



2024 Annual Report

03	—	Overview
04	—	By the numbers
10	—	Putting customers first
15	—	Providing community value
21	—	Striving for operational excellence
26	—	Focusing on the future

Overview

This year, EPB continued to keep Chattanooga on the cutting-edge using America's most advanced smart grid and the world's fastest community-wide 100% fiber optic network.

Providing value for customers and the community continues to be EPB's focus as we strive for ever-higher levels of operational excellence and work to position people in the local area to benefit from future opportunities.

Through all these efforts, EPB's mission to enhance our community's quality of life drives our decision making and underpins our efforts to provide the best possible service for our customers.

In the face of dynamically evolving technology, EPB deploys and utilizes highly advanced infrastructure to make our community a better place to live and work.

With high investment grade credit ratings by Fitch (AA+) and Moody's (Aa1), EPB's ability to steward community resources positions us to enhance Chattanooga's reputation as a great place to live, work and grow companies, both for longtime residents and those who are newly arriving.



**By the
numbers**



EPB Energy

30,979,311

Customer outage minutes reduced or avoided by the Smart Grid

Annual savings from automated Smart Grid meter reading:

\$2,543,717



Number of leveled billing customers:

10,333

Added **2,078** customers this year to improve their experience



Number of unique MyEPB app users:

87,071

Annual operational savings delivered by the Smart Grid:

\$4,234,388

\$21,780,258.96

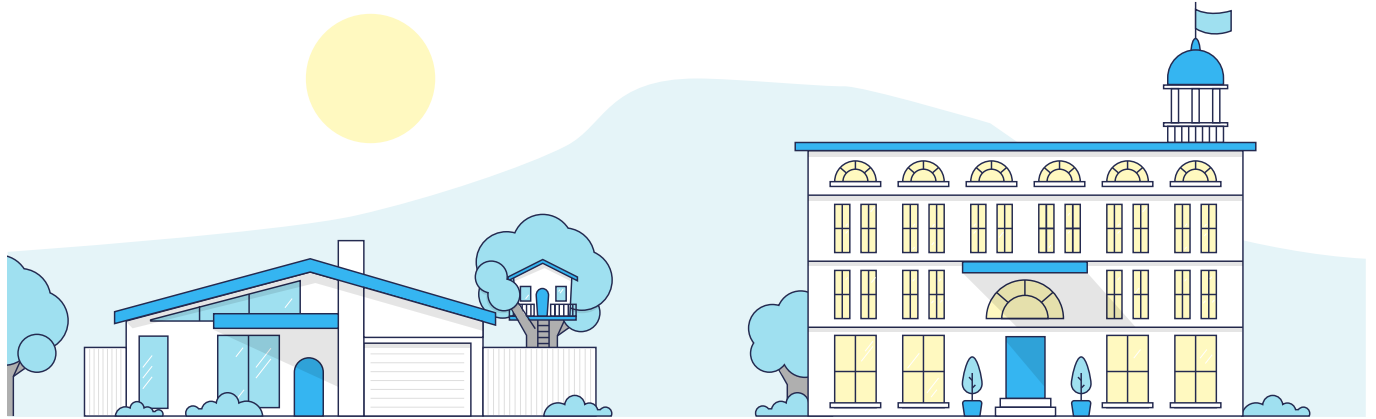
In PILOT payments to local government



Provided EPB Energy ProsSM expertise to **2,759** customers



EPB Fiber Optics



Added 2,121 residential customers

Added 42 commercial customers



Total EPB Fiber Optics customers:

131,233

Total Gig & Multi-Gig customers:

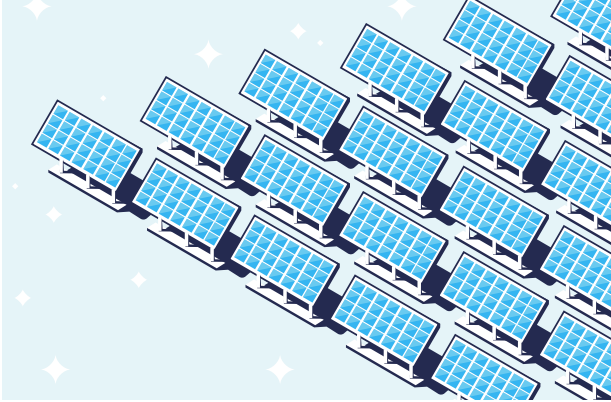
52,696

Total EPB Smart Network customers:

