



2016
ANNUAL REPORT

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Collaboration and forward-thinking are an essential part of our city's history and culture, making it a hub for some of the brightest minds in technology, business, and civic leadership.

It's how Chattanooga came to be Gig City, a model for connectivity and modernized power in the 21st century. And it's what continues to inspire us to do more.

That's why at EPB, we work to deliver ground-breaking services like the world's first community-wide 10 gigabit Internet and the country's first PEER certified smart power grid. Through world-class energy and communication infrastructure, we want to give people the freedom to imagine, create, and explore all that is possible for the future. We believe that's our greatest innovation. It's what people—our employees, our network of partners, our community, our customers—accomplish with our work that truly makes it matter.



PROGRESSIVE BROADBAND

We're committed to making sure that our services benefit everyone. This is why we continue to work with our community to make tools like broadband Internet service affordable and accessible for as many people as possible.



BURT PURCELL
ENGINEERING TECHNICIAN II

Making the grade with extra bandwidth.

As the University of Tennessee at Chattanooga continues to grow with each incoming class, so do their demands for reliable high-speed Internet service. With roughly four bandwidth-hungry devices per student and the rising popularity of streaming services, the school quickly outgrew its existing 2 gigabit connection powered by EPB Fiber Optics. That's why when we launched our 10 gigabit service, UTC was the first to sign up.

EPB partnered with the university to not only deliver our fastest speed to date, but to make sure they got a customized solution that worked best for their needs. Together, we determined that what they really needed was a scalable Internet product that would offer both increased bandwidth and reliable backup connectivity. That way, students can get connected quickly, and stay connected, even when the unforeseen happens.



The Internet isn't a gated community.

In 2014, Chattanooga Mayor Andy Berke issued a challenge to EPB's leaders: What are the ways we can work better to bridge the digital divide? We responded by launching the NetBridge program, because we believe every student should have access to the same great service available to all EPB Fiber Optics customers at a reduced rate without sacrificing quality or speed.

NetBridge offers families of Hamilton County students on free or reduced lunch our 100 Mbps Internet service for just \$27 a month. Families can register for the program with EPB employees during the school enrollment period or call one of our helpful customer service representatives any time during the school year. This is one way EPB is helping our students get the tools they need to succeed in today's classroom.



DANIELLE RHODES
SENIOR GENERALIST

Helping Tennesseans get connected in the 21st century.

Tired of being left behind without access to broadband Internet service, our neighbors in Bradley County and other communities throughout Tennessee began organizing grassroots efforts to help change the legislation that barred them from it. EPB joined the fight last year, along with six other Tennessee municipal utilities, by launching the TN4Fiber initiative.

We've seen firsthand how modern fiber optic infrastructure has helped cities like Chattanooga gain a competitive edge in economics and education. With over 800,000 Tennesseans still without access to this valuable resource, it's time we work together to do something about it. We're proud to join the effort by helping inform, educate, and advocate on behalf of the underserved.



LEADING-EDGE INFRASTRUCTURE

EPB's Smart Grid is getting smarter every year. It's setting new precedents, casting a spotlight on Chattanooga and EPB as the future of infrastructure. Just as important, its increasing reliability and efficiency means fewer outages, faster response times, and more savings for our customers.



JASON READ
SENIOR ENGINEER

Setting the bar higher.

Many utilities claim to have “smart grids,” but we’ve always believed EPB’s truly comprehensive Smart Grid is a step above the rest. When the same organization that issues LEED certifications for sustainable buildings developed a framework to test the performance and effectiveness of power systems, we were ready to show the world what it really means to have a Smart Grid.

For the PEER (Performance Excellence in Electricity Renewal) certification, EPB’s leadership and project teams spent over a year evaluating criteria in operational effectiveness, customer contribution, reliability and resiliency, and energy efficiency and environment. And the end result? Our Smart Grid passed with flying colors, well exceeding the base requirement by 23 percent and becoming the first PEER-certified utility in the country. For us, it’s more than a validation of what we’ve always believed, it has helped us become a leader in grid modernization and set a standard for other utility providers to follow.



KELVIN WILKES
SCAIDA ENGINEERING TECH LEVEL II

A partnership with endless possibilities.

