

Board Meeting Agenda Thursday, August 18, 2022 Noon

Call to Order

Roll Call

Approval of Minutes

Official Action

Resolution 1462 – A Resolution Authorizing KUB to Enter an Interlocal Cooperation Agreement with Knox County for the Purpose of Providing Funding for KUB's Community Low-Income Internet Program for Eligible Low-Income Student Households Receiving KUB Internet Service Located within the Jurisdictional Limits of Knox County Outside of the Jurisdictional Limits of the City of Knoxville

Resolution 1463 – A Resolution Amending the Existing Rate Schedules of the Electric Division, as Previously Established by Resolution No. 1060, as Heretofore Amended, Providing for a Revised Electric Vehicle Charging Power (EVC) Rate

This Resolution Replaces the Existing Purchased Power Adjustment of the Electric Division, as Previously Established by Resolution No. 1065, as Heretofore Amended, to Reflect the New EVC Rate – 1st Reading

President's Report

Other Business and Public Comments

Adjournment

Note: The Chair may declare a periodic recess in these proceedings as may be necessary for comfort or convenience.



August 12, 2022

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

Commissioners:

The August 18 Board meeting agenda includes two official action items, including the authorization to enter an interlocal cooperation agreement with Knox County related to the funding of our Student Internet Access Program and the adoption of a new rate schedule for electric vehicle charging stations, replacing the rate schedule for EV charging stations adopted by the Board in 2021. An overview of each resolution is provided below.

Resolution 1462

As you will recall, the Board's authorization for KUB to provide broadband services included a directive to establish a community low-income internet program. In response, we established the Student Internet Access Program to provide a means for eligible low-income student households to access our high-speed fiber internet service as it becomes available.

The goal is for the program to be funded by both public and private funding sources. KUB entered an interlocal cooperation agreement with the City in 2021 for the purpose of the City making annual contributions to the program based on certain factors, including higher in-lieu-of-tax payments, level of program participation, and other relevant financial factors.

Staff has been in discussions with the Knox County Mayor and County Commissioners about entering a similar funding agreement with Knox County. In fact, we will be presenting the proposed agreement to County Commission at its workshop scheduled for August 15, with a Commission vote on the agreement likely to occur at the Commission's August 22 meeting.

In accordance with state law, the governing bodies of both KUB and Knox County must approve the agreement for it to be effective.

Resolution 1462 authorizes KUB to enter the interlocal cooperation agreement with Knox County and provides the Board's approval of the agreement. A draft of the resolution and proposed agreement with Knox County is attached for your review. I recommend the adoption of Resolution 1462 on first and final reading.

Resolution 1463 (First Reading)

In March 2021, the Board adopted an electric rate schedule for electric vehicle (EV) charging stations, as a companion rate for TVA's wholesale rate for charging stations. TVA recently modified its EV charging station wholesale rate, providing flexibility in rate structure, removing certain ancillary charges for participating customers, and simplifying the reporting process.

It is staff's recommendation the Board amend the rate schedules of the Electric Division to provide for the new EV charging station rate, replacing the existing EV charging station rate schedule. The Board is also requested to amend the Electric Division's Purchased Power Adjustment (PPA), as the new EV charging station rate is a standard service electric rate.

Resolution 1463 and the proposed rate schedule are attached for your information. I recommend the adoption of Resolution 1463 on first reading. If approved by the Board, second reading on the new rate and PPA amendment will occur at the September Board meeting.

Respectfully submitted,

Sale Ball

Gabriel J. Bolas II President and CEO

RESOLUTION NO. 1462

A Resolution Authorizing KUB to Enter an Interlocal Cooperation Agreement with Knox County for the Purpose of Providing Funding for KUB's Community Low-Income Internet Program for Eligible Low-Income Student Households Receiving KUB Internet Service Located within the Jurisdictional Limits of Knox County Outside of the Jurisdictional Limits of the City of Knoxville

Whereas, the Knoxville Utilities Board of Commissioners (the "Board") previously adopted Resolution No. 1439, authorizing KUB to provide broadband services to the fullest extent permitted by Tennessee Code Annotated, Title 7, Chapter 52, Part 6, and other applicable law; and

Whereas, the Council of the City of Knoxville adopted a resolution on June 29, 2021, authorizing KUB to provide broadband services to the fullest extent permitted by Tennessee Code Annotated, Title 7, Chapter 52, Part 6, and other applicable law; and

Whereas, the Board previously adopted Resolution No. 1440, authorizing the establishment of a Community Low-Income Internet Program to serve eligible lowincome households in KUB's broadband service territory and authorizing the President and CEO to enter an interlocal cooperation agreement with the City (the "City") for the purpose of providing funding for the Community Low-Income Internet Program; and

Whereas, KUB and the City did enter an interlocal cooperation agreement for the purpose of the City providing funding for the Community Low-Income Internet Program to pay for internet service for eligible low-income households located within the jurisdictional limits of the City; and

Whereas, the Community Low-Income Internet Program has been established as a program to provide funding for internet services for eligible low-income student households in KUB's broadband service territory and is henceforth known as the Student Internet Access Program; and

Whereas, Knox County (the "County") will receive a higher level of in-lieu-of-tax payments from KUB as a direct result of KUB installing a high-speed fiber optic network system that enables KUB to make available and provide broadband services to customers located in KUB's broadband service territory and within the jurisdictional boundaries of the County; and

Whereas, KUB staff has been in discussions with the Mayor of the County and County Commissioners regarding the County providing funding for the Student Internet Access Program for eligible low-income student households located within the jurisdictional boundaries of the County outside of the jurisdictional limits of the City; and **Whereas**, the Board has determined that it is in the best interest of KUB and its customers to enter an interlocal cooperation agreement with Knox County for the purpose of the County providing funding for the Student Internet Access Program.

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

Section 1. The Board hereby formally requests the Knox County Commission approve the Interlocal Cooperation Agreement between KUB and the County, in substantially the form set forth in Exhibit A to this resolution, and this Board does hereby adopt, ratify, approve, consent, and agree to each recital and provision contained in the Interlocal Cooperation Agreement.

Section 2. That upon approval of the Interlocal Cooperation Agreement by the Knox County Commission in substantially the form set forth in Exhibit A to this resolution, the Board hereby authorizes the President and CEO, or his designee, to execute the agreement on behalf of KUB.

Section 3. The Secretary of the Board shall deliver a certified copy of this resolution to the Mayor of the County and County Commission as formal evidence of this Board's action in connection therewith.

Section 4. Be it Further Resolved, that this resolution shall take effect from and after its passage.

Jerry Askew, Chair

Mark Walker, Board Secretary

APPROVED ON 1 st
& FINAL READING:
EFFECTIVE DATE:
MINUTE BOOK <u>45</u> PAGE

INTERLOCAL COOPERATION AGREEMENT BETWEEN THE KNOXVILLE UTILITIES BOARD AND KNOX COUNTY, TENNESSEE, RELATED TO THE COUNTY PROVIDING FUNDING FOR THE KNOXVILLE UTILITIES BOARD'S STUDENT INTERNET ACCESS PROGRAM

This Interlocal Cooperation Agreement ("Agreement") is made and entered into as of this _____ day of _____, 2022, between the KNOXVILLE UTILITIES BOARD and KNOX COUNTY, TENNESSEE.

RECITALS

WHEREAS, the Knoxville Utilities Board ("KUB") is an independent agency of the City of Knoxville, Tennessee (the "City") that controls, manages, and has jurisdiction over the water, electric power, natural gas, and wastewater systems of the City; and

WHEREAS, pursuant to previous approvals of the KUB Board of Commissioners ("KUB Board"), the Council of the City, the Office of the Comptroller of the Treasury for the State of Tennessee, and the Tennessee Valley Authority, KUB has been authorized to provide broadband services, including cable television, internet, and other related services, pursuant to Tennessee Code Annotated, Title 7, Chapter 52, Part 6, and otherwise applicable law; and

WHEREAS, KUB will provide such broadband services through a high-speed fiber optic network; and

WHEREAS, the KUB Board previously authorized KUB to establish a community low-income internet program to provide for internet service for eligible low-income households within KUB's broadband service territory and to enter separate interlocal cooperation agreements with the City, and other local government entities, including but not limited to Knox County (the "County"), for the purpose of providing funding for the community low-income internet program; and

WHEREAS, KUB has previously entered an interlocal cooperation agreement with the City related to the City providing funding for KUB's community low-income internet program for eligible customers located within the jurisdictional boundaries of the City; and

WHEREAS, pursuant to the authority provided by the KUB Board, KUB has established a community low-income internet program, henceforth known as the Student Internet Access Program, to ensure that eligible low-income students in KUB's broadband service territory and their families are able to access KUB's high-speed fiber optic broadband services as it becomes available; and WHEREAS, Knox County will receive a higher level of in-lieu-of-tax payments from KUB as a direct result of KUB installing a high-speed fiber optic network system that enables KUB to make available and provide broadband services to customers located in KUB's broadband system territory and within the jurisdictional boundaries of the County; and

WHEREAS, the Knox County Commission has determined it is in the best interest of the County for the County to provide funding for the Student Internet Access Program to pay for internet service for eligible low-income student households receiving KUB broadband service located within the jurisdictional limits of Knox County outside of the jurisdictional limits of the City.

WHEREAS, the parties are authorized to enter into this Agreement pursuant to the Interlocal Cooperation Act, codified at Section 12-9-101 et seq., Tennessee Code Annotated to effect the purposes stated herein.

TERMS OF AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and promises made herein and other good and valuable consideration, and pursuant to the authority granted them by Tennessee law, and any applicable ordinances, the parties agree as follows.

1. <u>Effective Date</u>. This Agreement shall become effective upon approval by Knox County Commission and the KUB Board and upon execution by the Mayor of Knox County and the President and CEO of KUB.

2. <u>County Funding</u>. Pursuant to the terms and conditions set forth in this Agreement, the County shall make annual funding contributions to the Student Internet Access Program commencing with the County's fiscal year beginning July 1, 2023, for the sole purpose of paying for internet service for eligible low-income student households receiving broadband services from KUB located within the jurisdictional limits of the County outside of the jurisdictional limits of the City.

3. <u>Determination of Annual Funding Contribution</u>. For each fiscal year commencing with the County's fiscal year beginning July 1, 2023, KUB, in coordination with the County's Finance Director, shall work together in good faith to determine the amount of the County's annual funding contribution ("Annual Contribution") to the Student Internet Access Program, which Annual Contribution shall be subject to Knox County Commission Approval.

The Annual Contribution amount, if any, shall take into consideration relevant factors including but not limited to the following: Student Internet Access Program funding requirements for low-income student households located within the jurisdictional limits of the County outside of the jurisdictional limits of the City; amount of in-lieu-of-tax payments received by the County from KUB attributable to KUB's entry into the broadband services market; and any other relevant financial impacts or resources pertaining to KUB's entry into the broadband services market as agreed upon by the County and KUB.

4. <u>Timing of Annual Funding Contribution</u>. For each fiscal year commencing with the County's fiscal year beginning July 1, 2023, the Annual Contribution, if any, will be made by the County to KUB no less than ninety (90) days after the beginning of each fiscal year. In the event the County needs to make the Annual Contribution after ninety (90) days, the parties will work together to determine an appropriate date.

5. <u>Administrator</u>. The Student Internet Access Program shall be administered by KUB's Chief Customer Officer.

6. <u>Segregation of Funds</u>. The parties agree that all Student Internet Access Program funding contributions received by KUB from the County shall be segregated from all other KUB funds and shall be held by KUB in a bank account established exclusively for the administration of the Student Internet Access Program.

7. <u>Auditing of the Program</u>. The Student Internet Access Program shall be subject to an annual audit as part of KUB's annual financial audit conducted by an independent certified public accounting firm. Any findings related to the Student Internet Access Program resulting from the annual audit shall be promptly communicated to the County Mayor. The County retains the right to commission an additional independent audit of the Student Internet Access Program.

8. <u>Annual Reporting</u>. KUB shall provide the County with an annual report on the Student Internet Access Program no less than ninety (90) days after the end of KUB's fiscal year, provided such reporting shall commence with the fiscal year immediately following the fiscal year in which the initial annual funding contribution for the Student Internet Access Program is received from the County. The annual report shall include but not be limited to measures of success of the Student Internet Access Program to be established by KUB and a report on the use of any funds contributed by the County pursuant to this Agreement.

9. <u>Term</u>. The initial term of this Agreement shall commence on the Effective Date and expire on June 30, 2028. Thereafter, this Agreement shall automatically renew for a period of one (1) year on each July 1st, unless either party provides the other party with written notice of termination, at least thirty (30) days in advance of the end of the applicable fiscal year.

10. <u>Termination</u>. Either party may terminate this Agreement with or without cause upon thirty (30) days written notice to the other party. Upon termination, any funds previously granted to the Student Internet Access Program shall be applied to then existing commitments to eligible student households, with any balance remaining thereafter returned to Knox County.

11. <u>Entire Agreement</u>. This Agreement constitutes the entire, integrated agreement of the parties hereto and supersedes all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof. The Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

12. <u>Non-Assignment</u>. This Agreement and the rights and duties hereunder shall not be assigned by either party without the written consent of the other party.

13. <u>Successors</u>. All provisions herein shall inure to and become binding upon the successors, representatives, receivers, and trustees of the parties hereto.

14. <u>Amendments and Modifications</u>. This Agreement is intended by the parties as the final expression of their agreement and is intended as a complete statement of the terms herein. No amendment, modification, or alteration to this Agreement shall be valid or enforceable nor shall any waiver of any provision be effective unless such amendment, modification, or alteration is approved, in writing, by the parties hereto. The amendment of any agreement between the parties hereto and any other person or entity which deletes, alters, or amends a provision in such agreement relating to the rights of any other party hereto without the prior, written consent of such party to such amendment shall constitute a breach of this Interlocal Agreement.

15. <u>Limitation of Liability</u>. All covenants, stipulations, promises, agreements, and obligations of the parties contained in this Agreement shall be deemed to be the respective limited covenants, stipulations, promises, agreements, and obligations of the parties hereto, as applicable, and not of any officer, director, employee, or agent of such parties nor of any incorporator, director, employee, or agent of any successor corporation to any such party, in its individual capacity. No recourse shall be had against any such individual, either directly or otherwise under or upon any obligation, covenant, stipulation, promise, or agreement contained herein or in any other document executed in connection herewith.

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed by their duly authorized representatives.