58,753

(added **3,610** during the year)

Environmental benefits



EPB customers licensed
4,198 Solar Share panels
95% Subscribed

Reduced 3.7 million lbs. of CO₂ emissions

Environmental benefits from the Smart Grid include:

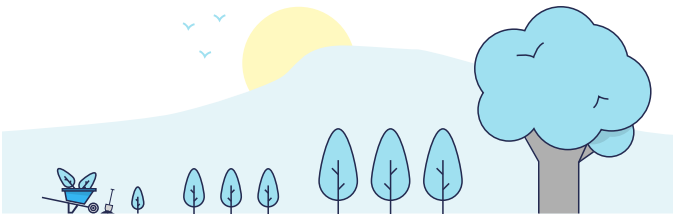
- reduced road miles driven
- enhanced power demand management
- power factor improvement

124,737

Paperless Billing accounts (Energy and Fiber Optics)
(added **9,769** during the year)

479,337

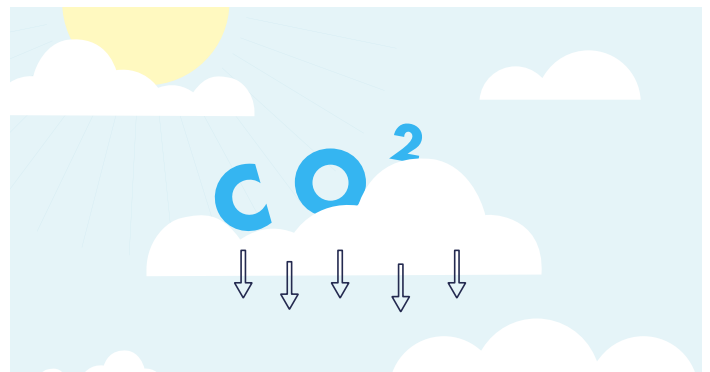
Pounds of waste diverted from landfill (not including vegetation)



Gave away **2,000** free trees through Free Tree ReLeaf in partnership with the City of Chattanooga

7,406 lbs.

of wood chips created from repurposed downed trees available free to community groups



Nearly **54%** of the energy EPB provides is carbon free to promote cleaner, clearer air for our community

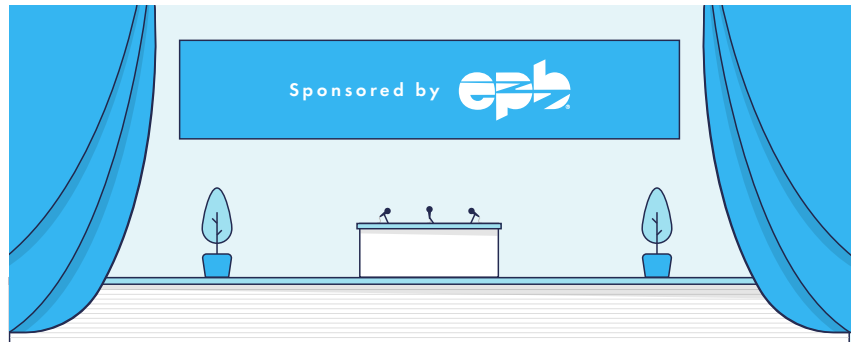


Serving our community

People with internet access through
HCS EdConnect:

27,700+

(more than 16,450 students & their family members)



113 community partnerships

Annual purchasing from Minority & Women-Owned Businesses
increased to:

\$9.7 million

(total purchasing since program began grew to **\$112.5 million**)

Accolades



Best customer satisfaction

For the eighth consecutive year, J.D. Power awarded EPB “Best Customer Satisfaction for Residential Electric Service in the South among Midsize Utilities.” EPB ranked best in four of six study factors: Price, Corporate Citizenship, Billing and Payment, Communications and Customer Care.



Chattanooga ranked as the top place to live in Tennessee by U.S. News & World Report, in part due to the availability of the world’s fastest community-wide internet operated by EPB.



Customers voted EPB “Best Internet Provider” for the 12th year in a row and “Best TV Provider” for the 13th year in a row in the annual “Best of the Best” Awards from readers of the Chattanooga Times Free Press.



The inaugural U.S. Broadband Awards hosted by Questex’s Fierce Telecom named EPB “Best Municipal Connectivity Program” for the benefit generated by the 100% community-wide fiber optic network.



