

Knox County Commission



JUSTIN BIGGS

COMMISSIONER, AT-LARGE SEAT 11

June 24, 2021

Dear members of the Knoxville City Council and the Knoxville Utilities Board of Commissioners,

Recently our community has followed with great interest the proposal from the Knoxville Utilities Board to spend approximately \$700 million over 10 years to move into the broadband business. From reports it appears that \$500M covers the capital costs with an additional \$200M for interest on bonds, taxes, and the loan to the fiber division.

This initiative would be spent on areas where 98% of the public already have three distinct options for broadband service.

In addition to the massive debt, a 9% increase in electric rates is expected over a three-year period.

From the perspective of Knox County government this will result in an annual increase in our current electric bill of \$450,000 annually and a \$4.5 million increase over a ten-year period. This is money which could be spent on creating safer schools, teacher and deputy raises, and other strategic initiatives.

The Knox County government over the last 15 years has invested heavily in energy efficient systems. This KUB rate increase would wipe out a significant amount of these savings.

To be candid, this is a "tax increase" for all KUB electric ratepayers for a service that is provided by the private sector. I think there can be considerably better proposals compared to the KUB plan of \$700 million, a 9% rate increase and 10 years to serve those currently without broadband.

I would like to respectfully suggest City Council postpone a decision until a workshop can be held between the City, County and KUB.

I greatly appreciate your thoughtful consideration.

Sincerely,

A handwritten signature in blue ink that reads "Justin Biggs".

Justin Biggs
Knox County Commissioner At-Large