KNOX COUNTY, TENNESSEE

By:_____ Glenn Jacobs Mayor

APPROVED AS TO FORM:

By:___

Charles F. Sterchi, III Chief Deputy Law Director

THE KNOXVILLE UTILITIES BOARD

By: _____ Gabriel J. Bolas II President and CEO

RESOLUTION NO. 1463

A Resolution Amending the Existing Rate Schedules of the Electric Division, as Previously Established by Resolution No. 1060, as Heretofore Amended, Providing for a Revised Electric Vehicle Charging Power (EVC) Rate

This Resolution Replaces the Existing Purchased Power Adjustment of the Electric Division, as Previously Established by Resolution No. 1065, as Heretofore Amended, to Reflect the New EVC Rate

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

Whereas, KUB supports the environment through numerous programs such as home weatherization assistance, participation in TVA's Green Invest Program, and TVA's Green Switch and Green Switch Match programs; and

Whereas, KUB supports the adoption and utilization of electric vehicles through its participation in Drive Electric Tennessee, its first-in-the-Valley Electric Vehicle (EV) rebate program, and by offering Time of Use rates to support charging EV's at home; and

Whereas, the KUB Board previously adopted Resolution 1432, authorizing KUB's participation in TVA's EVC Rate program, and amending the rate schedules of the Electric Division providing for an EVC Rate; and

Whereas, KUB was the first local power company in the Tennessee Valley to provide the EVC Rate to its customers; and

Whereas, the EVC Rate is an optional rate for eligible KUB customers designed to encourage and support EV adoption throughout the Tennessee Valley; and

Whereas, TVA recently modified its wholesale EVC Rate, providing greater flexibility in rate structure, eliminating certain ancillary charges for participating customers, and simplifying reporting requirements; 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 its Electric Division Rate Schedules to provide for the new EVC Rate; and

Whereas, it is also necessary to amend the Purchased Power Adjustment for the Electric Division to reflect the new EVC Rate, as the new rate is a standard service electric rate; and

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

Now, Therefore, Be It Hereby Resolved by the Board of Commissioners of the Knoxville Utilities Board as Follows:

Section 1. That the Board hereby authorizes KUB's participation in TVA's updated EVC Rate.

Section 2. That the President and CEO is hereby authorized on behalf of KUB to enter any agreements or take any actions reasonably necessary for KUB and its customers to participate in the updated EVC Rate.

Section 3. That the existing EVC rate schedule of the Electric Division as set forth in Exhibit A of Resolution No. 1441, as heretofore amended, is hereby deleted in entirety, and replaced with the EVC rate schedule of the Electric Division as set forth in Exhibit A to this Resolution 1463, to be effective October 1, 2022.

Section 4. That the existing EVC rate schedule of the Electric Division as set forth in Exhibit B of Resolution No. 1441, as heretofore amended, is hereby deleted in entirety, and replaced with the EVC rate schedule of the Electric Division as set forth in Exhibit B to this Resolution 1463, to be effective April 1, 2023.

Section 5. That the existing EVC rate schedule of the Electric Division as set forth in Exhibit C of Resolution No. 1441, as heretofore amended, is hereby deleted in entirety, and replaced with the EVC rate schedule of the Electric Division as set forth in Exhibit C to this Resolution 1463, to be effective April 1, 2024.

Section 6. That Appendix A to the Purchased Power Adjustment of Resolution 1065, as heretofore amended, shall be deleted in its entirety, and replaced with Exhibit D to this Resolution, to be effective October 1, 2022.

Jerry Askew, Chair

Mark Walker, Board Secretary

APPROVED ON 1st READING: ______ APPROVED ON 2nd READING: ______ EFFECTIVE DATE ______ MINUTE BOOK <u>45</u> PAGE ______ **RESOLUTION 1463**

EXHIBIT A

RATE SCHEDULES OF THE ELECTRIC DIVISION

EFFECTIVE OCTOBER 1, 2022

ELECTRIC VEHICLE CHARGING POWER RATE - SCHEDULE EVC

Availability

This rate shall exclusively apply to separately metered charging stations for electric vehicles where the charging station's demand is greater than 50 kW but not more than 5,000 kW.

All customers participating under this rate schedule shall agree to a full requirements service from KUB. In addition, customers must agree that the sole use of the electric service is for the purpose of charging electric vehicles used for transportation purposes only.

Character of Service

Alternating current, single- or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Base Charges

Customer Charge:	\$100 per delivery point per month
Energy Charge:	
All Seasons:	
Onpeak	\$0.31022 per kWh per month for all metered onpeak kWh
Offpeak	\$0.19737 per kWh per month for all metered offpeak kWh

<u>Adjustment</u>

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by KUB. In the event KUB determines that changed Seasonal Periods are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed periods, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be from 2 p.m. to 8 p.m. during the months of April, May, June, July, August, September and October and from 5 a.m. to 11 a.m. during the months of January, February, March, November, and December. For all other hours of each day and all hours of such excepted days shall be offpeak hours. Such times shall be EST or EDT, whichever is then in effect. Said onpeak and offpeak hours are subject to change by KUB. In the event KUB determines that such changed onpeak and offpeak hours are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed hours, and KUB shall promptly notify customer.

Minimum Bill

The base customer charge constitutes the minimum monthly bill for all customers served under this rate schedule except those customers for which a higher minimum monthly bill is required under KUB's standard policy because of special circumstances affecting the cost of rendering service.

Contract Requirement

At its sole discretion, KUB may require contracts for service provided under this rate schedule and such contracts shall be for an initial term of at least 90 days. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective contract demand. The customer is prohibited from using any power other than that supplied by KUB under this rate schedule. All other power sources are prohibited. The contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

After having received service for at least 90 days under this rate schedule, the customer, subject to 90 days prior written notice and appropriate amendments in its power contract with KUB, may receive service under the General Power Rate - Schedule GSA TOU. In such case the term of the power contract shall remain the same and the contract demand for service under the General Power Rate - Schedule GSA TOU shall not be less than the contract demand in effect when service was taken under this rate schedule.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery and metering point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

RESOLUTION 1463

EXHIBIT B

RATE SCHEDULES OF THE ELECTRIC DIVISION

EFFECTIVE APRIL 1, 2023

ELECTRIC VEHICLE CHARGING POWER RATE - SCHEDULE EVC

Availability

This rate shall exclusively apply to separately metered charging stations for electric vehicles where the charging station's demand is greater than 50 kW but not more than 5,000 kW.

All customers participating under this rate schedule shall agree to a full requirements service from KUB. In addition, customers must agree that the sole use of the electric service is for the purpose of charging electric vehicles used for transportation purposes only.

Character of Service

Alternating current, single- or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Base Charges

Customer Charge:	\$100 per delivery point per month
Energy Charge:	
All Seasons:	
Onpeak	\$0.31022 per kWh per month for all metered onpeak kWh
Offpeak	\$0.19737 per kWh per month for all metered offpeak kWh

<u>Adjustment</u>

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by KUB. In the event KUB determines that changed Seasonal Periods are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed periods, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be from 2 p.m. to 8 p.m. during the months of April, May, June, July, August, September and October and from 5 a.m. to 11 a.m. during the months of January, February, March, November, and December. For all other hours of each day and all hours of such excepted days shall be offpeak hours. Such times shall be EST or EDT, whichever is then in effect. Said onpeak and offpeak hours are subject to change by KUB. In the event KUB determines that such changed onpeak and offpeak hours are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed hours, and KUB shall promptly notify customer.

Minimum Bill

The base customer charge constitutes the minimum monthly bill for all customers served under this rate schedule except those customers for which a higher minimum monthly bill is required under KUB's standard policy because of special circumstances affecting the cost of rendering service.

Contract Requirement

At its sole discretion, KUB may require contracts for service provided under this rate schedule and such contracts shall be for an initial term of at least 90 days. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective contract demand. The customer is prohibited from using any power other than that supplied by KUB under this rate schedule. All other power sources are prohibited. The contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

After having received service for at least 90 days under this rate schedule, the customer, subject to 90 days prior written notice and appropriate amendments in its power contract with KUB, may receive service under the General Power Rate - Schedule GSA TOU. In such case the term of the power contract shall remain the same and the contract demand for service under the General Power Rate - Schedule GSA TOU shall not be less than the contract demand in effect when service was taken under this rate schedule.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery and metering point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

RESOLUTION 1463

EXHIBIT C

RATE SCHEDULES OF THE ELECTRIC DIVISION

EFFECTIVE APRIL 1, 2024

ELECTRIC VEHICLE CHARGING POWER RATE - SCHEDULE EVC

Availability

This rate shall exclusively apply to separately metered charging stations for electric vehicles where the charging station's demand is greater than 50 kW but not more than 5,000 kW.

All customers participating under this rate schedule shall agree to a full requirements service from KUB. In addition, customers must agree that the sole use of the electric service is for the purpose of charging electric vehicles used for transportation purposes only.

Character of Service

Alternating current, single- or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Base Charges

Customer Charge:	\$100 per delivery point per month
Energy Charge:	
All Seasons:	
Onpeak	\$0.31022 per kWh per month for all metered onpeak kWh
Offpeak	\$0.19737 per kWh per month for all metered offpeak kWh

<u>Adjustment</u>

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by KUB. In the event KUB determines that changed Seasonal Periods are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed periods, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be from 2 p.m. to 8 p.m. during the months of April, May, June, July, August, September and October and from 5 a.m. to 11 a.m. during the months of January, February, March, November, and December. For all other hours of each day and all hours of such excepted days shall be offpeak hours. Such times shall be EST or EDT, whichever is then in effect. Said onpeak and offpeak hours are subject to change by KUB. In the event KUB determines that such changed onpeak and offpeak hours are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed hours, and KUB shall promptly notify customer.

Minimum Bill

The base customer charge constitutes the minimum monthly bill for all customers served under this rate schedule except those customers for which a higher minimum monthly bill is required under KUB's standard policy because of special circumstances affecting the cost of rendering service.

Contract Requirement

At its sole discretion, KUB may require contracts for service provided under this rate schedule and such contracts shall be for an initial term of at least 90 days. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective contract demand. The customer is prohibited from using any power other than that supplied by KUB under this rate schedule. All other power sources are prohibited. The contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

After having received service for at least 90 days under this rate schedule, the customer, subject to 90 days prior written notice and appropriate amendments in its power contract with KUB, may receive service under the General Power Rate - Schedule GSA TOU. In such case the term of the power contract shall remain the same and the contract demand for service under the General Power Rate - Schedule GSA TOU shall not be less than the contract demand in effect when service was taken under this rate schedule.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery and metering point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

RESOLUTION 1463 EXHIBIT D

BASE RATES OF PURCHASED POWER STANDARD SERVICE

Pasidontial Cradit Elizible kWb	Summer	Winter	Transition
Residential Credit Eligible kWh demand kWh base	0.02437	0.02397	0.02397
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 - TOU Onpeak kWh			
demand kWh base	0.11957 0.07229	0.11957 0.07229	0.11957
energy kWh base hydro energy credit	-0.00297	-0.00297	0.07229 -0.00297
Offpeak kWh	0.00201	0.00201	0.00201
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	0.02397	0.02397
energy kWh base	0.05494	0.05494	0.05494
hydro energy debit	0.00323	0.00323	0.00323
Residential Debit Eligible - TOU Onpeak kWh			
demand kWh base	0.11957	0.11957	0.11957
energy kWh base hydro energy debit	0.07229 0.00323	0.07229 0.00323	0.07229 0.00323
Offpeak kWh	0.00020	0.00020	0.00020
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	0.00040	0.0004.0	0.00040
energy kWh base hydro energy debit	0.06010 0.00323	0.06010 0.00323	0.06010 0.00323
GSA2			
1st 15,000 kWh	0.00/50	0.00111	0.00444
demand kWh base energy kWh base	0.02452 0.06534	0.02411 0.06534	0.02411 0.06534
hydro energy debit	0.00323	0.00323	0.00323
	0.00020	0.000_0	0.00020

additional kWh demand kWh base energy kWh base hydro energy debit >50kW	0 0.05641 0.00323	0 0.05641 0.00323	0 0.05641 0.00323
demand kW base energy kWh base	11.10 0	10.31 0	10.31 0
GSA2-A - TOU	Summer	Winter	Transition
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	0.00020	0.00020	0.00020
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	0.00020	0.00020	0.00020
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	0	0
>1000 kW			
demand kW base	13.63	12.87	12.87
energy kWh base	0	0	0
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
, 3,			
EVC			
Onpeak kWh	0 0000	0 00000	0 00000
demand kWh base energy kWh base	0.08992 0.13488	0.08992 0.13488	0.08992 0.13488
hydro energy debit	0.13488	0.13488	0.13466
Offpeak kWh	0.00020	0.00525	0.00323
energy kWh base	0.11749	0.11749	0.11749
hydro energy debit	0.00323	0.00323	0.00323
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DRAFT

Knoxville Utilities Board Board Meeting Minutes Thursday, June 16, 2022 Noon

Call to Order

The Knoxville Utilities Board met in regular session in the Larry A. Fleming Board Room at 445 S. Gay Street, on Thursday, June 16, 2022, pursuant to the public notice published in the January 4, 2022, edition of the *News Sentinel*. Chair Jerry Askew called the meeting to order at 12:00 p.m.

Roll Call

Commissioners Present: Jerry Askew, Claudia Caballero, Ron Feinbaum, Celeste Herbert, and Tyvi Small.

Commissioners Absent: Kathy Hamilton and Adrienne Simpson-Brown

Approval of Minutes

Upon a motion by Commissioner Herbert and a second by Commissioner Caballero, the May 19, 2022 Board Meeting minutes were approved by a roll call vote. The following Commissioners voted "aye": Askew, Caballero, Feinbaum, and Herbert. No Commissioner voted "nay".

Old Business

Resolution 1455, A Resolution Replacing the Existing Rate Schedules of the Water Division and Wastewater Division as Previously Established by Resolution 1060 as Heretofore Amended

This Resolution Replaces the Existing Rate Schedules of the Water Division by Amending Section 3 of Resolution No. 1060, Providing for an Increase in Water Rates Effective July 1, 2022, an Increase in Water Rates Effective July 1, 2023, and an Increase in Water Rates Effective July 1, 2024

This Resolution Replaces the Existing Rate Schedules of the Wastewater Division by Amending Section 4 of Resolution No. 1060, Providing for an Increase in Wastewater Rates Effective July 1, 2022, an Increase in Wastewater Rates Effective July 1, 2023, and an Increase in Wastewater Rates Effective July 1, 2024

June 16, 2022

President Gabriel Bolas recognized Mark Walker, Senior Vice President and Chief Financial Officer, to provide an overview of Resolution 1455 on second and final reading regarding the proposed three years of annual rate increases for water and wastewater service to be effective in July 2022, 2023, and 2024.

President Bolas recommended adoption of Resolution 1455 on second and final reading. His written recommendation is included in Attachment 1.

Upon a motion by Commissioner Herbert and a second by Commissioner Caballero, Resolution 1455 was adopted by a roll call vote on second and final reading. The following Commissioners voted "aye": Askew, Caballero, Feinbaum, and Herbert. No Commissioner voted "nay". Commissioner Small joined the meeting after the vote on Resolution 1455 and therefore did not vote.

New Business

Resolution 1460, A Resolution Adopting Rules and Regulations for the Fiber Division of the Knoxville Utilities Board Providing for the Efficient Use, Operation, and Management of the Fiber System

President Bolas reminded Commissioners that each of the utility systems operates under Rules and Regulations adopted by the Board. He recognized Jamie Davis, Vice President and Chief Technology Officer, to present the proposed Rules and Regulations for the new Fiber Division for their consideration.

Upon a motion by Commissioner Small and a second by Commissioner Feinbaum, Resolution 1460 *(Attachment 2)* was adopted by a roll call vote on first and final reading. The following Commissioners voted "aye": Askew, Caballero, Feinbaum, Herbert, and Small. No Commissioner voted "nay".