The American Public Power Association awarded EPB “Smart Energy Provider” designation for the third time for energy efficiency, distributed generation and environmental initiatives that support the goal of providing safe, reliable, low-cost and sustainable electric service.



CableFax included EPB in its “2023 Top Operators Honorees” for the launch of EPB Quantum NetworkSM powered by Qubitekk and efforts to grow a quantum ecology in Chattanooga.



The American Public Power Association’s DEED program recognized EPB’s work with the “Energy Innovator Award” for working with the City of Chattanooga to enhance resiliency for emergency functions with the “Power to Protect” microgrid.



Broadband Communities Magazine’s annual Fiber-To-The-Home Top 100 honors organizations that lead “Building a Fiber Connected World,” recognizing EPB’s 100% community-wide fiber optic network that reaches all homes and businesses in its 600-square-mile service area.



EPB ranked in the top 10 ISPs in the East South Central region, making it among the best in the region for gaming.



**Putting
customers first**



EPB's Gig2.5 internet gives customers the bandwidth they want

EPB's newest internet offering, Gig2.5, delivers 2,500 Mbps of broadband capacity, more than twice as fast as EPB's world-famous Gig-speed service. At a residential price of \$97.99 per month including professionally installed Smart Net Plus Wi-Fi, the service delivers future-proof internet speeds at the best available value. After being launched in December 2023, customers responded enthusiastically with nearly 2,000 subscriptions in the first seven months.

"EPB is committed to keeping our community on the cutting edge by exceeding expectations and maximizing options on our network with service up to 25 Gig."

- Katie Espeseth, EPB Vice President, New Products

By including Smart Net Plus, which provides whole-home Wi-Fi optimized to customer needs, EPB ensures that Gig2.5 subscribers get the full value of the world's fastest community-wide internet service. Installed and monitored by EPB Tech ProsSM, Smart Net Plus uses the most current Wi-Fi 6e technology and equipment. Smart Net Plus also comes with the HomePass app which allows customers to easily manage their home network. As a result, Gig2.5 customers enjoy continuing support and other features to ensure they have the best possible experience.



New Smart Net Plus for Business helps small businesses navigate networks

As businesses of all sizes navigate increasingly complex demands to protect against cyberthreats, manage connected devices and keep data secure, EPB launched Smart Net Plus for Business in May 2024. Professionally installed and maintained by EPB Tech ProsSM, Smart Net Plus for Business subscribers benefit from comprehensive Wi-Fi coverage, equipment management and online security. They also have the ability to manage their network with the touch of a finger using the WorkPass app—all for just an additional \$25 per month.

The WorkPass app helps customers monitor, modify and manage their network, including how they receive information, view customer insights, monitor network threats and more.

As with all EPB services, customers can enjoy Chattanooga's only 100% fiber optic network for delivery of ultrafast, symmetrical broadband capacity and unlimited, local award-winning support 24/7/365.



EPB and TVA launch new EnergyRight® Home Energy Rebates

The new EPB and TVA EnergyRight® Home Energy Rebates can save customers thousands of dollars on valuable home energy improvements like new HVAC units, windows, water heaters, insulation, ductwork and more. EPB launched the program in October 2023 with a full-scale marketing campaign designed to help benefit as many local people as possible by reducing their monthly energy bills while making their homes more comfortable and improving air quality.

As of the end of June 2024, EPB led the Tennessee Valley region in per capita participation. More than 2,170 homes have benefited from the program by earning \$585,000 in rebates which are projected to help them save an estimated 1.4 million kWh in energy usage.

EPB Energy ProsSM support customers throughout the process, including identifying what projects will save them the most money, providing guidance for getting the largest available rebates and completing Quality Assurance Checkups when projects are complete.

“The EPB and TVA EnergyRight Home Energy Rebate program helps customers save money twice—first by applying rebates to the upgrades they make at home, and second by enjoying the energy savings that come with them for years to come.”

– Elizabeth Hammitt, EPB Director, Residential Energy and Environmental Solutions

To qualify for rebates in most cases, customers must use a contractor who has gone through the process of qualifying for the Quality Contractor Network. Recognizing this as an opportunity to leverage the program to generate more positive economic activity in the Chattanooga area, EPB has engaged with local companies to more than triple the number of area businesses that are included in the network while providing them with free advertising through our promotional efforts.