As a power industry leader, Chattanooga has become a popular destination for innovators in the energy sector. It seems fitting, then, that this year, Oak Ridge National Laboratory announced plans to open their Chattanooga office in the Innovation District.

Two years into EPB's partnership with ORNL, we are just beginning to realize the many benefits of working with the Department of Energy's largest research lab. ORNL not only has access to our Smart Grid's data points, but they can now use Chattanooga as a test bed for their new products. Meanwhile, we have the nation's top minds working with our teams to help us further enhance our power grid and bring more comfort, convenience, and quality of life to our city.



RICKY RICHESON
DISPATCHER

When your voltage is “trending,” we’ll catch it.

EPB’s engineers are always looking for ways to improve our smart grid capabilities and keep up the high standards we’ve set for ourselves. This year that meant system updates for automated anomaly detection, improved self-healing capabilities, and paperless readouts to reduce waste.

Our engineers also developed a better way to monitor smart meter voltage readings. By applying the same Twitter algorithm that detects when something is “trending” online, we can detect voltage anomalies that would have previously gone undetected for weeks. Now, we’re able to address problems before they cause our customers any inconvenience.



MEASURABLE SUCCESS

More customers than ever are bringing EPB Fiber Optics into their homes and businesses. The sales of our award-winning communication services are helping to pay down our debt quickly, while also bringing financial benefits to our electric system. This goes to show that not only is fiber innovative, it's a secure investment for our city.



MIKE GILES
FIBER TECHNICIAN

Our growing fiber network.

With 77,000 residential and 6,500 commercial customers and counting, it's apparent more people are recognizing the value and quality of EPB Fiber Optics. We're pleased to be delivering our services to many new businesses and residents each year, including those living in many apartment buildings, or multi-dwelling units (MDUs), where our services were previously unavailable. In the last fiscal year, we saw a nearly 65% increase in MDU sales, contributing over 3,000 new subscribers to our EPB Fiber Optics products.



LATARA PATTON
CUSTOMER SERVICE REPRESENTATIVE

A secure investment in our future.

As our Fiber Optics business grows, it is generating more revenue that flows back into our electric system every year, contributing to the electric system's continued strong financial position. This financial strength, paired with sound management and other factors, led Fitch Ratings to assign EPB's electric system bonds an AA+ rating this past year. With the newly upgraded bonds, we were able to refinance our debt and secure lower interest rates, leading to \$19.8 million in savings.

Meanwhile, the success of our fiber optics system has allowed us to pay down its debt more quickly and manage the cost of running the business even more effectively.



ROXY ROMERO
CSSA

Our most meaningful measure of success.

This year, we were recognized by Consumer Reports for our Internet and television services, as well as by our very own Chattanooga Times Free Press readers as the “Best of the Best” for the fifth year in a row.

From a survey of over 172,000 subscribers, Consumer Reports dubbed EPB a “bright spot” in telecom service. Our Internet service scored high for value, reliability, and speed, while we topped the ranking for television service, receiving particularly high marks for reliability, channel selection, and equipment. Chattanooga Times Free Press readers also voted us Best ISP, Best Satellite and Television Provider, and Best Customer Service of 2016.



AWARD-WINNING CUSTOMER SERVICE

Our success only motivates us to do better. Whether by making bill payment and customer support more convenient or providing an extra service during installation, our people work hard to deliver more year after year.



JON GARCIA
PROJECT MANAGER

Reliable customer service at your fingertips.

This spring we launched a new online home, EPB.com. The completely redesigned site combines the previously separate destinations for Electric Power and Fiber Optics into a one-stop shop for all things EPB. This new design makes it easier for our customers to access their accounts, and offers them our award-winning customer service at the click of a mouse. With a streamlined appearance and user-friendly navigation, the new EPB.com is an example of how we continue to work even harder to improve our services and deliver more for our customers.



OLIVER TARVIN
LINEMAN

Making improvements from the inside out.

