

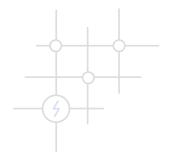
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EPB ANNUAL REPORT 2017-2018



The Smart Grid at work.



Over 32 million

outage minutes avoided

50% fewer

outage minutes

60% fewer

customer interruptions

\$3.2 million

in operational savings

\$50 million

in customer savings

Financially strong.



 $\Delta \Delta +$

\$20 million savings

to customers





Contributing to local tax coffers.

\$20.9 million

paid to local governments in EPB's service territory

Environmentally conscious.



made available through EPB Solar Share



by EPB customers

3,400 tons of CO2

emissions reduced





EPB launches MyEPB mobile app.

25,509 downloads

333,810 user sessions

Accolades



Ranked best internet service provider for gaming



Voted Best of the Best Internet and Television Service for the 6th year in a row





Giving back to the community.

177 events & non-profits sponsored

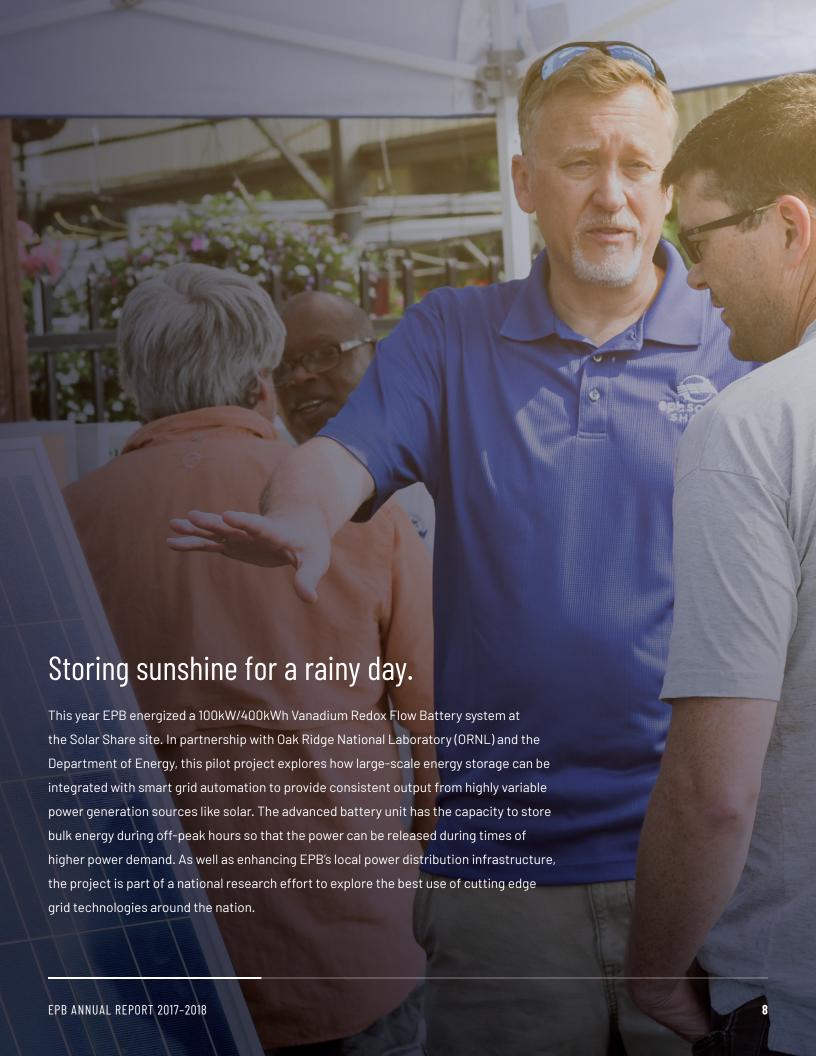
3,000 hours volunteered





EPB generates power for the first time.

For the first time in their 80-year history, EPB began generating electric power this year. Solar Share, Chattanooga's first community solar project, includes 4,408 solar panels producing 1.4 megawatts of renewable energy – enough to meet the annual power needs of roughly 130 average households. In fact, Solar Share set two distinct performance records this year, one on June 28, 2017 when the system generated its maximum possible daily output of 8,500 kWh. A second record was set on April 10, 2018 when the system achieved its maximum instantaneous output of 1,020 kWh, meaning that all 17 of Solar Share's 60 kW inverters were producing their full load potential at the same time. Launched in July, Solar Share offers customers an easy, affordable way go solar without the hassle of installing and maintaining their own panels. So far, a total of 2,225 solar panels have been licensed to 419 residential and commercial customers in exchange for green power generation credits on their monthly electric bills. Now that Solar Share has proven to operate flawlessly at full capacity, efforts are underway to continue engaging the community in supporting renewable power generation.