Resolution 1461, A Resolution Authorizing and Approving the Sale or Disposal of Two Parcels of Real Property of the Wastewater Division of the Knoxville Utilities Board ("KUB") Located at 5724 Holston Hills Road and 5220 Yorktown Road in Knoxville, Tennessee

President Bolas recognized John Piotrowski, Director of Procurement, Properties, and New Service, to present Resolution 1461 authorizing the sale or disposal of two parcels of real property owned by the Wastewater Division.

Upon a motion by Commissioner Small and a second by Commissioner Caballero, Resolution 1461 (*Attachment 3*) was adopted by a roll call vote on first and final reading. The following Commissioners voted "aye": Askew, Caballero, Feinbaum, Herbert, and Small. No Commissioner voted "nay".

June 16, 2022

President's Report

KUB Community Solar

President Bolas reminded Commissioners we recently broke ground on Knoxville's first community solar project. He recognized Chasity Hobby, Environmental Program Lead, to provide an update.

Other Business

None

Public Comment

None

Adjournment

There being nothing further to come before the Board, Chair Askew declared the Board meeting adjourned at 1:05 p.m.

Jerry Askew, Chair

Mark Walker, Board Secretary

Attachments

Attachment 1	Recommendation Letter and Resolution 1455 – A Resolution Replacing the Existing Rate Schedules of the Water Division and Wastewater Division as Previously Established by Resolution 1060 as Heretofore Amended This Resolution Replaces the Existing Rate Schedules of the Water Division by Amending Section 3 of Resolution No. 1060, Providing for an Increase in Water Rates Effective July 1, 2022, an Increase in Water Rates Effective July 1, 2023, and an Increase in Water Rates Effective July 1, 2024 This Resolution Replaces the Existing Rate Schedules of the Wastewater Division by Amending Section 4 of Resolution No. 1060, Providing for an Increase in Wastewater Rates Effective July 1, 2022, an Increase in	<u>Page(s)</u> 11652 – 11724
	Wastewater Rates Effective July 1, 2023, and an Increase in Wastewater Rates Effective July 1, 2024	
Attachment 2	Resolution 1460 – A Resolution Adopting Rules and Regulations for the Fiber Division of the Knoxville Utilities Board Providing for the Efficient Use, Operation, and Management of the Fiber System	11725 – 11734
Attachment 3	Resolution 1461 – A Resolution Authorizing and Approving the Sale or Disposal of Two Parcels of Real Property of the Wastewater Division of the Knoxville Utilities Board ("KUB") Located at 5724 Holston Hills Road and 5220 Yorktown Road in Knoxville, Tennessee	11735 – 11736



June 10, 2022

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

Commissioners:

The June 16 Board meeting agenda includes several official action items, including second reading of the proposed annual water and wastewater rate increases for the next three fiscal years, consideration of Fiber Division Rules and Regulations, and the authorization for the sale or disposal of two parcels of land owned by the Wastewater Division.

An overview of each official action item is provided below:

Resolution 1455 (Second and Final Reading)

Resolution 1455, approved on first reading by the Board at the May 19 meeting, replaces the existing rate schedules of the Water and Wastewater Divisions to provide for a 5% increase in water rates and 4% increase in wastewater rates in each of the next three fiscal years to help sustain funding levels for system infrastructure investments, including distribution and collection system pipe replacement and rehabilitation and treatment plant improvements.

The proposed water and wastewater rate increases will be applied solely to the usage rate for residential customers. No increases will be applied to the fixed monthly residential basic service charge.

The proposed 5% water rate increases will gradually increase residential customer bills over the three-year period. The average monthly residential bill will increase \$1.40 in August 2022, \$1.50 in August 2023, and \$1.60 in August 2024, for a total increase of \$4.50 over three years. The current average monthly bill is \$28.60.

The proposed 4% wastewater rate increases will also gradually increase residential customer bills over the next three fiscal years. The average monthly residential wastewater bill will increase \$2.60 in August 2022, \$2.70 in August 2023, and \$2.75 in August 2024, for a total increase of \$8.05 over three years. The current average monthly bill is \$65.50.

The impact of the proposed water rate and wastewater rate increases on non-residential customers' monthly bills will vary based on rate classification and level of monthly usage.

If approved on second and final reading, the first of the three rate increases will be effective July 1, 2022, and reflected on customers' bills beginning in August 2022.

Resolution 1460

Resolution 1460 adopts Rules and Regulations for KUB's Fiber Division.

In accordance with Section 1106(G) of the City Charter, KUB has the authority to make and enforce rules and regulations for the efficient use, operation, and management KUB's utility systems. The Board has previously approved Rules and Regulations for KUB's Electric, Gas, Water, and Wastewater Divisions.

Among other things, the proposed Fiber Division Rules and Regulations authorize the President and CEO to establish and levy fees and charges for KUB's fiber optic services and establish policies for the operation of the fiber optic system.

A draft of the proposed Rules and Regulations is enclosed for your information.

Resolution 1461

Resolution 1461 authorizes and approves the sale or disposal of two parcels of real property owned by the Wastewater Division of KUB that are not needed for the continued operation of the wastewater system or any other KUB system.

The real properties are located at 5724 Holston Hills Road, Knoxville, Tennessee, and 5220 Yorktown Road, Knoxville, Tennessee. In accordance with KUB's Procurement Procedures, I have determined these real properties to be surplus.

Pursuant to the City Charter, the Procurement Procedures, and the bond resolutions of the Wastewater Division, these real properties may be sold or disposed of in a manner that it is in the best interest of KUB and the Wastewater Division.

I recommend the adoption of Resolution 1455 on second and final reading, and the adoption of Resolutions 1460 and 1461 on first and final reading.

Respectfully submitted,

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Gabriel J. Bolas, II President and CEO

Enclosures

RESOLUTION NO. 1455

A Resolution Replacing the Existing Rate Schedules of the Water Division and Wastewater Division as Previously Established by Resolution 1060 as Heretofore Amended

This Resolution Replaces the Existing Rate Schedules of the Water Division by Amending Section 3 of Resolution No. 1060, Providing for an Increase in Water Rates Effective July 1, 2022, an Increase in Water Rates Effective July 1, 2023, and an Increase in Water Rates Effective July 1, 2024

This Resolution Replaces the Existing Rate Schedules of the Wastewater Division by Amending Section 4 of Resolution No. 1060, Providing for an Increase in Wastewater Rates Effective July 1, 2022, an Increase in Wastewater Rates Effective July 1, 2023, and an Increase in Wastewater Rates Effective July 1, 2024

Whereas, by the provisions of the Charter of the City of Knoxville, Tennessee (the "City"), the management and operation of both the City's Water distribution and treatment system and the City's Wastewater collection and treatment system have been placed under the jurisdiction of the Board of Commissioners (the "Board") of the Knoxville Utilities Board ("KUB"); and

Whereas, the Board previously adopted Resolution 1060 as heretofore amended, providing rate schedules for the Water and Wastewater Divisions of KUB; and

Whereas, the Board previously recognized the need for a strategic long-term solution to the issue of aging infrastructure, and has directed and reaffirmed KUB's comprehensive maintenance and replacement programs, referred to as Century II, for all divisions, including the Water and Wastewater Divisions; and

Whereas, the Board previously endorsed long-term funding plans for all divisions, including the Water and Wastewater Divisions, providing financial support for Century II in support of safe, reliable, and affordable utility services for current and future generations of KUB customers; and

Whereas, KUB eliminated two planned 3% wastewater rate increases in fiscal years 2021 and 2022, eliminated a 5% water rate increase for fiscal year 2021 and reduced a planned 5% water rate increase to 2% in fiscal year 2022, through a combination of project deferrals and cost savings; and

Whereas, at the Board's financial workshop on April 21, 2022, staff reviewed the ten-year funding plan for the Water Division which included 5% rate increases for each of the next three fiscal years; and

Whereas, at the Board's financial workshop on April 21, 2022, staff reviewed the ten-year funding plan for the Wastewater Division which included 4% rate increases for each of the next three fiscal years; and

Whereas, the Board has determined, based on the projected level of expenditures for the Water and Wastewater Divisions that the proposed rate increases are necessary to provide additional revenue to sustain funding levels for water and wastewater infrastructure improvements, including distribution and collection system pipe replacement and treatment plant improvements; and

Whereas, in accordance with Section 1107(F) of the Charter of the City, the Board is required to set rates for water service sufficient to pay all obligations of the Water Division; and

Whereas, in accordance with Section 1107(H) of the Charter of the City, the Board is required to set rates for wastewater service sufficient to pay all obligations of the Wastewater Division; and

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

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

Section 1. That all existing rate schedules of the Water Division as set forth in Section 3 of Resolution No. 1060, as heretofore amended, are hereby deleted in their entirety, and replaced with the rate schedules of the Water Division, as set forth in Exhibit A to this Resolution, to be effective beginning July 1, 2022.

Section 2. That all existing rate schedules of the Water Division as set forth in Section 3 of Resolution No. 1060, as heretofore amended, are hereby deleted in their entirety, and replaced with the rate schedules of the Water Division, as set forth in Exhibit B to this Resolution to be effective beginning July 1, 2023.

Section 3. That all existing rate schedules of the Water Division as set forth in Section 3 of Resolution No. 1060, as heretofore amended, are hereby deleted in their entirety, and replaced with the rate schedules of the Water Division, as set forth in Exhibit C to this Resolution to be effective beginning July 1, 2024.

Section 4. That all existing rate schedules of the Wastewater Division as set forth in Section 4 of Resolution No. 1060, as heretofore amended, are hereby deleted in their entirety, and replaced with the rate schedules of the Wastewater Division, as set forth in Exhibit D to this Resolution, to be effective beginning July 1, 2022.

Section 5. That all existing rate schedules of the Wastewater Division as set forth in Section 4 of Resolution No. 1060, as heretofore amended, are hereby deleted in their entirety, and replaced with the rate schedules of the Wastewater Division, as set forth in Exhibit E to this Resolution, to be effective beginning July 1, 2023.

Section 6. That all existing rate schedules of the Wastewater Division as set forth in Section 4 of Resolution No. 1060, as heretofore amended, are hereby deleted in their entirety, and replaced with the rate schedules of the Wastewater Division, as set forth in Exhibit F to this Resolution, to be effective beginning July 1, 2024.

Jerry Askew/s Jerry Askew, Chair

Mark Walker/s Mark Walker, Board Secretary

 APPROVED ON 1st

 READING:
 5-19-22

 APPROVED ON 2nd

 READING:
 6-16-22

 EFFECTIVE DATE:
 7-1-22

 MINUTE BOOK 45 PAGE 11654-11724

Resolution 1455 EXHIBIT A RATE SCHEDULES OF THE WATER DIVISION EFFECTIVE JULY 1, 2022

WATER GENERAL SERVICE - RESIDENTIAL

<u>Availability</u>

Service under this rate schedule shall be available only to residential customers served individually through a separate meter.

An existing customer or applicant for service under this schedule may be required to execute a contract specifying, among other things, a minimum bill and minimum term for service under this schedule.

Rate

The Water Service Charge shall be calculated using the applicable rate tables provided below, based on the customer's meter size and monthly water usage. KUB may, at its sole discretion, bill water using the same rates converted to a rate per gallon for usage measured in gallons: 1 Ccf equals 748 gallons.

In the event more than one meter is utilized to determine billed consumption, multiple basic service charges may apply. Charges will apply without regard to ownership of the meter(s).

1. Inside City Rate

For water furnished to premises entirely within the corporate limits of the City of Knoxville:

Basic Service Charge

5/8" meter \$18.00

For meters greater than 5/8" the Customer Charges listed in the Water Nonresidential schedule shall be utilized.

Commodity Charge

First	2 Ccf	at	\$1.35 per Ccf
Over	2 Ccf	at	\$3.10 per Ccf

2. Outside City Rate

For water furnished to premises upon which any water faucet or other outlet is outside the corporate limits of the City of Knoxville:

Basic Service Charge

5/8" meter \$19.40

For meters greater than 5/8" the Customer Charges listed in the Water Nonresidential schedule shall be utilized.

Commodity Charge

First	2 Ccf	at	\$1.50 per Ccf
Over	2 Ccf	at	\$3.70 per Ccf

Rules and Regulations

WATER GENERAL SERVICE – NONRESIDENTIAL

<u>Availability</u>

Service under this rate schedule shall be available to any commercial or industrial customer.

An existing customer or applicant for service under this schedule may be required to execute a contract specifying, among other things, a minimum bill and minimum term for service under this schedule.

Rate

The Water Service Charge shall be calculated using the applicable rate tables provided below, based on the customer's meter size and monthly water usage. KUB may, at its sole discretion, bill water using the same rates converted to a rate per gallon for usage measured in gallons: 1 Ccf equals 748 gallons.

In the event more than one meter is utilized to determine billed consumption, multiple customer charges may apply. Charges will apply without regard to ownership of the meter(s).

1. Inside City / Industrial Park Rate

For water furnished to premises entirely within the corporate limits of the City of Knoxville or within the boundaries of an area recognized as an industrial park by the Tennessee Department of Economic and Community Development:

Customer Charge

5/8" meter	\$	19.50
1" meter	\$	33.00
1 ½" meter	\$	61.00
2" meter	\$	82.00
3" meter	\$	192.00
4" meter	\$	301.00
6" meter	\$	600.00
8" meter	\$1	,026.00
10" meter	\$1	,563.00
12" meter	\$2	,400.00

Commodity Charge

First	2 Ccf	at	\$ 2.60 per Ccf
Next	8 Ccf	at	\$ 4.90 per Ccf
Next	90 Ccf	at	\$ 5.80 per Ccf
Next	300 Ccf	at	\$ 4.55 per Ccf
Next	4,600 Ccf	at	\$ 2.80 per Ccf
Over	5,000 Ccf	at	\$ 1.30 per Ccf

2. Outside - City Rate

For water furnished to premises upon which any water faucet or other outlet is outside the corporate limits of the City of Knoxville, excluding premises within the boundaries of an area recognized as an industrial park by the Tennessee Department of Economic and Community Development:

Customer Charge

5/8" meter	\$ 21.40
1" meter	\$ 37.50
1 1⁄2" meter	\$ 68.00
2" meter	\$ 93.00
3" meter	\$ 222.00
4" meter	\$ 348.00
6" meter	\$ 715.00
8" meter	\$1,260.00
10" meter	\$1,920.00
12" meter	\$2,840.00

Commodity Charge

First	2 Ccf	at	\$3.00 per Ccf
Next	8 Ccf	at	\$5.65 per Ccf
Next	90 Ccf	at	\$6.90 per Ccf
Next	300 Ccf	at	\$5.25 per Ccf
Next	4,600 Ccf	at	\$3.35 per Ccf
Over	5,000 Ccf	at	\$1.55 per Ccf

Rules and Regulations

SCHEDULE B – PRIVATE FIRE SERVICE

<u>Availability</u>

Under this schedule, KUB provides water supply to privately owned automatic sprinklers or hose outlets. Such service is available to any residential, commercial, or industrial customer.

Rate

The private Fire Service Charge shall be calculated using the table below based on the customer's fire line connections.

Monthly Service Charge per Connection

Connection less than 4"	\$ 37.00
4" Connection	\$ 98.00
6" Connection	\$214.00
8" Connection	\$375.00
10" Connection	\$571.00
12" Connection and greater	\$844.00

These service charges shall be in addition to the charge for any water use through fire line connections. The amount of unmetered water so used, as determined by KUB, shall be paid for at KUB's applicable rate schedules.