Not all the changes at EPB this year were as visible as our new website. Many improvements took place behind the scenes so that the only thing our customers would have noticed is extra ease and convenience when paying their bill or scheduling a service call. Through careful planning and collaboration across teams, our employees worked to implement only the most relevant and necessary updates to our system this year. We know that small changes in our internal software and hardware can have a huge impact on our customers. And if these changes go unnoticed, it just means we're doing something right.



PAUL PRAK
FIELD TECHNICIAN

Responding to success with added service.

With so many new residential fiber installations, we saw an opportunity to help our customers make their homes more energy efficient and comfortable while delivering the best communications products available.

When making their way through a home's crawlspace or attic to install fiber, our technicians are trained to notice damaged ductwork, falling insulation, or other factors that could lead to unnecessary energy use. Following a 16-point energy checklist, they can identify problems and notify the homeowner of ways to make repairs or schedule a follow up visit from our Field Services team for a free eScore Energy Checkup. We know our customers appreciate good value, so we want to make sure they're getting the most from our EPB service.



INSPIRING GOODWILL

The work our people do to help our customers and community goes beyond the services we provide as a company. They demonstrate not just what it means to be an EPB employee, but what it means to be a good neighbor.



ERIC GAILER
FICOM INSTALLER

Our employees' acts of kindness are anything but random.

It's a company-wide philosophy to go the extra mile to help our customers, but many of our employees, like Eric Gailer, have put it to practice both on and off the job. Whether it's by building a ramp to make a house wheelchair accessible for a customer or fixing a broken meter for a customer who couldn't afford to make the repair on their own, our employees are often recognized for their willingness to help those in need.

We can't take credit for their actions, but we're proud to call each of these employees one of our own. They are exemplary of EPB's culture and commitment to serve our community as compassionate neighbors.



TODD EDWARDS
MANAGER OF DESKTOP SUPPORT

Helping students navigate the workplace.

For two weeks every summer, EPB employees, like Todd Edwards, take time to mentor local high school students. Through a partnership with the Urban League of Greater Chattanooga, EPB has participated in the Summer Shadow Program since 2011. Students take turns shadowing employees in various departments, learning about different jobs, and discovering what it takes to work at EPB.

A student following Todd, for example, can get a firsthand look at his job in information technologies, learn about things like data storage, or maybe even sit in on a real meeting. For the students, it's a chance to learn about different career paths and learn more about our company and the people that work here. For our employees, it's an opportunity to share their expertise, offer guidance, and make a difference in the lives of young people.



VISIONARY COLLABORATION

Just as our success as a company is due to the hard work and dedication of our employees, our achievements as an energy and communications provider is made all the more remarkable by the innovation of the people we serve.



Connecting classrooms 1,800 miles apart.

Students at the STEM School of Chattanooga have spent the past year studying microorganisms under the lens of a 4k-resolution microscope located 1,800 miles away at the University of Southern California School of Cinematic Arts. Through an endowment from the National Science Foundation, the Chattanooga-based Public Education Foundation and USC were able to fund the first project that leveraged the power of gigabit connectivity for K-12 education.

This project allows students to learn and experience biology in ways they've never done before. For EPB, it's an opportunity to use our technology to help advance education and bring innovation to the classroom.



KEN JONES
MANAGER OF FIBER OPTICS

See the Tennessee Aquarium upon arrival.

This spring, through the ng Connect Program, EPB partnered with Nokia, The Enterprise Center, Chattanooga Convention and Visitors Bureau, The Chattanooga Airport, and the Tennessee Aquarium to debut a live feed from the aquarium using EPB fiber Optics' Internet connectivity powered by Nokia technology. The Planar®UltraRes™98" 4K display screen located inside the airport lobby streams the aquarium's Alligator Bayou in real time so that visitors can start enjoying Chattanooga's attractions the minute they arrive.



Investing in our future broadband entrepreneurs.

The Chattanooga-based startup accelerator GIGTANK went 365 this year, giving participants yearlong access to their program and their connectivity to EPB's new 10 gigabit Internet. As the world's only startup accelerator wired to a citywide gigabit network, GIGTANK 365 invites entrepreneurs to develop their applications in the nation's largest test market of ultra high-speed broadband users. EPB is proud to offer our services to GIGTANK 365 and the next generation of broadband entrepreneurs that are helping shape Chattanooga.