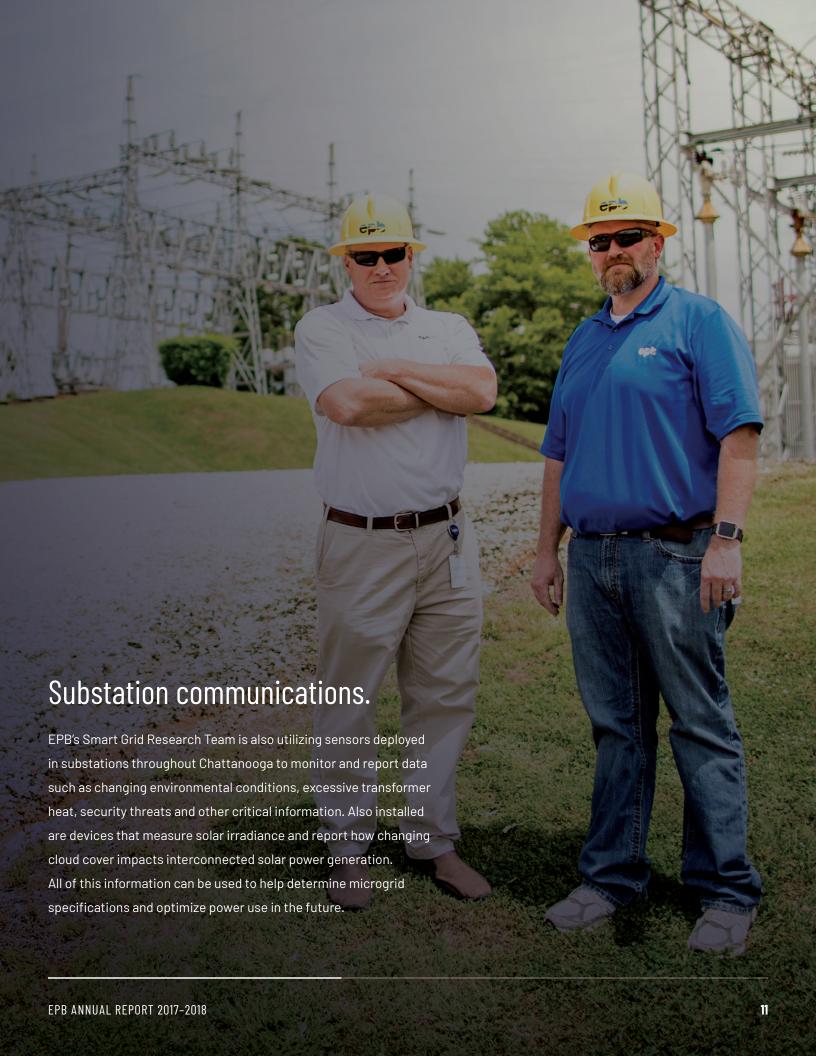






Establishing microgrids.

The next logical step in ensuring the reliability of a community smart grid is to isolate certain geographic areas into "microgrids" that can operate independently in order to better narrow outage risk, and reduce outages. This year, EPB's Smart Grid Research Team partnered with the Chattanooga Metropolitan Airport to utilize its solar deployment to establish a microgrid that includes integrated power storage and scalable energy distribution equipment. This experimental microgrid is designed to expand and provide power to a larger area during a brief outage. During a longer disruption, it narrows to make sure airport lighting continues to operate. When energy is produced at a high capacity, the microgrid serves as a starting point for storing energy that can be utilized later during periods of higher power demand. EPB's microgrid research partnership with the University of Tennessee-Knoxville, Tennessee Valley Authority and the Electric Power Research Institute is exploring opportunities to apply this and other advanced smart grid technology to future projects within EPB's 600-square-mile service area.









EPB pledges net neutrality.