No charge under this Schedule B shall be made where the water supply to private fire protection facilities is through one or more metered connection(s) for which payment is made under the Water General Service – Nonresidential Rate Schedule.

No credit for charges under this rate schedule shall be allowed against the Water General Service – Nonresidential Rate Schedule charge for water supplied through a fire line to one or more metered connection(s) where the fire line serves as a connecting line between the metered connection(s) and KUB's mains.

Rules and Regulations

Knoxville Utilities Board Water Division SCHEDULE C – UNMETERED GOVERNMENT SERVICE

For water used from KUB's mains with KUB's permission by any department of a governmental entity through unmetered fire hydrants for purposes other than for public fire service:

Inside – City Rate

The total amount of water used monthly by each department of a governmental entity for such purposes through a fire hydrant within the corporate limits of the City of Knoxville shall be billed to each such department at the Inside City rates set forth in the Water General Service – Nonresidential Rate Schedule.

Outside – City Rate

The total amount of water used monthly by each department of a governmental entity for such purposes through a fire hydrant outside the corporate limits of the City of Knoxville shall be billed to each such department at the Outside City rates set forth in the Water General Service – Nonresidential Rate Schedule.

Rules and Regulations

SCHEDULE D – PUBLIC FIRE PROTECTION SERVICE

<u>Availability</u>

Service under this schedule shall be available only to a governmental entity that undertakes to provide public fire protection service for an area that contains at least four square miles. KUB reserves the right to require any applicant for service under this schedule to execute a contract specifying, among other things, a minimum bill and minimum term for service.

Rate

For public fire protection service rendered, the governmental entity shall pay KUB a fire protection service charge at the rate of \$561.42 per year for each KUB owned public fire hydrant located within the jurisdictional boundaries of the governmental entity and within areas provided public fire protection service by such governmental entity. In addition to the fire protection service charge, the governmental entity shall pay for all water used for fire fighting at rates set forth in the Water General Service – Nonresidential Rate Schedule.

KUB may contract with other utility providers to supply public fire protection service to an eligible governmental entity in any service area (or portion thereof), where KUB determines it desirable to do so. Charges to a governmental entity for fire protection service provided under such a contract shall be at the same rate specified above, and the hydrants of the utility provider utilized under such a contract shall be deemed to be facilities owned by KUB for the sole purpose of calculating charges under this schedule.

Rules and Regulations

SCHEDULE E – SALES FOR RESALE

<u>Availability</u>

For water purchased on an interruptible basis for resale by a customer that does not use KUB as its sole supplier of water. This service shall be available only on an interruptible basis and only to the extent, in KUB's sole opinion, that such service can be supplied through existing facilities without adversely affecting water service to any other customer of KUB. Nothing contained herein shall prevent KUB from providing water for resale under the Water General Service – Nonresidential Rate Schedule.

Commodity Charge

\$1.48 per Ccf

KUB may, at its sole discretion, bill water using the same rates converted to a rate per gallon for usage measured in gallons: 1 Ccf equals 748 gallons.

Any unauthorized usage under this tariff shall be billed at the Outside City rates set forth in the Water General Service – Nonresidential Rate Schedule.

Rules and Regulations

Resolution 1455 EXHIBIT B RATE SCHEDULES OF THE WATER DIVISION EFFECTIVE JULY 1, 2023

WATER GENERAL SERVICE - RESIDENTIAL

<u>Availability</u>

Service under this rate schedule shall be available only to residential customers served individually through a separate meter.

An existing customer or applicant for service under this schedule may be required to execute a contract specifying, among other things, a minimum bill and minimum term for service under this schedule.

Rate

The Water Service Charge shall be calculated using the applicable rate tables provided below, based on the customer's meter size and monthly water usage. KUB may, at its sole discretion, bill water using the same rates converted to a rate per gallon for usage measured in gallons: 1 Ccf equals 748 gallons.

In the event more than one meter is utilized to determine billed consumption, multiple basic service charges may apply. Charges will apply without regard to ownership of the meter(s).

1. Inside City Rate

For water furnished to premises entirely within the corporate limits of the City of Knoxville:

Basic Service Charge

5/8" meter \$18.00

For meters greater than 5/8" the Customer Charges listed in the Water Nonresidential schedule shall be utilized.

Commodity Charge

First	2 Ccf	at	\$1.65 per Ccf
Over	2 Ccf	at	\$3.40 per Ccf

2. Outside City Rate

For water furnished to premises upon which any water faucet or other outlet is outside the corporate limits of the City of Knoxville:

Basic Service Charge

5/8" meter \$19.40

For meters greater than 5/8" the Customer Charges listed in the Water Nonresidential schedule shall be utilized.

Commodity Charge

First	2 Ccf	at	\$1.85 per Ccf
Over	2 Ccf	at	\$4.05 per Ccf

Rules and Regulations

WATER GENERAL SERVICE – NONRESIDENTIAL

<u>Availability</u>

Service under this rate schedule shall be available to any commercial or industrial customer.

An existing customer or applicant for service under this schedule may be required to execute a contract specifying, among other things, a minimum bill and minimum term for service under this schedule.

Rate

The Water Service Charge shall be calculated using the applicable rate tables provided below, based on the customer's meter size and monthly water usage. KUB may, at its sole discretion, bill water using the same rates converted to a rate per gallon for usage measured in gallons: 1 Ccf equals 748 gallons.

In the event more than one meter is utilized to determine billed consumption, multiple customer charges may apply. Charges will apply without regard to ownership of the meter(s).

1. Inside City / Industrial Park Rate

For water furnished to premises entirely within the corporate limits of the City of Knoxville or within the boundaries of an area recognized as an industrial park by the Tennessee Department of Economic and Community Development:

Customer Charge

5/8" meter	\$	20.75
1" meter	\$	34.00
1 ½" meter	\$	71.00
2" meter	\$	99.00
3" meter	\$	209.00
4" meter	\$	321.00
6" meter	\$	618.00
8" meter	\$1	,026.00
10" meter	\$1	,563.00
12" meter	\$2	,400.00

Commodity Charge

First	2 Ccf	at	\$ 3.00 per Ccf
Next	8 Ccf	at	\$ 5.15 per Ccf
Next	90 Ccf	at	\$ 5.85 per Ccf
Next	300 Ccf	at	\$ 4.95 per Ccf
Next	4,600 Ccf	at	\$ 2.95 per Ccf
Over	5,000 Ccf	at	\$ 1.35 per Ccf

2. Outside - City Rate

For water furnished to premises upon which any water faucet or other outlet is outside the corporate limits of the City of Knoxville, excluding premises within the boundaries of an area recognized as an industrial park by the Tennessee Department of Economic and Community Development:

Customer Charge

5/8" meter	\$ 22.85
1" meter	\$ 38.25
1 1⁄2" meter	\$ 79.00
2" meter	\$ 110.00
3" meter	\$ 237.00
4" meter	\$ 361.00
6" meter	\$ 715.00
8" meter	\$1,260.00
10" meter	\$1,920.00
12" meter	\$2,840.00

Commodity Charge

First	2 Ccf	at	\$3.40 per Ccf
Next	8 Ccf	at	\$5.90 per Ccf
Next	90 Ccf	at	\$6.90 per Ccf
Next	300 Ccf	at	\$5.65 per Ccf
Next	4,600 Ccf	at	\$3.50 per Ccf
Over	5,000 Ccf	at	\$1.60 per Ccf

Rules and Regulations

SCHEDULE B – PRIVATE FIRE SERVICE

Availability

Under this schedule, KUB provides water supply to privately owned automatic sprinklers or hose outlets. Such service is available to any residential, commercial, or industrial customer.

<u>Rate</u>

The private Fire Service Charge shall be calculated using the table below based on the customer's fire line connections.

Monthly Service Charge per Connection

Connection less than 4"	\$ 41.00
4" Connection	\$ 98.00
6" Connection	\$214.00
8" Connection	\$375.00
10" Connection	\$571.00
12" Connection and greater	\$844.00

These service charges shall be in addition to the charge for any water use through fire line connections. The amount of unmetered water so used, as determined by KUB, shall be paid for at KUB's applicable rate schedules.

No charge under this Schedule B shall be made where the water supply to private fire protection facilities is through one or more metered connection(s) for which payment is made under the Water General Service – Nonresidential Rate Schedule.

No credit for charges under this rate schedule shall be allowed against the Water General Service – Nonresidential Rate Schedule charge for water supplied through a fire line to one or more metered connection(s) where the fire line serves as a connecting line between the metered connection(s) and KUB's mains.

Rules and Regulations

SCHEDULE C – UNMETERED GOVERNMENT SERVICE

For water used from KUB's mains with KUB's permission by any department of a governmental entity through unmetered fire hydrants for purposes other than for public fire service:

Inside - City Rate

The total amount of water used monthly by each department of a governmental entity for such purposes through a fire hydrant within the corporate limits of the City of Knoxville shall be billed to each such department at the Inside City rates set forth in the Water General Service – Nonresidential Rate Schedule.

Outside – City Rate

The total amount of water used monthly by each department of a governmental entity for such purposes through a fire hydrant outside the corporate limits of the City of Knoxville shall be billed to each such department at the Outside City rates set forth in the Water General Service – Nonresidential Rate Schedule.

Rules and Regulations

SCHEDULE D – PUBLIC FIRE PROTECTION SERVICE

Availability

Service under this schedule shall be available only to a governmental entity that undertakes to provide public fire protection service for an area that contains at least four square miles. KUB reserves the right to require any applicant for service under this schedule to execute a contract specifying, among other things, a minimum bill and minimum term for service.

<u>Rate</u>

For public fire protection service rendered, the governmental entity shall pay KUB a fire protection service charge at the rate of \$589.49 per year for each KUB owned public fire hydrant located within the jurisdictional boundaries of the governmental entity and within areas provided public fire protection service by such governmental entity. In addition to the fire protection service charge, the governmental entity shall pay for all water used for fire fighting at rates set forth in the Water General Service – Nonresidential Rate Schedule.

KUB may contract with other utility providers to supply public fire protection service to an eligible governmental entity in any service area (or portion thereof), where KUB determines it desirable to do so. Charges to a governmental entity for fire protection service provided under such a contract shall be at the same rate specified above, and the hydrants of the utility provider utilized under such a contract shall be deemed to be facilities owned by KUB for the sole purpose of calculating charges under this schedule.

Rules and Regulations

SCHEDULE E – SALES FOR RESALE

<u>Availability</u>

For water purchased on an interruptible basis for resale by a customer that does not use KUB as its sole supplier of water. This service shall be available only on an interruptible basis and only to the extent, in KUB's sole opinion, that such service can be supplied through existing facilities without adversely affecting water service to any other customer of KUB. Nothing contained herein shall prevent KUB from providing water for resale under the Water General Service – Nonresidential Rate Schedule.

Commodity Charge

\$1.48 per Ccf

KUB may, at its sole discretion, bill water using the same rates converted to a rate per gallon for usage measured in gallons: 1 Ccf equals 748 gallons.

Any unauthorized usage under this tariff shall be billed at the Outside City rates set forth in the Water General Service – Nonresidential Rate Schedule.

Rules and Regulations

Resolution 1455 EXHIBIT C RATE SCHEDULES OF THE WATER DIVISION EFFECTIVE JULY 1, 2024

WATER GENERAL SERVICE - RESIDENTIAL

<u>Availability</u>

Service under this rate schedule shall be available only to residential customers served individually through a separate meter.

An existing customer or applicant for service under this schedule may be required to execute a contract specifying, among other things, a minimum bill and minimum term for service under this schedule.

Rate

The Water Service Charge shall be calculated using the applicable rate tables provided below, based on the customer's meter size and monthly water usage. KUB may, at its sole discretion, bill water using the same rates converted to a rate per gallon for usage measured in gallons: 1 Ccf equals 748 gallons.

In the event more than one meter is utilized to determine billed consumption, multiple basic service charges may apply. Charges will apply without regard to ownership of the meter(s).

1. Inside City Rate

For water furnished to premises entirely within the corporate limits of the City of Knoxville:

Basic Service Charge

5/8" meter \$18.00

For meters greater than 5/8" the Customer Charges listed in the Water Nonresidential schedule shall be utilized.

Commodity Charge

First	2 Ccf	at	\$2.00 per Ccf
Over	2 Ccf	at	\$3.70 per Ccf

2. Outside City Rate

For water furnished to premises upon which any water faucet or other outlet is outside the corporate limits of the City of Knoxville:

Basic Service Charge

5/8" meter \$19.40

For meters greater than 5/8" the Customer Charges listed in the Water Nonresidential schedule shall be utilized.

Commodity Charge

First	2 Ccf	at	\$2.20 per Ccf
Over	2 Ccf	at	\$4.45 per Ccf

Rules and Regulations

WATER GENERAL SERVICE – NONRESIDENTIAL

<u>Availability</u>

Service under this rate schedule shall be available to any commercial or industrial customer.

An existing customer or applicant for service under this schedule may be required to execute a contract specifying, among other things, a minimum bill and minimum term for service under this schedule.

Rate

The Water Service Charge shall be calculated using the applicable rate tables provided below, based on the customer's meter size and monthly water usage. KUB may, at its sole discretion, bill water using the same rates converted to a rate per gallon for usage measured in gallons: 1 Ccf equals 748 gallons.

In the event more than one meter is utilized to determine billed consumption, multiple customer charges may apply. Charges will apply without regard to ownership of the meter(s).

1. Inside City / Industrial Park Rate

For water furnished to premises entirely within the corporate limits of the City of Knoxville or within the boundaries of an area recognized as an industrial park by the Tennessee Department of Economic and Community Development:

Customer Charge

5/8" meter	\$	22.00
1" meter	\$	35.00
1 ½" meter	\$	81.00
2" meter	\$	116.00
3" meter	\$	227.00
4" meter	\$	342.00
6" meter	\$	636.00
8" meter	\$1	,026.00
10" meter	\$1	,563.00
12" meter	\$2	,400.00

Commodity Charge

First	2 Ccf	at	\$ 3.40 per Ccf
Next	8 Ccf	at	\$ 5.45 per Ccf
Next	90 Ccf	at	\$ 5.90 per Ccf
Next	300 Ccf	at	\$ 5.45 per Ccf
Next	4,600 Ccf	at	\$ 3.10 per Ccf
Over	5,000 Ccf	at	\$ 1.40 per Ccf

2. Outside - City Rate

For water furnished to premises upon which any water faucet or other outlet is outside the corporate limits of the City of Knoxville, excluding premises within the boundaries of an area recognized as an industrial park by the Tennessee Department of Economic and Community Development:

Customer Charge

5/8" meter	\$2	4.35
1" meter	\$3	9.00
1 1⁄2" meter	\$9	0.00
2" meter	\$ 12	8.00
3" meter	\$ 25	2.00
4" meter	\$ 37	6.00
6" meter	\$71	5.00
8" meter	\$1,26	0.00
10" meter	\$1,92	0.00
12" meter	\$2,84	0.00

Commodity Charge

First	2 Ccf	at	\$3.80 per Ccf
Next	8 Ccf	at	\$6.15 per Ccf
Next	90 Ccf	at	\$6.90 per Ccf
Next	300 Ccf	at	\$6.15 per Ccf
Next	4,600 Ccf	at	\$3.65 per Ccf
Over	5,000 Ccf	at	\$1.60 per Ccf

Rules and Regulations

SCHEDULE B – PRIVATE FIRE SERVICE

Availability

Under this schedule, KUB provides water supply to privately owned automatic sprinklers or hose outlets. Such service is available to any residential, commercial, or industrial customer.

