



December 4, 2025

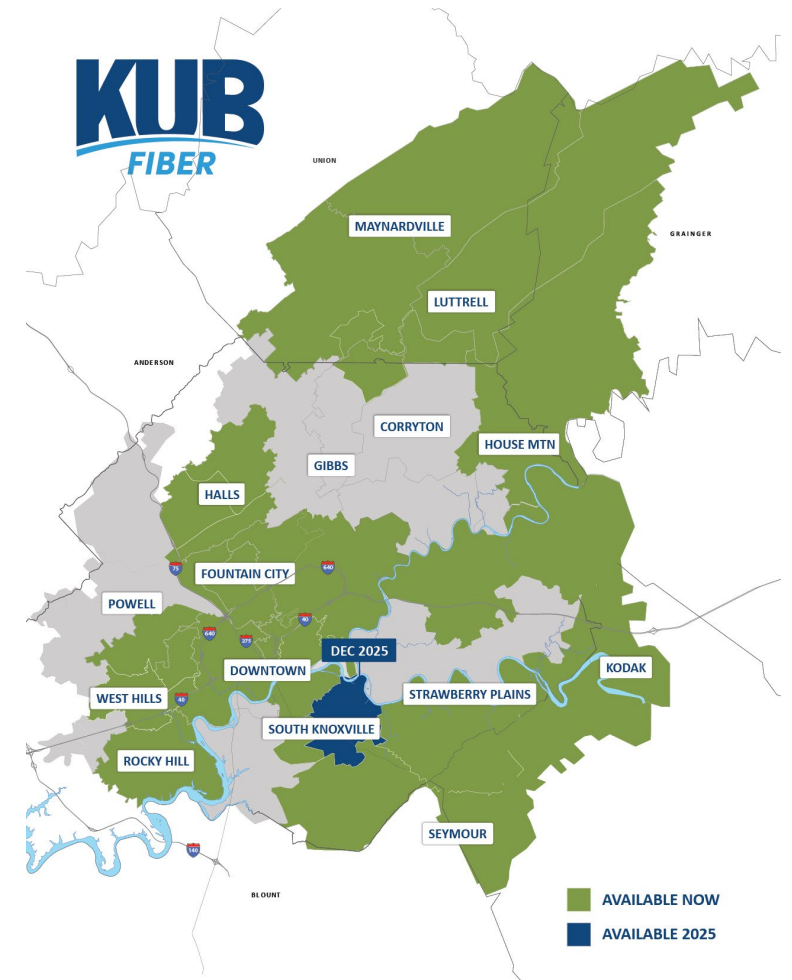
# Community Advisory Panel Fiber Update





# FY26 Construction on Target

- Installed 231 miles of fiber in first quarter of FY26
  - FY26 Goal: 700 miles
- Service available to an additional 15,000 customers
  - FY26 Goal: 32,000 additional
- Currently available to 117,925 customers
  - FY26 Goal: 134,000
- Construction on target and on budget