As federal policy on Internet Privacy and then Net Neutrality began shifting, EPB Fiber Optics made a commitment to continue to uphold its customer-focused approach to providing internet services. Going against the tide of lower standards for internet service providers and an industry that often hides behind complicated terms and conditions, EPB established its Customer Care Pledge to give Fi-Speed Internet subscribers peace of mind when it comes to their internet access and privacy. In easy-to-read language, the Customer Care Pledge re-affirms EPB's ongoing commitment to never sell its customers' browser information or play favorites with online traffic so that customers can access different kinds of internet content at the same fast speeds without paying extra. The pledge also highlights EPB's long-standing policy of not throttling customers' online speeds or imposing data caps. The Customer Care Pledge is available here: https://epb.com/customercarepledge

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ALL ECTION

Helping customers manage energy use.

This year EPB launched two billing options and a mobile app to help customers better manage energy costs. Levelized Billing allows customers to pay a rolling 12-month average of their energy use for a more predictable bill that doesn't change dramatically during the hottest and coldest months. EPB Pre-Pay is another new billing option where customers can pay in advance for electricity without a security deposit. In addition, EPB also launched MyEPB, a free mobile app that enables customers to see their energy use in real-time, set billing threshold notifications and more. This year customers downloaded MyEPB 25,509 times, and accessed it 333,810 times.





Giving back by mentoring the next generation.

This summer, EPB engaged bright young minds by participating in five mentoring programs. Through STEP-UP, a paid summer internship program, 10 Hamilton County high school students received the opportunity to interact with 25 EPB professionals to get a feel for career opportunities that might interest them and learn modern business skills and etiquette. During this mentoring process, students were also able to offer EPB new ideas from a fresh perspective. In addition, 23 EPB employees partnered with Chattanooga Girls Leadership Academy to mentor 20 high school seniors through the SPARK program. Complementing a college preparation curriculum focused on Science, Technology, Engineering, the Arts, and Mathematics (STEAM), SPARK offers girls an opportunity to apply their knowledge in real world situations and better position themselves for successful careers in a competitive, knowledge-based global economy. Hamilton County 8th graders participated in Career Crunch, a two-day mentoring event led by 35 EPB volunteers. Twenty EPB employees participated in Big Brothers Big Sisters of Greater Chattanooga's Beyond School Walls Workplace Mentoring program. Twenty East Lake Elementary sixth-grade "Littles" were paired with 20 EPB "Bigs" to explore potential career options, receive guidance and advice, and get inspired to make choices that will help lead them down a path of success. Lastly, 14 EPB employees volunteered their time working with students through Urban League of Greater Chattanooga. In all, EPB employees volunteered more than 3,000 hours this year helping those in our community.







Better WiFi is good for business.

This year EPB explored new opportunities to utilize more advanced technology solutions to help drive Chattanooga's fast-growing economy. Now that nearly every business depends heavily on fast, reliable WiFi connectivity, EPB enlisted the help of a new vendor to assist in upgrading EPB's commercial WiFi product. The new product was designed to maximize faster internet speeds, handle more connections per access point, provide better range and improve overall user experience. In addition to a 77% increase in average monthly revenue over last fiscal year, results included better performance for high-volume users such as tech companies, universities, restaurants and retail, multi-dwelling complexes and entertainment venues.



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Equipping homes for the future.

Making new and existing living spaces fiber-ready ensures they are properly equipped to handle the growing dependency on reliable broadband. Along with energy-efficiency measures, EPB encourages homebuilders to also prewire homes for fiber optic services through their Smart Build program. Installing appropriate wiring only costs a few dollars more during construction, but it adds tremendous value to any home for years to come. As a result, EPB added 11 new Smart Build-approved contractors (for a total of 36) this year. Together they constructed 177 new Smart Build-certified homes. New construction of Multi-Dwelling Units (MDUs) such as apartments, condos and townhomes is exploding with the influx of new residents moving to the Chattanooga area. With fiber optic capabilities added to new construction in addition to more and more older facilities, the availability of their internet, television and phone services for MDUs in their area now totals more than 24,000 residences – which represents 75% of the total local MDU market. In fact, 38% of EPB's new fiber optics customers this year are MDU residents – making these facilities an important part of expanding our reach while providing even more people in the community with greater access to fiber optic services, whether they rent or own.

Photo Credit: Integra Vistas





Enhancing employee safety to serve customers better.

As part of ongoing initiatives designed to reduce workplace accidents as well as risks, EPB's Safety Department partnered with various community organizations to conduct 1,906 employee training hours this year. Courses that included defensive driving, first aid and CPR helped achieve a 75% reduction in workplace injuries this fiscal year as compared to last year. EPB also enhanced its Emergency Action Plan to help ensure employees and customers visiting EPB facilities are safely evacuated and accounted for in the event of natural or other disasters.