Rate

The private Fire Service Charge shall be calculated using the table below based on the customer's fire line connections.

Monthly Service Charge per Connection

Connection less than 4"		\$ 45.00
4"	Connection	\$ 98.00
6"	Connection	\$214.00
8"	Connection	\$375.00
10"	Connection	\$571.00
12"	Connection and greater	\$844.00

These service charges shall be in addition to the charge for any water use through fire line connections. The amount of unmetered water so used, as determined by KUB, shall be paid for at KUB's applicable rate schedules.

No charge under this Schedule B shall be made where the water supply to private fire protection facilities is through one or more metered connection(s) for which payment is made under the Water General Service – Nonresidential Rate Schedule.

No credit for charges under this rate schedule shall be allowed against the Water General Service – Nonresidential Rate Schedule charge for water supplied through a fire line to one or more metered connection(s) where the fire line serves as a connecting line between the metered connection(s) and KUB's mains.

Rules and Regulations

SCHEDULE C – UNMETERED GOVERNMENT SERVICE

For water used from KUB's mains with KUB's permission by any department of a governmental entity through unmetered fire hydrants for purposes other than for public fire service:

Inside - City Rate

The total amount of water used monthly by each department of a governmental entity for such purposes through a fire hydrant within the corporate limits of the City of Knoxville shall be billed to each such department at the Inside City rates set forth in the Water General Service – Nonresidential Rate Schedule.

Outside – City Rate

The total amount of water used monthly by each department of a governmental entity for such purposes through a fire hydrant outside the corporate limits of the City of Knoxville shall be billed to each such department at the Outside City rates set forth in the Water General Service – Nonresidential Rate Schedule.

Rules and Regulations

SCHEDULE D – PUBLIC FIRE PROTECTION SERVICE

<u>Availability</u>

Service under this schedule shall be available only to a governmental entity that undertakes to provide public fire protection service for an area that contains at least four square miles. KUB reserves the right to require any applicant for service under this schedule to execute a contract specifying, among other things, a minimum bill and minimum term for service.

<u>Rate</u>

For public fire protection service rendered, the governmental entity shall pay KUB a fire protection service charge at the rate of \$618.96 per year for each KUB owned public fire hydrant located within the jurisdictional boundaries of the governmental entity and within areas provided public fire protection service by such governmental entity. In addition to the fire protection service charge, the governmental entity shall pay for all water used for fire fighting at rates set forth in the Water General Service – Nonresidential Rate Schedule.

KUB may contract with other utility providers to supply public fire protection service to an eligible governmental entity in any service area (or portion thereof), where KUB determines it desirable to do so. Charges to a governmental entity for fire protection service provided under such a contract shall be at the same rate specified above, and the hydrants of the utility provider utilized under such a contract shall be deemed to be facilities owned by KUB for the sole purpose of calculating charges under this schedule.

Rules and Regulations

SCHEDULE E – SALES FOR RESALE

<u>Availability</u>

For water purchased on an interruptible basis for resale by a customer that does not use KUB as its sole supplier of water. This service shall be available only on an interruptible basis and only to the extent, in KUB's sole opinion, that such service can be supplied through existing facilities without adversely affecting water service to any other customer of KUB. Nothing contained herein shall prevent KUB from providing water for resale under the Water General Service – Nonresidential Rate Schedule.

Commodity Charge

\$1.48 per Ccf

KUB may, at its sole discretion, bill water using the same rates converted to a rate per gallon for usage measured in gallons: 1 Ccf equals 748 gallons.

Any unauthorized usage under this tariff shall be billed at the Outside City rates set forth in the Water General Service – Nonresidential Rate Schedule.

Rules and Regulations

Resolution 1455 EXHIBIT D RATE SCHEDULES OF THE WASTEWATER DIVISION EFFECTIVE JULY 1, 2022

Knoxville Utilities Board

Wastewater Division

WASTEWATER GENERAL SERVICE – RESIDENTIAL RATE SCHEDULE

<u>Availability</u>

Service under this rate schedule shall be available only to residential customers served individually through a separate meter.

An existing customer or applicant for service under this schedule may be required to execute a contract specifying, among other things, a minimum bill and minimum term for service under this schedule.

<u>Rate</u>

The Wastewater Service Charge shall be calculated using the applicable rate tables provided below, based on the customer's water usage and water meter size with the following exceptions:

- For customers whose wastewater discharge volumes are metered separately from their water usage, the metered wastewater discharge volumes will be used to calculate Service Charges under this schedule. The meter size used to calculate the Additional Monthly Charge under this schedule will be the largest equivalent water meter size as determined by KUB.
- 2) If neither the customer's water usage nor wastewater discharge volumes are metered, the average water usage and water meter size of comparable metered customers as determined by KUB will be used to calculate the charges under this schedule.

In the event more than one meter is utilized to determine billed consumption, multiple basic service charges may apply. Charges will apply without regard to ownership of the meter(s).

KUB may, at its sole discretion, bill wastewater using the same rates converted to a rate per gallon for usage measured in gallons: 1 Ccf equals 748 gallons.

1. Inside City Rate

For wastewater service provided to premises entirely within the corporate limits of the City of Knoxville:

Basic Service Charge

5/8" meter \$ 35.90

For meters greater than 5/8" the Customer Charges listed in the Wastewater Nonresidential schedule shall be utilized.

Commodity Charge

First	2 Ccf	at	\$ 2.00 per Ccf
Over	2 Ccf	at	\$ 9.40 per Ccf

2. Outside City Rate

For wastewater service provided to premises entirely or partly outside the corporate limits of the City of Knoxville:

Basic Service Charge

5/8" meter \$ 39.90

For meters greater than 5/8" the Customer Charges listed in the Wastewater Nonresidential schedule shall be utilized.

Commodity Charge

First	2 Ccf	at	\$ 2.15 per Ccf
Over	2 Ccf	at	\$10.15 per Ccf

Additional Charges

In addition to the wastewater service charge, users whose wastewater has strength characteristics in excess of normal domestic wastewater shall pay an Extra Strength Surcharge as set forth in Schedule B. A Sewer Improvement Charge may also be payable as set forth in Schedule D.

Rules and Regulations

WASTEWATER GENERAL SERVICE – NONRESIDENTIAL RATE SCHEDULE

<u>Availability</u>

Service under this rate schedule shall be available to any commercial or industrial customer.

An existing customer or applicant for service under this schedule may be required to execute a contract specifying, among other things, a minimum bill and minimum term for service under this schedule.

<u>Rate</u>

The Wastewater Service Charge shall be calculated using the applicable rate tables provided below, based on the customer's water usage and water meter size with the following exceptions:

- For customers whose wastewater discharge volumes are metered separately from their water usage, the metered wastewater discharge volumes will be used to calculate Service Charges under this schedule. The meter size used to calculate the Additional Monthly Charge under this schedule will be the largest equivalent water meter size as determined by KUB.
- 2) If neither the customer's water usage nor wastewater discharge volumes are metered, the average water usage and water meter size of comparable metered customers as determined by KUB will be used to calculate the charges under this schedule.

In the event more than one meter is utilized to determine billed consumption, multiple customer charges may apply. Charges will apply without regard to ownership of the meter(s).

KUB may, at its sole discretion, bill wastewater using the same rates converted to a rate per gallon for usage measured in gallons: 1 Ccf equals 748 gallons.

1. Inside City

For wastewater service provided to premises entirely within the corporate limits of the City of Knoxville:

Customer Charge

5/8" meter 1" meter	\$ \$	35.90 51.90
$1 \frac{1}{2}$ " meter	φ \$	65.50
2" meter	\$	89.00
3" meter	\$	170.00
4" meter	\$	279.00
6" meter	\$	590.00
8" meter	\$	1,025.00
10" meter	\$	1,560.00
12" meter	\$	2,340.00

Commodity Charge

First	2 Ccf	at	\$ 2.00 per Ccf
Next	8 Ccf	at	\$ 12.95 per Ccf
Next	90 Ccf	at	\$ 11.90 per Ccf
Next	300 Ccf	at	\$ 10.30 per Ccf
Next	4,600 Ccf	at	\$ 8.40 per Ccf
Over	5,000 Ccf	at	\$ 4.95 per Ccf

2. Outside City Rate

For wastewater service provided to premises entirely or partly outside the corporate limits of the City of Knoxville:

Customer Charge

5/8" meter 1" meter	\$ \$	39.90 56.00
1 1/2" meter	э \$	73.50
2" meter	\$	97.00
3" meter	\$	191.00
4" meter	\$	307.00
6" meter	\$	649.00
8" meter	\$	1,130.00
10" meter	\$	1,710.00
12" meter	\$	2,560.00

Commodity Charge

2 Ccf	at	\$ 2.25 per Ccf
8 Ccf	at	\$ 14.25 per Ccf
90 Ccf	at	\$ 13.10 per Ccf
300 Ccf	at	\$ 11.25 per Ccf
4,600 Ccf	at	\$ 9.35 per Ccf
5,000 Ccf	at	\$ 5.50 per Ccf
	8 Ccf 90 Ccf 300 Ccf 4,600 Ccf	8 Ccf at 90 Ccf at 300 Ccf at 4,600 Ccf at

Rules and Regulations

SCHEDULE B – EXTRA STRENGTH SURCHARGES

<u>Applicability</u>

For user whose discharge of wastewater contains a quantity of BOD in excess of 2,000 pounds per million gallons (240 mg/l), and a quantity of suspended solids in excess of 2,500 pounds per million gallons (300 mg/l), an additional charge, based on the following schedule, shall be applied to the excess contribution, as determined by laboratory analysis of the user's discharge. This Extra Strength Surcharge is in addition to all other charges that may be applicable under KUB's rate schedules.

<u>Rate</u>

BOD Suspended Solids \$15.70 per hundred pounds of excess \$14.90 per hundred pounds of excess

Rules and Regulations

SCHEDULE C – HOLDING TANK AND SPECIAL WASTE CHARGES

(A) Domestic Waste (Commercial Waste Disposal)

For users engaged in the business of cleaning wastewater and wastewater residues from septic tanks and other private disposal systems, a domestic waste discharge permit is required and certain fees and charges are assessed against those users.

(1) Annual Access Fee:

The annual access fee for the use of KUB's disposal facilities shall be \$100.00 per fiscal year, per permitted vehicle. The full fee shall be payable for any fraction of the fiscal year. Bills under this section will be rendered annually at the beginning of KUB's fiscal year or such later time during the fiscal year that service is commenced.

(2) Domestic Waste Discharge Rate:

Each load of Domestic Waste discharged to KUB's facilities shall be subject to a Discharge Rate of \$106.90 per 1,000 gallons. Bills under this section will be rendered monthly.

(B) Special Waste

For users who dispose of any other waste from any tank, pond, pit or other source into the KUB system, a special waste discharge permit is required and the following fees and charges will be assessed against those users.

(1) Special Waste Discharge Permit Application Fee:

A special Wastewater Discharge Permit must be obtained before any Special Waste may be discharged into KUB's facilities. The application fee for such permit is \$75.00. The application fee is non-refundable and is applicable whether or not the application is approved or the permit issued. The fee must be paid prior to discharge.

(2) Special Waste Discharge Fee:

Due to the widely differing character of Special Wastes, the Discharge Fee shall vary, but, at a minimum, the Fee will be the sum of the Wastewater Service Charge as set forth by the Nonresidential Rate Schedule of the Wastewater Division of KUB plus the Extra Strength Surcharges as set forth in Schedule B to the Rate Schedules of the Wastewater Division of KUB. In addition to those charges set forth in the aforementioned Schedules, the Customer will be required to pay the cost to KUB of analyzing, or providing special handling for, the Customer's Special Waste, plus a reasonable charge for the impact that the Special Waste is expected to have on the KUB treatment facilities as determined by KUB. Bills under this section will be rendered upon completion of the discharge.

(C) Operating Procedures

KUB shall establish operating procedures including such items as permit issuance, acceptable wastes, disposal locations, reporting and billing methods for the implementation of this Rate Schedule C, which may be changed from time to time by KUB.

Rules and Regulations

SCHEDULE D – SEWER IMPROVEMENT CHARGE

- (A) <u>Applicable Charges</u> All properties connected or having access to the wastewater system shall be subject to a Sewer Improvement Charge which shall be determined as follows:
 - (1) For all users not described in paragraph A (2), or A (3), the Sewer Improvement Charge shall be an amount equal to the Contribution in Aid of Construction determined in accordance with the provisions of Section 33-19 of the Rules and Regulations for the Wastewater Division that may from time to time be in effect. Any contribution in Aid of Construction that is assessed under Section 33-19 (b) of the Rules and Regulations on or after December 1, 1992 may, at the customer's option, be paid as a part of the customer's utility bill in monthly installments for a period not to exceed ten (10) years at an annual interest rate of nine percent (9%).
 - (2) For all users that: (i) on December 1, 1992 are being assessed, or which properly should be assessed, a Sewer Improvement Charge under the terms of this Schedule D as it existed immediately prior to December 1, 1992 or, (ii) which are located in areas annexed into the corporate limits of the City of Knoxville pursuant to Ordinance No. 0-31-87, the Sewer Improvement Charge shall be calculated on multiples of a basic charge (the "Basic Charge"), which shall be Six Hundred Seventy -Five Dollars (\$675.00). At the customer's option, the Sewer Improvement Charge may be paid as a part of the customer's utility bill in monthly installments of Three and 25/100 dollars (\$3.25) for the three hundred sixty (360) months. Sewer Improvement Charges assessed under the terms of this paragraph A (2) shall be calculated as follows:
 - (a) Each user consisting of a single-family dwelling shall pay a Sewer Improvement Charge equal to the Basic Charge, regardless of area.
 - (b) Each multifamily, commercial or industrial user shall pay a Sewer Improvement Charge based on the greater of the following two calculations:

(i) <u>Area/meter basis:</u> The lesser of (a) the Basic charge times the square footage of the area of the property divided by 15,000 or (b) the Basic Charge times the following multiples based on meter size:

	<u>Multiple</u>
5/8"	1
3/4"	1.5
1"	2.5
1 1⁄2"	5
2"	8
3"	15
4"	25
6"	50
8"	80
10"	120
12"	155

* If a user is served by more than one meter, the multiple used shall be the sum of the multiple computed on each meter.

(ii) <u>Frontage Basis</u> – the Basic Charge times the total frontage of the property measured in feet at the building line parallel to the street along which the property lies for the greater distance divided by 100.