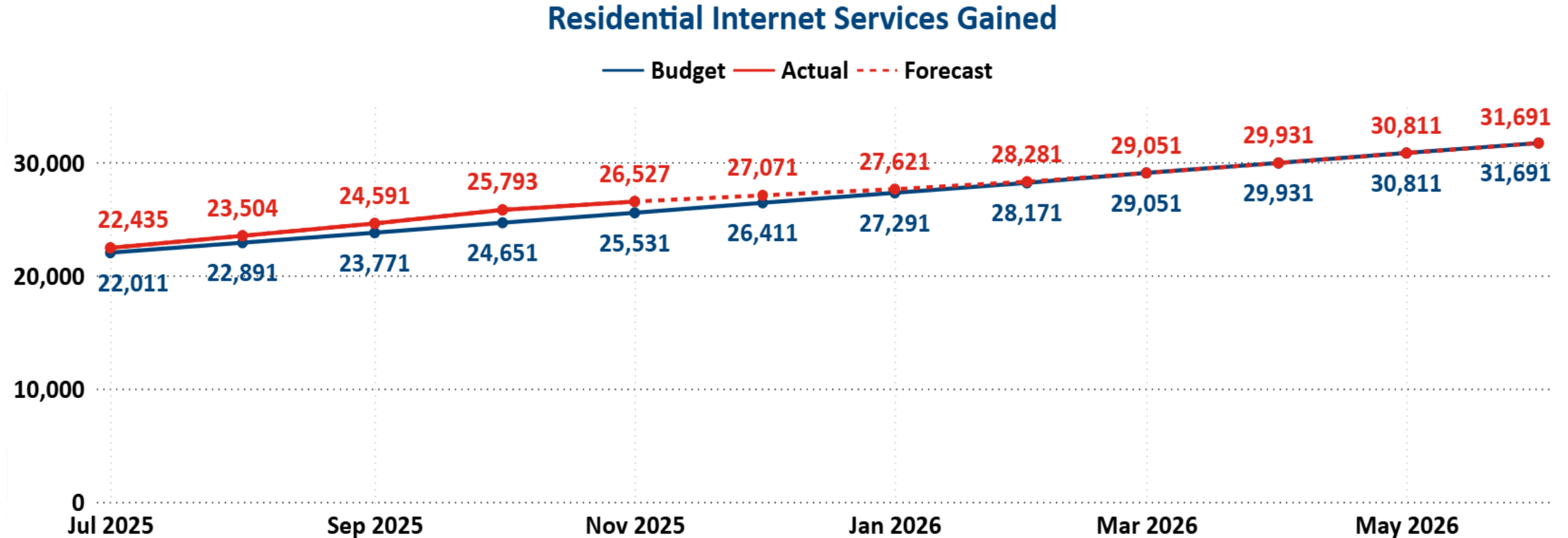


# Strong Customer Growth Continues in First Quarter

- Exceeded sales goals again this quarter
  - Goal: 2,613 new residential customers
  - 3,278 new residential customers
- Currently 28,154 internet customers total
  - 26,768 residential, 1,386 business
- Customer retention at 99%



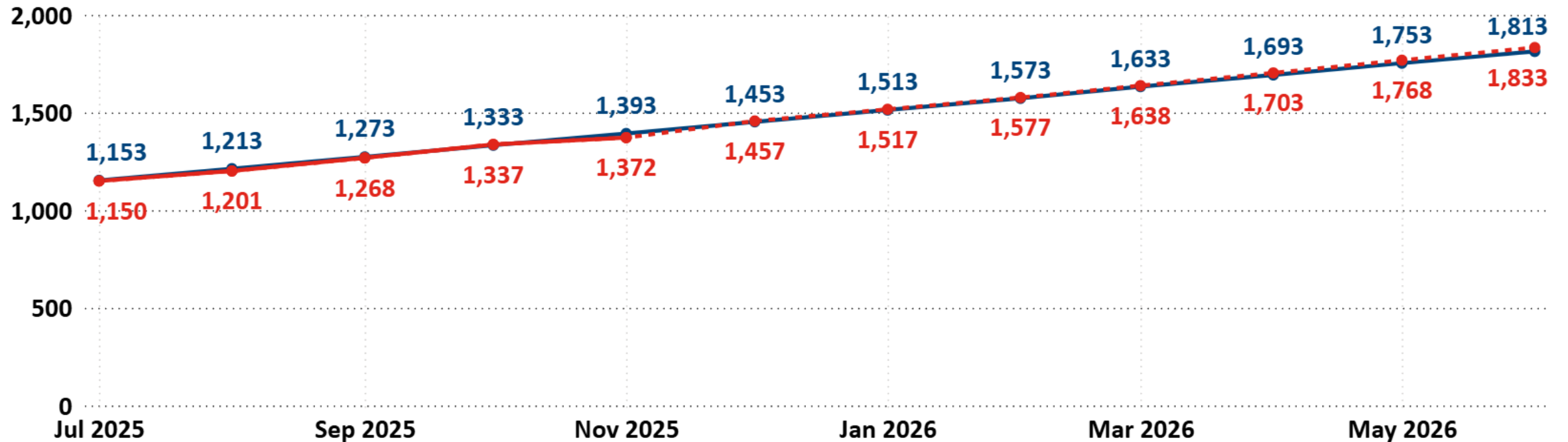
# Fiber Residential Internet Customer Count



# Fiber Business Internet Customer Count

## Business Internet Services Gained

— Budget — Actual - - - Forecast



# Budget Analysis

- Original plan called for \$442 million in electric capital
- Current forecast is within 5% of original plan
- Inflation is main source for variance
- Budget adjusted in FY25
- Performance has been at/under adjusted budget

# Economic Development

- Consumer savings from competition cited by Boyd Center as key element of economic development related to KUB Fiber
- Landscape has changed dramatically with introduction of KUB Fiber

Company	Package	Base	Promotional
Xfinity	1 Gig	\$110	\$70
AT&T	1 Gig	\$90	\$55
Spectrum	1 Gig	\$70	N/A
WOW	1 Gig	\$70	\$50
KUB	1 Gig	\$65	N/A



# Local Job Creation

- Initial plan called for hiring of 200 new staff
- 124 employees hired to date
- 33 additional to be hired in the next 12 months
- Average wage: \$69,000