At the community level, improving energy efficiency among individual customers also helps reduce overall peak demand across the Chattanooga area. This keeps energy costs lower for everyone since TVA’s energy pricing includes a charge for the highest level of energy demand in any given month.



Enhancing customer support through innovation

For the eighth consecutive year, local electric customers have ranked EPB as the Best Mid-sized Utility in the South through J.D. Power's Survey of Residential Customer Satisfaction. Beyond 24/7/365 local support, EPB continues to incorporate innovative new methods to serve customers.

For example, EPB recently enhanced technology to help customers reach the source of information they need more quickly.

- More responsive IVR technology helps customers reach support faster through automated prompts and responses.
- Text for support allows customers to conveniently text Customer Relations instead of calling, which reduces on-hold times.

"...EPB employees across the company continually work to deliver outstanding customer experiences during every interaction, whether in-person, by phone or online."

- Karen Thomas, EPB Vice President, Customer Relations

EPB also supports customers by helping them enjoy more efficient services, especially through Levelized Billing, which helps make bills more predictable.



**Providing
community value**



Commemorating history through community art

This year, artists completed murals on the fourth wall of EPB's 10th Street substation. The final commission brings the total number of murals at the location to 41. It commemorates the important history of the MLK neighborhood.

“Partnering with EPB by supporting local artists in their creation of these masterpieces has been rewarding, and we are pleased to see the lasting impact of their work even after this project’s completion.”

– James McKissic, ArtsBuild President

This year’s theme, “The Magic of Unity,” illustrates the possibilities of change when we work together as one. As with previous years, artists were selected through a competitive process, with the requirement that they live or work in EPB’s service area. Many diverse community partners have supported the project over the past four years, including the MLK Neighborhood Association and several MLK district businesses and stakeholders.



Bridging our community's needs

EPB reaffirmed its commitment to helping the most vulnerable members of our community by investing in United Way of Greater Chattanooga's Bridge Fund for the fourth time. This year TVA matched EPB's investment of \$110,000 for a joint partnership totaling \$220,000 to address basic needs like food, utilities and housing. This additional funding brings the total investment by EPB and TVA in the Bridge Fund to \$940,000.

"Approximately 40% of households in our region are currently facing financial hardship, many of them with children."

- Lesley Scarce, United Way of Greater Chattanooga President & CEO

According to LendingClub®, 61% of Americans live paycheck to paycheck. United Way's Bridge Fund offers free and confidential assistance for those who have an immediate need for food, health services, transportation, crisis relief, housing, utility payments or childcare.



HCS EdConnect builds strong foundations

Now in its fourth year, HCS EdConnect powered by EPB has grown to provide high-speed internet and Wi-Fi for more than 16,000 students, who, with their families, represent nearly 28,000 Chattanooga area residents. The program provides home-based, fiber optic internet to students in need at no charge thanks to funding by community partners.

In a survey of families enrolled in the program, Boston College researchers found that parental involvement remains consistently strong even after four years. This was particularly evident in their use of the no-cost fiber internet to access information about their child's schoolwork and to interact with school staff. In 2023, they found students with stronger home internet connections were more inclined to utilize the internet for learning new concepts and accessing information, which led to changes in their perspectives, in contrast to those with merely decent or poor connections.

“Households enrolled in the EdConnect program are using digital devices as much or more frequently than other households to support their children’s education through practices like getting information about homework, accessing grades and communicating with teachers.”

– Boston College

The Boston College study also documents the educational, economic and health benefits families derive from access to high-speed broadband. According to its findings, HCS EdConnect participants use their connectivity for school coursework, online learning, parent-teacher interactions, applying for jobs, remote work options and telehealth.



Small and diverse businesses enhance economic and community development

In 2024, EPB hosted its inaugural Supplier Diversity Day, *Energizing Communities through Economic Inclusion*, underscoring EPB's strategy to work with businesses of all sizes to enhance quality of life across the Chattanooga community. The daylong program provided a forum for small and diverse businesses to network with industry leaders and hear from experts on expanding opportunities, including how to work with EPB.

Small and diverse businesses are a valuable resource to help EPB provide world-class products, services and support for customers. Supplier diversity also generates positive benefits for our community. Over the last six years, EPB has contracted with businesses owned by minorities, women, veterans, and disabled individuals for products and services valued at \$42.7 million, including architectural, engineering, computer systems design and more. Using IMPLAN, a nationally recognized tool for assessing economic impact, EPB calculated that this spending created a total community benefit of \$63.3 million, a nearly 50% increase from EPB's initial outlay for goods and services.