- (c) For service to users located entirely or partly outside the corporate limits of the City of Knoxville, the Sewer Improvement Charge imposed under this paragraph A (2) shall be one and one-half (1-1/2) times the above schedule of charges.
- (d) Any user charged a Sewer Improvement Charge under this paragraph A (2) that reconnects to the Wastewater system on or after December 1, 1992 because of a change in the level or character of the user's wastewater service shall upon such reconnection be subject to the Sewer Improvement Charge calculated under paragraph A (1) hereof.
- (3) For all property located in a Transfer Area, that is subject to a Fee Agreement, the user shall be subject to a Sewer Improvement Charge equal in amount to the payments that would have been owed under the Fee Agreement for the affected property, assuming the Fee Agreement remained in effect for its duration, adjusted in accordance with KUB's policies for any additional property users as permitted under the Fee Agreement, less a credit for any payments actually paid to KUB under the Fee Agreement. Except as otherwise provided herein, Sewer Improvement Charges assessed under this paragraph A (3) shall be paid on the same terms provided in the Fee Agreement for the affected property. As used herein" (i) the term "Transfer Area" shall mean an area: (a) that was previously provided wastewater service by a municipal utility (other than KUB) or a utility district, and (b) with respect to which KUB acquired or otherwise succeeded to the right to provide wastewater service; and (ii) the term "Fee Agreement" shall mean a contract or other agreement entered into between the owner or other

user of a tract of property and a municipal utility (other than KUB) or a utility district, by the terms of which the owner or other user of the property agrees to pay all or any part of the cost of extending wastewater lines and facilities to such property or otherwise making wastewater service available to such property.

- (B) <u>Deferral of Payment</u> A Sewer Improvement Charge shall not be billed or collectible for any monthly billing for any period for which a wastewater service charge is not payable.
- (C) <u>Prepayment</u> A customer who has elected to pay the Sewer Improvement Charge in monthly installments may thereafter prepay the balance of such charge in whole (but not in part) in an amount equal to the unamortized balance of the Sewer Improvement charge as of the date of such prepayment.
- (D) <u>Installment Terms</u> A customer who has elected to pay the Sewer Improvement Charge in monthly installments pursuant to paragraph A (1) shall be obligated to make such payments at the rate of interest and length of payment period specified in this Schedule D as of the date of the customer's election, notwithstanding customer's right of prepayment.
- (E) <u>Definitions</u> The defined terms in this Schedule D shall have the meanings given to them from time to time in the Rules and Regulations for Wastewater Division.

Rules and Regulations

SCHEDULE E – WHOLESALE WASTEWATER TREATMENT

Service under this Schedule shall be available only to governmental entities, including Utility Districts, that deliver through their wastewater collection system all or portions of their wastewater flow to KUB facilities for treatment. Applicants under this schedule may be required to execute a contract specifying, among other things, a minimum bill and minimum term for service under this schedule.

Rate

Metered Flows Unmetered Flows \$5.30 per Thousand Gallons \$6.05 per Thousand Gallons

For the purpose of determining billing volumes, metered flows are those flows metered at the point of delivery to KUB's collection system, pumping station or treatment facility; unmetered flows are those flows based upon the actual water use of the customers served by the collection system discharging to KUB's facilities, said water use being determined by the water meter readings furnished by the water service provider.

KUB may, at its sole discretion, bill wastewater using the same rates converted to a rate per Ccf for usage measured in Ccf: 1 Ccf equals 748 gallons.

Rules and Regulations

Resolution 1455 EXHIBIT E RATE SCHEDULES OF THE WASTEWATER DIVISION EFFECTIVE JULY 1, 2023

WASTEWATER GENERAL SERVICE – RESIDENTIAL RATE SCHEDULE

<u>Availability</u>

Service under this rate schedule shall be available only to residential customers served individually through a separate meter.

An existing customer or applicant for service under this schedule may be required to execute a contract specifying, among other things, a minimum bill and minimum term for service under this schedule.

<u>Rate</u>

The Wastewater Service Charge shall be calculated using the applicable rate tables provided below, based on the customer's water usage and water meter size with the following exceptions:

- For customers whose wastewater discharge volumes are metered separately from their water usage, the metered wastewater discharge volumes will be used to calculate Service Charges under this schedule. The meter size used to calculate the Additional Monthly Charge under this schedule will be the largest equivalent water meter size as determined by KUB.
- 2) If neither the customer's water usage nor wastewater discharge volumes are metered, the average water usage and water meter size of comparable metered customers as determined by KUB will be used to calculate the charges under this schedule.

In the event more than one meter is utilized to determine billed consumption, multiple basic service charges may apply. Charges will apply without regard to ownership of the meter(s).

KUB may, at its sole discretion, bill wastewater using the same rates converted to a rate per gallon for usage measured in gallons: 1 Ccf equals 748 gallons.

1. Inside City Rate

For wastewater service provided to premises entirely within the corporate limits of the City of Knoxville:

Basic Service Charge

5/8" meter \$ 35.90

For meters greater than 5/8" the Customer Charges listed in the Wastewater Nonresidential schedule shall be utilized.

Commodity Charge

First	2 Ccf	at	\$ 2.30 per Ccf
Over	2 Ccf	at	\$ 10.10 per Ccf

2. Outside City Rate

For wastewater service provided to premises entirely or partly outside the corporate limits of the City of Knoxville:

Basic Service Charge

5/8" meter \$ 39.90

For meters greater than 5/8" the Customer Charges listed in the Wastewater Nonresidential schedule shall be utilized.

Commodity Charge

First	2 Ccf	at	\$ 2.45 per Ccf
Over	2 Ccf	at	\$ 11.05 per Ccf

Additional Charges

In addition to the wastewater service charge, users whose wastewater has strength characteristics in excess of normal domestic wastewater shall pay an Extra Strength Surcharge as set forth in Schedule B. A Sewer Improvement Charge may also be payable as set forth in Schedule D.

Rules and Regulations

WASTEWATER GENERAL SERVICE – NONRESIDENTIAL RATE SCHEDULE

<u>Availability</u>

Service under this rate schedule shall be available to any commercial or industrial customer.

An existing customer or applicant for service under this schedule may be required to execute a contract specifying, among other things, a minimum bill and minimum term for service under this schedule.

<u>Rate</u>

The Wastewater Service Charge shall be calculated using the applicable rate tables provided below, based on the customer's water usage and water meter size with the following exceptions:

- For customers whose wastewater discharge volumes are metered separately from their water usage, the metered wastewater discharge volumes will be used to calculate Service Charges under this schedule. The meter size used to calculate the Additional Monthly Charge under this schedule will be the largest equivalent water meter size as determined by KUB.
- 2) If neither the customer's water usage nor wastewater discharge volumes are metered, the average water usage and water meter size of comparable metered customers as determined by KUB will be used to calculate the charges under this schedule.

In the event more than one meter is utilized to determine billed consumption, multiple customer charges may apply. Charges will apply without regard to ownership of the meter(s).

KUB may, at its sole discretion, bill wastewater using the same rates converted to a rate per gallon for usage measured in gallons: 1 Ccf equals 748 gallons.

1. Inside City

For wastewater service provided to premises entirely within the corporate limits of the City of Knoxville:

Customer Charge

5/8" meter	\$ 35.90
1" meter	\$ 53.40
1 1⁄2" meter	\$ 69.00
2" meter	\$ 96.00
3" meter	\$ 181.00
4" meter	\$ 296.00
6" meter	\$ 620.00
8" meter	\$ 1,075.00
10" meter	\$ 1,640.00
12" meter	\$ 2,500.00

Commodity Charge

First	2 Ccf	at	\$ 3.00 per Ccf
Next	8 Ccf	at	\$ 12.95 per Ccf
Next	90 Ccf	at	\$ 12.25 per Ccf
Next	300 Ccf	at	\$ 10.70 per Ccf
Next	4,600 Ccf	at	\$ 8.75 per Ccf
Over	5,000 Ccf	at	\$ 5.15 per Ccf

2. Outside City Rate

For wastewater service provided to premises entirely or partly outside the corporate limits of the City of Knoxville:

Customer Charge

5/8" meter	\$	39.90
1" meter	\$	58.25
1 1/2" meter	\$	76.50
2" meter	\$	105.00
3" meter	\$	201.00
4" meter	\$	325.00
6" meter	\$	682.00
8" meter	\$ [·]	1,185.00
10" meter	\$ [·]	1,800.00
12" meter	\$ 2	2,740.00

Commodity Charge

First	2 Ccf	at	\$ 3.35 per Ccf
Next	8 Ccf	at	\$ 14.25 per Ccf
Next	90 Ccf	at	\$ 13.55 per Ccf
Next	300 Ccf	at	\$ 11.75 per Ccf
Next	4,600 Ccf	at	\$ 9.70 per Ccf
Over	5,000 Ccf	at	\$ 5.70 per Ccf

Rules and Regulations

SCHEDULE B – EXTRA STRENGTH SURCHARGES

Applicability

For user whose discharge of wastewater contains a quantity of BOD in excess of 2,000 pounds per million gallons (240 mg/l), and a quantity of suspended solids in excess of 2,500 pounds per million gallons (300 mg/l), an additional charge, based on the following schedule, shall be applied to the excess contribution, as determined by laboratory analysis of the user's discharge. This Extra Strength Surcharge is in addition to all other charges that may be applicable under KUB's rate schedules.

<u>Rate</u>

BOD Suspended Solids \$18.85 per hundred pounds of excess \$17.90 per hundred pounds of excess

Rules and Regulations

SCHEDULE C – HOLDING TANK AND SPECIAL WASTE CHARGES

(A) Domestic Waste (Commercial Waste Disposal)

For users engaged in the business of cleaning wastewater and wastewater residues from septic tanks and other private disposal systems, a domestic waste discharge permit is required and certain fees and charges are assessed against those users.

(1) Annual Access Fee:

The annual access fee for the use of KUB's disposal facilities shall be \$100.00 per fiscal year, per permitted vehicle. The full fee shall be payable for any fraction of the fiscal year. Bills under this section will be rendered annually at the beginning of KUB's fiscal year or such later time during the fiscal year that service is commenced.

(2) Domestic Waste Discharge Rate:

Each load of Domestic Waste discharged to KUB's facilities shall be subject to a Discharge Rate of \$111.20 per 1,000 gallons. Bills under this section will be rendered monthly.

(B) Special Waste

For users who dispose of any other waste from any tank, pond, pit or other source into the KUB system, a special waste discharge permit is required and the following fees and charges will be assessed against those users.

(1) Special Waste Discharge Permit Application Fee:

A special Wastewater Discharge Permit must be obtained before any Special Waste may be discharged into KUB's facilities. The application fee for such permit is \$75.00. The application fee is non-refundable and is applicable whether or not the application is approved or the permit issued. The fee must be paid prior to discharge.

(2) Special Waste Discharge Fee:

Due to the widely differing character of Special Wastes, the Discharge Fee shall vary, but, at a minimum, the Fee will be the sum of the Wastewater Service Charge as set forth by the Nonresidential Rate Schedule of the Wastewater Division of KUB plus the Extra Strength Surcharges as set forth in Schedule B to the Rate Schedules of the Wastewater Division of KUB. In addition to those charges set forth in the aforementioned Schedules, the Customer will be required to pay the cost to KUB of analyzing, or providing special handling for, the Customer's Special Waste, plus a reasonable charge for the impact that the Special Waste is expected to have on the KUB treatment facilities as determined by KUB. Bills under this section will be rendered upon completion of the discharge.

(C) Operating Procedures

KUB shall establish operating procedures including such items as permit issuance, acceptable wastes, disposal locations, reporting and billing methods for the implementation of this Rate Schedule C, which may be changed from time to time by KUB.

Rules and Regulations

SCHEDULE D – SEWER IMPROVEMENT CHARGE

- (A) <u>Applicable Charges</u> All properties connected or having access to the wastewater system shall be subject to a Sewer Improvement Charge which shall be determined as follows:
 - (1) For all users not described in paragraph A (2), or A (3), the Sewer Improvement Charge shall be an amount equal to the Contribution in Aid of Construction determined in accordance with the provisions of Section 33-19 of the Rules and Regulations for the Wastewater Division that may from time to time be in effect. Any contribution in Aid of Construction that is assessed under Section 33-19 (b) of the Rules and Regulations on or after December 1, 1992 may, at the customer's option, be paid as a part of the customer's utility bill in monthly installments for a period not to exceed ten (10) years at an annual interest rate of nine percent (9%).
 - (2) For all users that: (i) on December 1, 1992 are being assessed, or which properly should be assessed, a Sewer Improvement Charge under the terms of this Schedule D as it existed immediately prior to December 1, 1992 or, (ii) which are located in areas annexed into the corporate limits of the City of Knoxville pursuant to Ordinance No. 0-31-87, the Sewer Improvement Charge shall be calculated on multiples of a basic charge (the "Basic Charge"), which shall be Six Hundred Seventy -Five Dollars (\$675.00). At the customer's option, the Sewer Improvement Charge may be paid as a part of the customer's utility bill in monthly installments of Three and 25/100 dollars (\$3.25) for the three hundred sixty (360) months. Sewer Improvement Charges assessed under the terms of this paragraph A (2) shall be calculated as follows:
 - (a) Each user consisting of a single-family dwelling shall pay a Sewer Improvement Charge equal to the Basic Charge, regardless of area.
 - (b) Each multifamily, commercial or industrial user shall pay a Sewer Improvement Charge based on the greater of the following two calculations:

(i) <u>Area/meter basis:</u> The lesser of (a) the Basic charge times the square footage of the area of the property divided by 15,000 or (b) the Basic Charge times the following multiples based on meter size:

<u>Meter Size</u>	<u>Multiple</u>
5/8"	1
3/4"	1.5
1"	2.5
1 1⁄2"	5
2"	8
3"	15
4"	25
6"	50
8"	80
10"	120
12"	

* If a user is served by more than one meter, the multiple used shall be the sum of the multiple computed on each meter.

(ii) <u>Frontage Basis</u> – the Basic Charge times the total frontage of the property measured in feet at the building line parallel to the street along which the property lies for the greater distance divided by 100.

- (c) For service to users located entirely or partly outside the corporate limits of the City of Knoxville, the Sewer Improvement Charge imposed under this paragraph A (2) shall be one and one-half (1-1/2) times the above schedule of charges.
- (d) Any user charged a Sewer Improvement Charge under this paragraph A (2) that reconnects to the Wastewater system on or after December 1, 1992 because of a change in the level or character of the user's wastewater service shall upon such reconnection be subject to the Sewer Improvement Charge calculated under paragraph A (1) hereof.
- (3) For all property located in a Transfer Area, that is subject to a Fee Agreement, the user shall be subject to a Sewer Improvement Charge equal in amount to the payments that would have been owed under the Fee Agreement for the affected property, assuming the Fee Agreement remained in effect for its duration, adjusted in accordance with KUB's policies for any additional property users as permitted under the Fee Agreement, less a credit for any payments actually paid to KUB under the Fee Agreement. Except as otherwise provided herein, Sewer Improvement Charges assessed under this paragraph A (3) shall be paid on the same terms provided in the Fee Agreement for the affected property. As used herein" (i) the term "Transfer Area" shall mean an area: (a) that was previously provided wastewater service by a municipal utility (other than KUB) or a utility district, and (b) with respect to which KUB acquired or otherwise succeeded to the right to provide wastewater service; and (ii) the term "Fee Agreement" shall mean a contract or other agreement entered into between the owner or other

user of a tract of property and a municipal utility (other than KUB) or a utility district, by the terms of which the owner or other user of the property agrees to pay all or any part of the cost of extending wastewater lines and facilities to such property or otherwise making wastewater service available to such property.