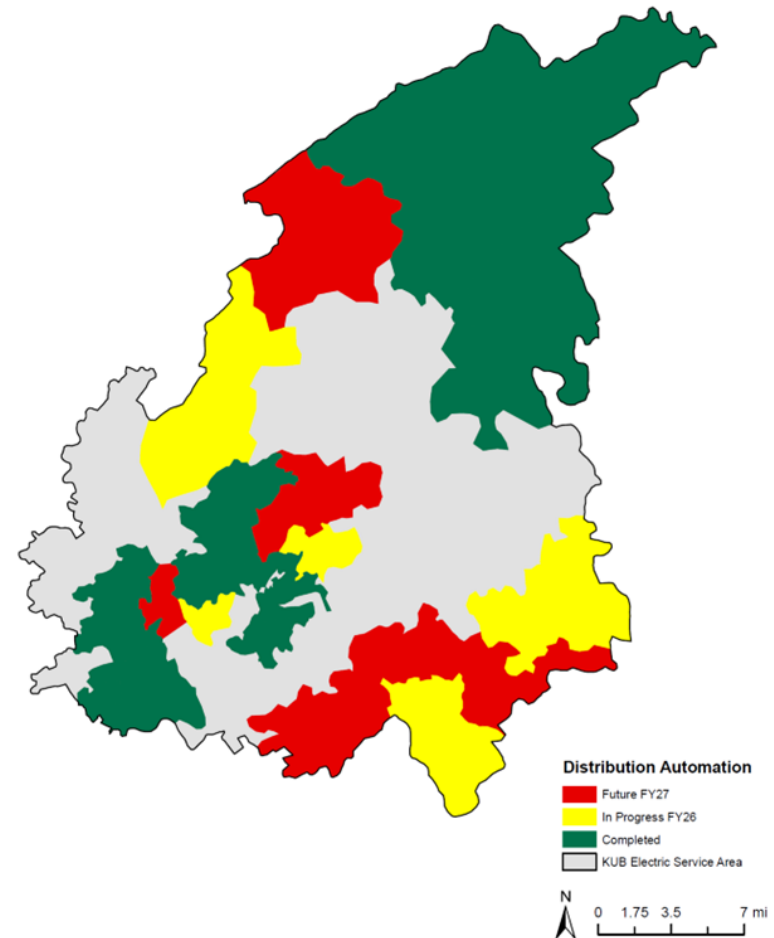
# ConnectED Continues to Grow

- Provides high-quality internet services for low-income families in Knoxville and Knox County
- 385 households currently served
- Program reaching over 500 students across 68 different Knox County Schools
- FY26 Goal: 400 households
- Received first private foundation support this quarter



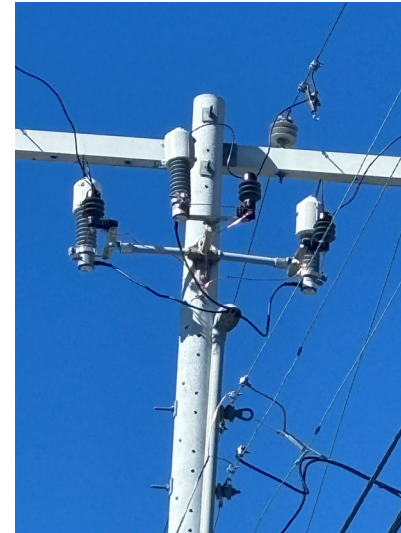
# Leveraging Fiber

- Smart switches
- Over 400 units installed
  - Additional 720 units FY26-FY30 (\$47.5M)
- Over 81,000 customers protected
- Impact: Avoided customer interruptions
  - FY25 – Over 10 million minutes
  - Total – Over 36.9 million minutes



# Grid Modernization

- Voltage optimization - \$3.7M
  - Targeting 15-20 MW by FY34
  - Improves system efficiency
  - Reduces peak and demand cost
- Battery energy storage - \$8.5M
  - Targeting 20 MW by FY34
  - Enhances system reliability
  - Reduces peak and demand cost
- Microgrid - \$3.8M
  - HOC Campus Pilot in FY29





# Serving Rural Internet

- Limited or no service in Grainger and Union Counties
- KUB received matching grants from State of Tennessee for construction
  - Total \$11.1 million grant
    - Total construction cost: \$15.9M
- Strong sales in these areas



# New Creative Being Launched

- Continues on themes of “fastest” and “local”
- Expanded partnership with Vol Network
- New “brought to you by” and customer testimonial spots



# Discussion

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- If KUB Fiber is available to you, what are the reasons you haven't chosen to sign up?
- How important is it to you to bundle your mobile phone and internet together?
- When you think of your interactions with KUB Fiber (service, marketing, feedback from others, etc.), is there anything KUB should know as we strive to improve our service and customer satisfaction?





# KUB

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**UTILITIES BOARD**