“When businesses of all sizes succeed, it helps create jobs and more benefits for our entire community.”

– Kristin Copeland, EPB Manager, Minority & Women Owned Business



EPB hosts Tennessee Valley Lineman Rodeo for the first time in Chattanooga

In June 2024, EPB hosted the 28th Annual Tennessee Valley Lineman Rodeo, marking the first time the event was held in Chattanooga. Competitors from a seven-state region converged for the two-day event that featured team and individual competitions atop 45-foot utility poles. EPB promoted the competition to the whole community as a way of showcasing some of the skills and efforts that are dedicated to building, maintaining and repairing our community’s infrastructure.

More than focusing on who finishes first, the lineman competition emphasizes safety, precision and following directions, which are essential requirements in a career that *Forbes* ranked in its list of the 10 most dangerous jobs.

“Communities across the U.S. depend on energy sector workers like linemen for our access to electricity—rain or shine.”

– David Wade, EPB CEO

EPB also used the event as an opportunity to spark interest in line working and energy careers among young people who live in the local area. To do this, EPB hosted interactive sessions entitled “What it’s like to be a lineman” to raise awareness about the profession and the options for preparation and training for a career in this very in-demand field.



**Striving for
operational excellence**



When extreme weather hits, EPB is on the job

EPB's commitment to delivering reliable and resilient energy depends on the dedicated efforts of team members across the company. When storms or other incidents damage the local electric system and interrupt power, the entire organization springs into action.

While the Smart Grid functions autonomously to promptly reroute power and minimize the impact of outages for many customers, within seconds, EPB's teams mobilize quickly to complete the restoration as quickly as possible. For customers who aren't automatically restored, operators in EPB's Control Center remotely switch circuits to further reduce the impact of outages and can frequently restore many more customers within minutes.

The Smart Grid helps minimize the number of customers impacted during storms. However, the physical damage to the infrastructure still requires the tireless work of EPB operations employees to make repairs. Regardless of the time, weather or challenge, our employees respond and work as quickly as possible until all customers are fully restored.

When damage is widespread and significant, EPB crews work around the clock, and when necessary, call in as many additional contract utility crews as are available to further accelerate repairs. During one damaging storm this spring, EPB engaged more than 400 utility workers, some from as far away as Florida and Indiana, to complete the restoration.

At the same time, other members of the team provide customers with outage information. The MyEPB app provides updates about when customers can expect to have power reconnected based on information input by repair crews. Meanwhile, EPB's 24/7/365 award-winning, all-local Customer Relations Team keep them informed by answering phone calls, emails and webchats to address questions and provide up-to-the-minute information.



EPB Broadband Solutions drives local economic growth

EPB's Broadband Solutions works with communities across the nation to help them successfully deploy and manage broadband networks. EPB Broadband Solutions has established contracts to support 29 out-of-market fiber optic providers, which currently have more than 160,000 subscribers and the potential to serve as many as 985,000 homes and businesses in communities all over the country. Broadband Solutions also works with 34 providers operating inside EPB's footprint.

To help providers succeed, EPB team members across the company deliver various services, including 24/7 technical support for residential and businesses customers.

In Fiscal Year 2024, Broadband Solutions signed a record number of six new broadband service customers representing 165,000 subscribers. Among existing Broadband Solutions customers, EPB Tech Support managed a high call volume of about 10,000 calls per month.

Most importantly, EPB Broadband Solutions provides services to other communities and brings additional revenue into the local economy. As a result, the effort supports new local job creation as part of EPB's mission to support economic development in Chattanooga.



Behind the scenes of Chattanooga's growth

As Chattanooga's growth in recent years has pushed the total number of local electric customers to nearly 200,000 premises, EPB crews and engineers have been busy behind the scenes designing and constructing the new infrastructure necessary to provide services to these newly built facilities. These efforts are also supporting rapid business growth across the community.

When it comes to large commercial developments and neighborhoods, EPB's work often begins years in advance of actual construction. While projects are still in their planning phases, EPB is at the table providing guidance on the best and most cost-effective way to construct new developments while integrating them into Chattanooga's electric grid. In addition, EPB offers new construction growth credits to offset electric infrastructure costs and support continued development in our community.

