	individuals	---	1,900	1,000
Weatherization Program (PTD) ³	homes served	2,178	2,638	2,878
Weatherization funds committed (PTD)	\$	\$27,000,000	\$31,000,000	
Water Savers Program (PTD) ⁴	homes served	38	108	132
Water Savers funds committed (PTD)	\$	\$102,317	\$202,318	

Customer Assistance Programs

Metric	Unit	2022	2023
CURE assistance (PTD)	\$	\$349,784	\$823,394
CURE assistance (PTD)	customers assisted	481	1,411
Project Help assistance (PTD)	\$	\$125,586	\$77,088
Project Help assistance (PTD)	customers assisted	299	168
Utility Bill Support Program (PTD)	\$	N/A	\$4,948,464
Utility Bill Support Program (PTD)	customers assisted	N/A	6,279
Payment Plan Payoff (PTD)	\$	\$434,063	N/A
Payment Plan Payoff (PTD)	customers assisted	750	N/A

Community Outreach

Metric	Unit	2022	2023
Educational appearances	appearances	53	109

Charitable Efforts

Metric	Unit	CY 2021	CY 2022
United Way funds raised	\$	\$194,000	\$208,000
United Way Campaign volunteers	employees	80	143
United Way Campaign volunteer hours	hours	284	582.5
KUB Cares employee volunteer hours	hours	1,800	2,821

²Energy Efficiency Education Organizational Metric

a. FY23: Identify and educate at least 400 eligible customers on KUB's weatherization program benefits.

b. FY24: Identify and educate at least 1,000 eligible customers on energy/water efficiency and KUB's weatherization program benefits.

³Weatherization Organizational Metric

a. FY23: Provide funding through KUB's weatherization partnerships to serve 250 or more homes of low-income families and individuals.

b. FY24: Provide funding through KUB's weatherization partnerships to serve 250 or more homes of low-income families and individuals.

⁴Water Efficiency Organizational Metric (adopted in FY24)

a. FY24: Provide funding through KUB's Water Savers Efficiency program to serve 25 or more homes of low-income families and individuals.

PTD = Program to Date

Organizational Metrics: ■ = Target met or exceeded ■ = Target not met

TeenWork Program

Metric	Unit	CY 2021	CY 2022
Program graduates (PTD)	graduates	490	513
Employed full time at KUB	employees	11	11

Diversity, Equity, and Inclusion

Metric	Unit	2022	2023
MBE/WBE contracts awarded	\$	\$20,400,000	\$32,800,000
Employees trained in DEI ⁵	employees	185	1,100

Safety and Wellness

Metric	Unit	2022	2023	2024 Target
Serious preventable injuries ⁶	injuries	2	0	0
Employee Assistance Program utilization	%	8.20%	8.20%	

Compensation and Benefits

Metric	Unit	2022	2023
Enrolled in KUB medical insurance	% employees	94%	95%
Financial advising sessions completed	sessions	500	577
401(k) employer contributions made	\$	Over \$3 million	\$3,794,561
Educational assistance given	\$	\$93,000	\$84,000

Learning and Development

Metric	Unit	2022	2023
Participants in Business Education Series	employees	171	243
Individuals completed career growth classes	employees	132	394
Leaders completed HR Essentials series	employees	25	30

Community Advisory Panel

Metric	Unit	2022	2023
Meetings Held	meetings	8	6

⁵ DEI Organizational Metric

a. FY23: Implementation of strategies to foster a more diverse, equitable, and inclusive work environment for KUB employees.
b. FY24: Conduct phase 2 of DEI training for supervisors/appraisers and all frontline staff.

⁶ Safety Organizational Metric

a. FY22: Not exceed 2 serious, preventable safety injuries, with a goal of 0.
b. FY23: Not exceed 1 serious, preventable safety injury, with a goal of 0.
c. FY24: Achieve 0 serious, preventable safety injuries.

Change in Net Position

Metric	Unit	2022	2023
Electric	\$	\$29,163,784	\$31,420,430
Fiber	\$	-\$2,458,703	-\$9,242,475
Natural Gas	\$	\$17,092,766	\$13,520,514
Water	\$	\$14,360,076	\$13,110,518
Wastewater	\$	\$19,603,179	\$20,723,282

Debt Service Coverage

Metric	Unit	2022	2023	2024 Target
Electric	ratio	3.74	3.11	3.00
Fiber	ratio	---	---	
Natural Gas	ratio	4.48	3.81	3.00
Water	ratio	2.41	2.53	2.00
Wastewater	ratio	1.88	1.96	1.50

Bond Ratings

Metric	Unit	2022		2023	
		S&P	Moody's	S&P	Moody's
Electric	rating	AA-	Aa2	AA-	Aa2
Fiber	rating	---	---	---	---
Natural Gas	rating	AA	Aa2	AA	Aa2
Water	rating	AAA	Aa1	AAA	Aa1
Wastewater	rating	AA+	Aa2	AA+	Aa2

Metric	Unit	2023
Moody's ESG Credit Impact Score	Rating	CIS-2 (Neutral-to-Low)





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