- (B) <u>Deferral of Payment</u> A Sewer Improvement Charge shall not be billed or collectible for any monthly billing for any period for which a wastewater service charge is not payable.
- (C) <u>Prepayment</u> A customer who has elected to pay the Sewer Improvement Charge in monthly installments may thereafter prepay the balance of such charge in whole (but not in part) in an amount equal to the unamortized balance of the Sewer Improvement charge as of the date of such prepayment.
- (D) <u>Installment Terms</u> A customer who has elected to pay the Sewer Improvement Charge in monthly installments pursuant to paragraph A (1) shall be obligated to make such payments at the rate of interest and length of payment period specified in this Schedule D as of the date of the customer's election, notwithstanding customer's right of prepayment.
- (E) <u>Definitions</u> The defined terms in this Schedule D shall have the meanings given to them from time to time in the Rules and Regulations for Wastewater Division.

Rules and Regulations

SCHEDULE E – WHOLESALE WASTEWATER TREATMENT

Service under this Schedule shall be available only to governmental entities, including Utility Districts, that deliver through their wastewater collection system all or portions of their wastewater flow to KUB facilities for treatment. Applicants under this schedule may be required to execute a contract specifying, among other things, a minimum bill and minimum term for service under this schedule.

Rate

Metered Flows Unmetered Flows \$5.50 per Thousand Gallons \$6.30 per Thousand Gallons

For the purpose of determining billing volumes, metered flows are those flows metered at the point of delivery to KUB's collection system, pumping station or treatment facility; unmetered flows are those flows based upon the actual water use of the customers served by the collection system discharging to KUB's facilities, said water use being determined by the water meter readings furnished by the water service provider.

KUB may, at its sole discretion, bill wastewater using the same rates converted to a rate per Ccf for usage measured in Ccf: 1 Ccf equals 748 gallons.

Rules and Regulations

Resolution 1455 EXHIBIT F RATE SCHEDULES OF THE WASTEWATER DIVISION EFFECTIVE JULY 1, 2024

WASTEWATER GENERAL SERVICE – RESIDENTIAL RATE SCHEDULE

<u>Availability</u>

Service under this rate schedule shall be available only to residential customers served individually through a separate meter.

An existing customer or applicant for service under this schedule may be required to execute a contract specifying, among other things, a minimum bill and minimum term for service under this schedule.

<u>Rate</u>

The Wastewater Service Charge shall be calculated using the applicable rate tables provided below, based on the customer's water usage and water meter size with the following exceptions:

- For customers whose wastewater discharge volumes are metered separately from their water usage, the metered wastewater discharge volumes will be used to calculate Service Charges under this schedule. The meter size used to calculate the Additional Monthly Charge under this schedule will be the largest equivalent water meter size as determined by KUB.
- 2) If neither the customer's water usage nor wastewater discharge volumes are metered, the average water usage and water meter size of comparable metered customers as determined by KUB will be used to calculate the charges under this schedule.

In the event more than one meter is utilized to determine billed consumption, multiple basic service charges may apply. Charges will apply without regard to ownership of the meter(s).

KUB may, at its sole discretion, bill wastewater using the same rates converted to a rate per gallon for usage measured in gallons: 1 Ccf equals 748 gallons.

1. Inside City Rate

For wastewater service provided to premises entirely within the corporate limits of the City of Knoxville:

Basic Service Charge

5/8" meter \$ 35.90

For meters greater than 5/8" the Customer Charges listed in the Wastewater Nonresidential schedule shall be utilized.

Commodity Charge

First	2 Ccf	at	\$ 2.55 per Ccf
Over	2 Ccf	at	\$ 10.85 per Ccf

2. Outside City Rate

For wastewater service provided to premises entirely or partly outside the corporate limits of the City of Knoxville:

Basic Service Charge

5/8" meter \$ 39.90

For meters greater than 5/8" the Customer Charges listed in the Wastewater Nonresidential schedule shall be utilized.

Commodity Charge

First	2 Ccf	at	\$ 2.80 per Ccf
Over	2 Ccf	at	\$ 11.95 per Ccf

Additional Charges

In addition to the wastewater service charge, users whose wastewater has strength characteristics in excess of normal domestic wastewater shall pay an Extra Strength Surcharge as set forth in Schedule B. A Sewer Improvement Charge may also be payable as set forth in Schedule D.

Rules and Regulations

WASTEWATER GENERAL SERVICE – NONRESIDENTIAL RATE SCHEDULE

<u>Availability</u>

Service under this rate schedule shall be available to any commercial or industrial customer.

An existing customer or applicant for service under this schedule may be required to execute a contract specifying, among other things, a minimum bill and minimum term for service under this schedule.

<u>Rate</u>

The Wastewater Service Charge shall be calculated using the applicable rate tables provided below, based on the customer's water usage and water meter size with the following exceptions:

- For customers whose wastewater discharge volumes are metered separately from their water usage, the metered wastewater discharge volumes will be used to calculate Service Charges under this schedule. The meter size used to calculate the Additional Monthly Charge under this schedule will be the largest equivalent water meter size as determined by KUB.
- 2) If neither the customer's water usage nor wastewater discharge volumes are metered, the average water usage and water meter size of comparable metered customers as determined by KUB will be used to calculate the charges under this schedule.

In the event more than one meter is utilized to determine billed consumption, multiple customer charges may apply. Charges will apply without regard to ownership of the meter(s).

KUB may, at its sole discretion, bill wastewater using the same rates converted to a rate per gallon for usage measured in gallons: 1 Ccf equals 748 gallons.

1. Inside City

For wastewater service provided to premises entirely within the corporate limits of the City of Knoxville:

Customer Charge

5/8" meter	\$ 35.90
1" meter	\$ 55.00
1 1⁄2" meter	\$ 73.00
2" meter	\$ 104.00
3" meter	\$ 194.00
4" meter	\$ 315.00
6" meter	\$ 655.00
8" meter	\$ 1,130.00
10" meter	\$ 1,720.00
12" meter	\$ 2,700.00

Commodity Charge

First	2 Ccf	at	\$ 4.00 per Ccf
Next	8 Ccf	at	\$ 12.95 per Ccf
Next	90 Ccf	at	\$ 12.60 per Ccf
Next	300 Ccf	at	\$ 11.15 per Ccf
Next	4,600 Ccf	at	\$ 9.10 per Ccf
Over	5,000 Ccf	at	\$ 5.35 per Ccf

2. Outside City Rate

For wastewater service provided to premises entirely or partly outside the corporate limits of the City of Knoxville:

<u>Custom</u>	er Cha	arge
5/8" meter	\$	39.90
1" meter	\$	60.50
1 1/2" meter	\$	80.00
2" meter	\$	114.00
3" meter	\$	213.00
4" meter	\$	346.00
6" meter	\$	720.00
8" meter		,240.00
10" meter	\$ 1	,900.00
12" meter	\$ 2	,960.00

Commodity Charge

First	2 Ccf	at	\$ 4.45 per Ccf
Next	8 Ccf	at	\$ 14.25 per Ccf
Next	90 Ccf	at	\$ 14.00 per Ccf
Next	300 Ccf	at	\$ 12.25 per Ccf
Next	4,600 Ccf	at	\$ 10.05 per Ccf
Over	5,000 Ccf	at	\$ 5.90 per Ccf

Rules and Regulations

SCHEDULE B – EXTRA STRENGTH SURCHARGES

<u>Applicability</u>

For user whose discharge of wastewater contains a quantity of BOD in excess of 2,000 pounds per million gallons (240 mg/l), and a quantity of suspended solids in excess of 2,500 pounds per million gallons (300 mg/l), an additional charge, based on the following schedule, shall be applied to the excess contribution, as determined by laboratory analysis of the user's discharge. This Extra Strength Surcharge is in addition to all other charges that may be applicable under KUB's rate schedules.

<u>Rate</u>

BOD Suspended Solids \$22.65 per hundred pounds of excess \$21.50 per hundred pounds of excess

Rules and Regulations

SCHEDULE C – HOLDING TANK AND SPECIAL WASTE CHARGES

(A) Domestic Waste (Commercial Waste Disposal)

For users engaged in the business of cleaning wastewater and wastewater residues from septic tanks and other private disposal systems, a domestic waste discharge permit is required and certain fees and charges are assessed against those users.

(1) Annual Access Fee:

The annual access fee for the use of KUB's disposal facilities shall be \$100.00 per fiscal year, per permitted vehicle. The full fee shall be payable for any fraction of the fiscal year. Bills under this section will be rendered annually at the beginning of KUB's fiscal year or such later time during the fiscal year that service is commenced.

(2) Domestic Waste Discharge Rate:

Each load of Domestic Waste discharged to KUB's facilities shall be subject to a Discharge Rate of \$115.65 per 1,000 gallons. Bills under this section will be rendered monthly.

(B) Special Waste

For users who dispose of any other waste from any tank, pond, pit or other source into the KUB system, a special waste discharge permit is required and the following fees and charges will be assessed against those users.

(1) Special Waste Discharge Permit Application Fee:

A special Wastewater Discharge Permit must be obtained before any Special Waste may be discharged into KUB's facilities. The application fee for such permit is \$75.00. The application fee is non-refundable and is applicable whether or not the application is approved or the permit issued. The fee must be paid prior to discharge.

(2) Special Waste Discharge Fee:

Due to the widely differing character of Special Wastes, the Discharge Fee shall vary, but, at a minimum, the Fee will be the sum of the Wastewater Service Charge as set forth by the Nonresidential Rate Schedule of the Wastewater Division of KUB plus the Extra Strength Surcharges as set forth in Schedule B to the Rate Schedules of the Wastewater Division of KUB. In addition to those charges set forth in the aforementioned Schedules, the Customer will be required to pay the cost to KUB of analyzing, or providing special handling for, the Customer's Special Waste, plus a reasonable charge for the impact that the Special Waste is expected to have on the KUB treatment facilities as determined by KUB. Bills under this section will be rendered upon completion of the discharge.

(C) Operating Procedures

KUB shall establish operating procedures including such items as permit issuance, acceptable wastes, disposal locations, reporting and billing methods for the implementation of this Rate Schedule C, which may be changed from time to time by KUB.

Rules and Regulations

SCHEDULE D – SEWER IMPROVEMENT CHARGE

- (A) <u>Applicable Charges</u> All properties connected or having access to the wastewater system shall be subject to a Sewer Improvement Charge which shall be determined as follows:
 - (1) For all users not described in paragraph A (2), or A (3), the Sewer Improvement Charge shall be an amount equal to the Contribution in Aid of Construction determined in accordance with the provisions of Section 33-19 of the Rules and Regulations for the Wastewater Division that may from time to time be in effect. Any contribution in Aid of Construction that is assessed under Section 33-19 (b) of the Rules and Regulations on or after December 1, 1992 may, at the customer's option, be paid as a part of the customer's utility bill in monthly installments for a period not to exceed ten (10) years at an annual interest rate of nine percent (9%).
 - (2) For all users that: (i) on December 1, 1992 are being assessed, or which properly should be assessed, a Sewer Improvement Charge under the terms of this Schedule D as it existed immediately prior to December 1, 1992 or, (ii) which are located in areas annexed into the corporate limits of the City of Knoxville pursuant to Ordinance No. 0-31-87, the Sewer Improvement Charge shall be calculated on multiples of a basic charge (the "Basic Charge"), which shall be Six Hundred Seventy -Five Dollars (\$675.00). At the customer's option, the Sewer Improvement Charge may be paid as a part of the customer's utility bill in monthly installments of Three and 25/100 dollars (\$3.25) for the three hundred sixty (360) months. Sewer Improvement Charges assessed under the terms of this paragraph A (2) shall be calculated as follows:
 - (a) Each user consisting of a single-family dwelling shall pay a Sewer Improvement Charge equal to the Basic Charge, regardless of area.
 - (b) Each multifamily, commercial or industrial user shall pay a Sewer Improvement Charge based on the greater of the following two calculations:

(i) <u>Area/meter basis:</u> The lesser of (a) the Basic charge times the square footage of the area of the property divided by 15,000 or (b) the Basic Charge times the following multiples based on meter size:

Meter Size Mult	
5/8"	. 1
3/"	1.5
1"	2.5
1 1⁄2"	.5
2"	. 8
3"	15
4"	25
6"	50
8"	80
10"	120
12"	155

* If a user is served by more than one meter, the multiple used shall be the sum of the multiple computed on each meter.

(ii) <u>Frontage Basis</u> – the Basic Charge times the total frontage of the property measured in feet at the building line parallel to the street along which the property lies for the greater distance divided by 100.

- (c) For service to users located entirely or partly outside the corporate limits of the City of Knoxville, the Sewer Improvement Charge imposed under this paragraph A (2) shall be one and one-half (1-1/2) times the above schedule of charges.
- (d) Any user charged a Sewer Improvement Charge under this paragraph A (2) that reconnects to the Wastewater system on or after December 1, 1992 because of a change in the level or character of the user's wastewater service shall upon such reconnection be subject to the Sewer Improvement Charge calculated under paragraph A (1) hereof.
- (3) For all property located in a Transfer Area, that is subject to a Fee Agreement, the user shall be subject to a Sewer Improvement Charge equal in amount to the payments that would have been owed under the Fee Agreement for the affected property, assuming the Fee Agreement remained in effect for its duration, adjusted in accordance with KUB's policies for any additional property users as permitted under the Fee Agreement, less a credit for any payments actually paid to KUB under the Fee Agreement. Except as otherwise provided herein, Sewer Improvement Charges assessed under this paragraph A (3) shall be paid on the same terms provided in the Fee Agreement for the affected property. As used herein" (i) the term "Transfer Area" shall mean an area: (a) that was previously provided wastewater service by a municipal utility (other than KUB) or a utility district, and (b) with respect to which KUB acquired or otherwise succeeded to the right to provide wastewater service; and (ii) the term "Fee Agreement" shall mean a contract or other agreement entered into between the owner or other

user of a tract of property and a municipal utility (other than KUB) or a utility district, by the terms of which the owner or other user of the property agrees to pay all or any part of the cost of extending wastewater lines and facilities to such property or otherwise making wastewater service available to such property.

- (B) <u>Deferral of Payment</u> A Sewer Improvement Charge shall not be billed or collectible for any monthly billing for any period for which a wastewater service charge is not payable.
- (C) <u>Prepayment</u> A customer who has elected to pay the Sewer Improvement Charge in monthly installments may thereafter prepay the balance of such charge in whole (but not in part) in an amount equal to the unamortized balance of the Sewer Improvement charge as of the date of such prepayment.
- (D) <u>Installment Terms</u> A customer who has elected to pay the Sewer Improvement Charge in monthly installments pursuant to paragraph A (1) shall be obligated to make such payments at the rate of interest and length of payment period specified in this Schedule D as of the date of the customer's election, notwithstanding customer's right of prepayment.
- (E) <u>Definitions</u> The defined terms in this Schedule D shall have the meanings given to them from time to time in the Rules and Regulations for Wastewater Division.

Rules and Regulations

SCHEDULE E – WHOLESALE WASTEWATER TREATMENT

Service under this Schedule shall be available only to governmental entities, including Utility Districts, that deliver through their wastewater collection system all or portions of their wastewater flow to KUB facilities for treatment. Applicants under this schedule may be required to execute a contract specifying, among other things, a minimum bill and minimum term for service under this schedule.

Rate

Metered Flows Unmetered Flows \$5.75 per Thousand Gallons \$6.55 per Thousand Gallons

For the purpose of determining billing volumes, metered flows are those flows metered at the point of delivery to KUB's collection system, pumping station or treatment facility; unmetered flows are those flows based upon the actual water use of the customers served by the collection system discharging to KUB's facilities, said water use being determined by the water meter readings furnished by the water service provider.