As developers move into their construction phase, EPB works closely with them to align the installation of infrastructure with their construction schedule. EPB also continues to provide personalized service and expertise throughout the project. To ensure EPB has the necessary equipment and materials on hand to keep these projects on track, EPB's purchasing team projects future needs often years in advance and stocks critical components to ensure they'll be available when needed.



Maintaining infrastructure

Wind-blown branches and fallen trees are the #1 cause of damage to local infrastructure. EPB Vegetation Management is dedicated to a proactive trimming program to preserve essential power and fiber optics services while preserving healthy trees and fostering positive relationships with customers.

EPB Vegetation Management is responsible for managing the pruning of trees along more than 3,000 miles of power lines and infrastructure, roughly the distance between Chattanooga to Phoenix, Arizona and back.

The EPB Energy ProsSM responsible for vegetation management are arborists who have been certified by the International Society of Arboriculture. They ensure that contracted vegetation management professionals follow all proper pruning practices.

EPB Energy Pros also share their expertise through the Free Tree ReLeaf program with Reflection Riding Arboretum and Nature Center and the City of Chattanooga. The partnership distributes 2,000 free native tree and shrub species annually and educates customers about best practices for planting to avoid future tree-related power outages.



**Focusing
on the future**



EPB Quantum NetworkSM establishes groundwork for growth

Following its launch in 2022, EPB Quantum Network continued to reach new quantum firsts, including welcoming its first customer in late 2023: Qunnect, a leader in quantum-secure networking technology. Through a series of on-site validation runs, EPB worked with Qunnect and Qubitekk to accomplish another quantum industry first: operating their hardware to jointly support a distribution protocol on a commercial quantum network.

With Congressman Chuck Fleischmann (above, center), EPB and ORNL announced the new Collaborative for Energy Resilience and Quantum Science (CERQS). CERQS builds upon 10 years of collaboration between EPB and ORNL in joint energy-related research. New work will focus on technologies and best practices for enhancing the resilience and security of the national power grid while accelerating the commercialization of quantum technologies.

“There’s tremendous potential for ORNL to build on our work with EPB. By bringing together our respective research capabilities and cutting-edge deployment, we can substantially advance research and move it toward practical application and commercialization.”

– Stephen K. Streiffer, ORNL Director



Enhancing infrastructure to further strengthen resilience

In October 2023, the U.S. Department of Energy (DOE) awarded Chattanooga \$32.3 million in Grid Resilience and Innovation Partnerships (GRIP) funding, which EPB will use to strengthen the resilience of local power services and create more job opportunities.

“Every EPB customer will benefit from these projects.”

– David Wade, EPB CEO

EPB is prioritizing work in areas that most frequently experience power disruptions from storm damage and other causes:

- Add 15 MW of storage through six 2.5 MW battery installations, primarily in rural and underserved areas.
- Invest to move 101 miles of overhead power lines to underground lines.
- Improve electric system resilience by replacing 1,338 power poles to significantly prevent and minimize damage and outages to withstand future severe weather.

In accordance with the U.S. DOE GRIP program’s emphasis on enhancing economic opportunities, EPB will also utilize the funding in pursuit of its continuing mission to serve the community by establishing partnerships that increase local job opportunities through training and other programs.



Workforce development

EPB's mission to improve quality of life in our community includes the employees of tomorrow. Because our services and infrastructure deployments also create future opportunities, EPB supports students who will be valued members of Chattanooga's workforce in the years to come.

EPB supports STEAM (science, technology, engineering, art and math) programs across Hamilton County to empower developing talent, reach underserved communities and enrich our community today.

- ArtSpark Goes to School completed the program's sixth year, engaging about 850 students in a curriculum to learn about electricity while creating artwork for public spaces. Since the program was launched, ArtSpark has engaged more than 4,000 students and the selected student designs have beautified 58 utility boxes.
- EPB Future Ready Institute of Technology and Networking at Tyner Academy's curriculum provides training in computer systems and networking skills to prepare students for technology careers.
- Gig City Goes QuantumSM delivers educational opportunities to students K-12, collegiate and postgraduate educational institutions to prepare Chattanooga for the Quantum Age.

"Students represent the future leaders of our community who are better prepared because of programs like this."

- Chattanooga Mayor Tim Kelly