KUB may, at its sole discretion, bill wastewater using the same rates converted to a rate per Ccf for usage measured in Ccf: 1 Ccf equals 748 gallons.

Rules and Regulations

RESOLUTION NO. 1460

A Resolution Adopting Rules and Regulations for the Fiber Division of the Knoxville Utilities Board Providing for the Efficient Use, Operation, and Management of the Fiber System

Whereas, by Resolution No. 1439, and the approval of the City Council for Knoxville, Tennessee, Knoxville Utilities Board ("KUB") became authorized to provide broadband services and established a Fiber Division to provide such services to the fullest extent permitted by Tennessee Code Annotated, Title 7, Chapter 52, Part 6, and otherwise applicable law; and

Whereas, Section 1106(G) of the Charter of the City of Knoxville provides that KUB has the authority to make and enforce all necessary and desirable rules and regulations for the efficient use, operation, and management of the KUB system; and

Whereas, the KUB Board of Commissioners ("Board") finds that it is in the best interest of KUB and its customers to adopt KUB Fiber Division Rules and Regulations.

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

Section 1. The Fiber Division Rules and Regulations, attached hereto and incorporated herein as Exhibit A, are hereby adopted in their entirety and as of and after the effective date of this resolution shall be applicable to the operation of the KUB Fiber Division.

Section 2. The President and CEO is authorized to take such actions and to authorize other persons to take such actions as may be necessary, proper, and convenient to carry into effect the KUB Fiber Division Rules and Regulations.

Section 3. Pursuant to Section VIII of the Fiber Division Rules and Regulations, the President and CEO shall have the authority to establish, update and levy Fiber Division fees and charges. The President and CEO shall be required to provide periodic updates regarding Fiber Division fees and charges to the Board's Audit and Finance Committee or upon request by the Board.

Section 4. Pursuant to Section IX of the KUB Fiber Division Rules and Regulations, the President and CEO shall have the authority to establish and update Fiber Division policies, including but not limited to those included as part of Exhibit A attached hereto.

Section 5. This resolution shall take effect from and after its passage.

<u>Jerry Askew/s</u> Jerry Askew, Chair

Mark Walker/s Mark Walker, Board Secretary

APPROVED ON 1st & FINAL READING: <u>6-16-22</u> EFFECTIVE DATE: <u>6-16-22</u> MINUTE BOOK <u>45</u> PAGE <u>11725-11734</u>

Resolution 1460, Exhibit A





Rules and Regulations for the Fiber Division

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Section IX:	Authority to Establish Policies for the Fiber Division

Section I. Purpose

It is the intent of the *Knoxville Utilities Board* ("*KUB*") that these *Rules and Regulations* promote the following principles:

- 1. Assure the safe and efficient use, administration, operation, expansion, extension, and preservation of *KUB's fiber* optic services.
- 2. Assure its *customers*' compliance with these *Rules and Regulations*, *Policies*, and *Schedule of Fees and Charges* for *fiber* optic services.
- 3. Promote fair, reasonable, and uniform treatment of *customers* of *KUB's Fiber Division*.

Section II. Scope

These *Rules and Regulations* apply to the application, implementation, and provision of *KUB's fiber* optic services and have been adopted pursuant to authority granted the *Board* by Section 1106(G) of the *City* Charter.

1. Conflict. In addition to these *Rules and Regulations*, the following documents, listed in order of precedence, are hereby made a part of all contracts and enforceable through all contracts, actual and implied, for *customers* and *users* receiving *fiber* optic service from *KUB* and apply to all *fiber* optic services received by *customers*, whether the service is based upon contract, agreement, signed application or otherwise:

- i) Schedule of Fees and Charges.
- ii) these *Rules and Regulations* as may be amended from time to time; and
- iii) the Policies.

In the event of a conflict between the documents listed above, the order of precedence shall govern.

2. Severability. If any clause, sentence, paragraph, section or part of these *Rules and Regulations*, any applicable *Fiber Division Schedule of Fees and Charges*, or any provision of the *Policies* shall be declared invalid or unconstitutional, it shall not affect the validity of the remaining parts of these *Rules and Regulations*, the *Fiber Division* Schedule of *Fees and Charges*, or the *Policies*.

3. Authority. Subject to the limitations set forth in the Charter, these *Rules and Regulations* and any other official *Board* action or resolution, the *President and CEO*, and his/her designees, has all rights, powers, duties, and authorities to implement, and enforce these *Rules and Regulations*. The *President and CEO*, and his/her designees has all rights, powers, duties, and authorities to establish and enforce *Policies* and programs necessary to implement these *Rules and Regulations*.

4. *Rules and Regulations* **Oversight Committee**. The *Rules and Regulations* Oversight Committee shall consist of the *Chief Technical Officer* (*CTO*), and other members of *KUB* management, as so designated by the *President and CEO*. The *CTO* shall chair the Committee. The *Rules and Regulations* Oversight Committee will provide oversight of the implementation, enforcement and administration of the *Rules and Regulations*. The *Rules and Regulations* Oversight Committee is responsible for recommending changes to the *Rules and Regulations* to the *President and CEO*. Any substantive amendments or changes to these *Rules and Regulations* are subject to the approval of the *President and CEO* and adoption by the *Board* in accordance with the *Board's* procedures.

5. Access to *Premises*. *KUB* has the right to access premises as described in the Terms and Conditions for *Fiber* Optic Services.

6. Responsibility for *KUB's* **Property** The *customer, user,* and if a different *person,* owner shall provide a space for and exercise proper care to protect any *KUB* property as described in the Terms and Conditions for *Fiber* Optic Services.

7. Responsibility for Compliance with *Rules and Regulations.* Every *customer, user,* and if different *person,* owner shall comply with these *Rules and Regulations* for the *Fiber Division* adopted by the *Board* and the *Policies* established by *KUB* to implement these *Rules and Regulations.*

8. Interpretation. It is the intent of *KUB* that these *Rules and Regulations* be liberally interpreted.

Section III. Definitions

For these *Rules and Regulations*, and unless the context specifically indicates otherwise, the following terms shall have the meaning ascribed:

Wherever the context shall require, words used herein in the singular shall include the plural, words used in the plural shall include the singular, words used in the masculine shall include the feminine, and words used in the feminine shall include the masculine.

Board shall mean the *KUB Board* of Commissioners, as appointed from time to time by the Mayor and City Council of the City of Knoxville, Tennessee.

Chief Executive Officer or President and CEO shall mean the President and Chief Executive Officer of the Knoxville Utilities Board.

Chief Technology Officer or CTO shall mean the *Chief Technology Officer* of the *Knoxville Utilities Board*. The *CTO*, subject to the supervision of the *CEO*, shall administer, implement, and enforce the provisions of these *Rules and Regulations*.

City shall mean the City of Knoxville, Tennessee.

Customer shall mean any *person* who receives *fiber optic service* from *KUB* under either an express or implied contract requiring such *person* to pay *KUB* for such service. The term shall also include illicit *users* of *fiber* optic service from *KUB*.

Fiber Division or *division* shall mean the part of the *KUB* system having charge of the physical operation and financial oversight of *KUB's fiber system*.

Fiber system shall mean all facilities for transmitting, distributing, and receiving *fiber* optic services.

Fees and Charges are any amounts levied that are not consumption based and set at the discretion of management of *KUB* as authorized by the *Board*, including but not limited to *KUB Fiber* products recurring monthly residential service fees, *KUB Fiber* products recurring monthly non-residential service fees, and *KUB Fiber* products non-recurring service fees.

Knoxville Utilities Board, or *KUB,* shall mean the *Knoxville Utilities Board* of the City of Knoxville, Tennessee, or, as the context requires, the management of *KUB,* its contractors or agents.

Person shall mean any individual, partnership, firm, company, association, society, corporation, limited liability company, trust, estate, governmental entity, or any other legal entity, or its legal representatives, agents, or assigns. This definition includes all federal, state, and local governmental entities and shall also include illicit *users* of *fiber* optic service from *KUB*.

Rules and Regulations means the rules and regulations adopted by the *Board* governing the operation and use of *KUB's fiber system*.

Policies means those governing policies set forth in a document or document(s) adopted by the *President and CEO* implementing the *Rules and Regulations* for the *KUB fiber system* and outlining the guidelines necessary to oversee daily operation of *KUB's fiber system*.

User shall mean any *premise* having a connection to the *KUB fiber system* or having access thereto. The term shall include illicit *users* of *fiber* optic service from *KUB*.

Section IV. Initiation of Fiber Optic Service

- Residential use. A formal request for either original or additional fiber optic services must be made to KUB by the customer and be duly approved by KUB before connection to the KUB fiber system is made. The receipt by KUB of a prospective customer's request for fiber optic service shall not obligate KUB to render the fiber optic service. KUB may, at its sole discretion, require the customer to provide security, assurance, or guaranty prior to KUB rendering fiber optic service. Adherence to KUB's Terms and Conditions for Residential Fiber Optic Services is required.
- 2. Commercial use. A formal request for either original or additional fiber optic services must be made to KUB by the customer and be duly approved by KUB before connection to the KUB fiber system is made. The receipt by KUB of a prospective customer's request for fiber optic service shall not obligate KUB to render the fiber optic service. KUB may, at its sole discretion, require the customer to provide security, assurance, or guaranty prior to KUB rendering fiber optic service. Adherence to KUB's Terms and Conditions for Commercial Fiber Optic Services is required.
- 3. Intergovernmental agreements. At *KUB's* sole discretion, *KUB* may enter into agreements with municipalities and unincorporated areas for the distribution and/or transmission of *fiber* optic services. Any such agreement must comply with all applicable federal, state, and local laws, ordinances, regulations and *KUB's* Rules and Regulations. There shall be no liability on the part of *KUB* to the requestor for refusal of such service. Adherence to *KUB's* Terms and Conditions for Commercial *Fiber* Optic Services is required.

Section V. Interruption of Fiber Optic Service

KUB shall not be liable for any damage resulting from failure of any KUB fiber system component, or by discontinuing the operation of any segment of its fiber system for repair, extensions or connections, or from the accidental failure of its fiber system from any cause whatsoever, or the termination of fiber optic service as the result of violations by any customer, user, and if different person, owner of any federal, state, or local laws and/or these Rules and Regulations or Policies, or damage resulting from KUB's failure to terminate fiber optic service after notice of termination of fiber optic service by the customer. In cases of emergency, KUB shall have the right to restrict the use of its fiber system in any reasonable manner for the protection of KUB's fiber system, customers, the public, and the environment.

Section VI. Termination of Fiber Optic Service

KUB has the right to terminate or refuse *fiber* optic services as described in *KUB's* Terms and Conditions for Residential or Commercial *Fiber* Optic Services.

Section VII. Billing for Fiber Optic Service

The billing for *fiber* optic services shall be in accordance with *KUB's* Terms and Conditions for Residential or Commercial *Fiber* Optic Services and the *Fiber Division* Schedule of *Fees and Charges*.

Section VIII. Authority to Establish and Levy Fees and Charges

Under the provisions of the City Charter and of the general laws of the State of Tennessee, *KUB* is authorized and empowered to fix, levy, and collect fees, rents, tolls, or other charges. The *President and CEO* shall have the authority to establish, update, and levy *Fiber Division Fees and Charges*. The President and CEO shall provide periodic updates to the *Board's* Audit and Finance Committee or to the full *Board* upon request.

Section IX. Authority to Establish Policies

The *President and CEO* shall have the authority to establish and from time-to-time update *Fiber Division Policies* for the operation of *the Fiber Division*.

These policies include but are not limited to the following:

- *KUB* Terms and Conditions for Residential *Fiber* Optic Services
- KUB Terms and Conditions for Commercial Fiber Optic Services
- *KUB* Acceptable Use Policy
- KUB Privacy Policy
- KUB Annual Subscriber Notice
- Digital Millennium Copyright Act (DMCA) Policy
- Customer Proprietary Network Information (CPNI) Policy
- Communications Assistance for Law Enforcement Act (CALEA) Policy

RESOLUTION NO. 1461

A Resolution Authorizing and Approving the Sale or Disposal of Two Parcels of Real Property of the Wastewater Division of the Knoxville Utilities Board ("KUB") Located at 5724 Holston Hills Road and 5220 Yorktown Road in Knoxville, Tennessee

Whereas, the Wastewater Division of KUB holds title to certain real estate, located at 5724 Holston Hills Road, Knoxville, Tennessee, identified as Parcel 22 on Knox County Tax Map 71-M "C", recorded in the Knox County Register of Deeds Office as Instrument #200710160031878, consisting of approximately 0.076 acres which was previously used for KUB's Crestwood Wastewater Pump Station (the "Holston Hills Road Property"); and

Whereas, the Wastewater Division of KUB holds title to certain real estate located at 5220 Yorktown Road, Knoxville, Tennessee, identified as Parcel 17 on Knox County Tax Map 122-O "E", recorded in the Knox County Register of Deeds Office at Warranty Book 2271, Page 115, consisting of approximately 0.60 acres (the "Yorktown Road Property"); and

Whereas, the Holston Hills Road Property and the Yorktown Road Property are not useful and necessary for the continued operation of the Wastewater system substantially as it now exists, and are not needed for use by any other KUB system; and

Whereas, pursuant to Section VII of the KUB Procurement Procedures previously adopted by the KUB Board of Commissioners (the "Board"), the President and Chief Executive Officer ("CEO") of KUB has determined that the Holston Hills Road Property and Yorktown Road Property are not needed by the Wastewater system or any other KUB system; and

Whereas, the bond resolutions for the KUB Wastewater Division authorize the disposal of property of the Wastewater system which the Board determines to be no longer necessary, material to or useful in the operation thereof; and

Whereas, in accordance with the City Charter and KUB's Procurement Procedures and Procurement Guidelines, the sale or disposal of the Holston Hills Road Property and the Yorktown Road Property may occur in a manner that is in the best interest of KUB and the Wastewater Division.

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

Section 1. That the Holston Hills Road Property and the Yorktown Road Property are not necessary, material to or useful in the continued safe, efficient, and economic operation of the KUB Wastewater system, substantially as it now exists, nor are those properties needed by any other KUB system.

Section 2. That the President and CEO or the authorized designee of the President and CEO be, and hereby is, authorized and directed to sell or otherwise dispose of the Holston Hills Road Property and the Yorktown Road Property in a manner that is in the best interest of KUB and the Wastewater Division, and consistent with KUB's Procurement Procedures and state law, to execute all documents, including without limitation deeds, that are necessary and proper to sell or otherwise dispose of the Holston Hills Road Property and the Yorktown Road Property and to do all things that the President and CEO or the authorized designee of the President and CEO deems reasonable and necessary to effectuate such sale or disposal.

Section 3. That the proceeds of any sale shall be placed into the accounts of the Wastewater Division in accordance with the Wastewater System Bond Resolution.

Section 4. That this Resolution shall take effect upon its passage.

<u>Jerry Askew/s</u> Jerry Askew, Chair

Mark Walker/s Mark Walker, Board Secretary

APPROVED ON 1st & FINAL READING: <u>6-16-22</u> EFFECTIVE DATE: <u>6-16-22</u> MINUTE BOOK <u>45</u> PAGE <u>11735-11736</u>

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