



With more than 2,000 miles of water, sewer and electric utility lines located over 600 square miles, the work that NU performs is not simple or easy. In order to provide essential and responsive utility services to our more than 21,500 customers across three counties, NU employs 95 full-time and five part-time employees to carry out the work associated with its water, sewer and electric utility operations. NU is the out-of-sight and out-of-mind infrastructure and economic engine that makes our community work. Therefore, maintaining and improving our systems is imperative to ensure that those that rely on us continue to have 24/7 utility services. In order to adequately maintain and improve these systems, NU must continue to be proactive, thinking ahead and predicting and planning for the future. Additionally, like many other utilities, NU is facing a rapidly-changing operating, personnel, and regulatory environment.

WHERE WE'VE COME FROM

The City of Newport was incorporated in March of 1903. In 1911, \$50,000 in bonds were issued for the purpose of improving the City's water and sewer systems. With the approved bond money, the town purchased the Gray Spring, which produced 150 gallons of water per minute (GPM). Through the years, the City relied on various public and private wells to supply water. In February 1939, the City, by private act, created a three-member "Board of Public Utilities" to manage the Newport water system.



In March 1939, by private act, the City of Newport created a three-member "Board of Public Utilities" to manage an electric system. In February 1940, the City of Newport purchased the existing electric system from TVA for \$240,000. The Newport Electric System consisted of 1,281 customers.

In April 1949, the City combined both "Boards of Public Utilities" into a single five-member appointed

board called the "Newport Utilities Board" (NUB) with management authority over both the electric and water systems.

In March 1959, by private act, the "Newport Utilities Board" was authorized to manage and operate the Newport sewer system, consisting of a limited wastewater collection system that discharged into the Pigeon River. Also in 1959, the "Newport Utilities Board" built its original main office and moved all three departments from the previous City Hall to 300 East Main Street. This building now serves as Newport City Hall.



In December 1962, the "Newport Utilities Board" began operating its first wastewater treatment plant, located between Chemwood Drive and the Pigeon River. To service the growing community and expanding industry, the existing 4.35 million gallons per day (MGD) wastewater

treatment plant was built at 465 Lisega Blvd. in 1979.

In 1963, the Cocke County Water Utility District built a new 3.0 MGD surface water treatment plant at 850 Cedar Street and began withdrawing water from the French Broad River. At that time, the "Newport Utilities Board" discontinued its use of well water and began purchasing all of its water from the Cocke County Water Utility District. In 1980, the "Newport Utilities Board" purchased the Cocke County Water Utility District and expanded the plant to 6.0 MGD.

The "Newport Utilities Board" water department now serves all of the City of Newport and a large portion of Cocke County, including portions of Jefferson and Sevier Counties.

In 1988, the "Newport Utilities Board" built its existing Charles Rhyne Operations Center, located at 1419 West Highway 25-70. The Operations Center houses the electric, water and wastewater construction crews, as well as the electrical engineering, vehicle maintenance garage, warehouse, and billing and meter reading.

In June 2000, "Newport Utilities Board" adopted a logo and a new name: "Newport Utilities." The name change with the new NU logo was made to coincide with moving into the newly constructed administration building,



located at 170 Cope Blvd. The new administration building is home to administration, customer service, accounting and finance, human resources, and information technology. The building includes two drive-through lanes, five inside window workstations for servicing customers, and two workstations to support new customer construction projects.

In 2005, by private act (City Charter amendment), the number of Newport Utilities board members was increased from five to seven. At that time, at least one of the seven must be a current member of the board of mayor and aldermen.

In October 2015, the customer service area within the administration building was updated/remodeled to accommodate the new needs and requirements for customer service. Technology advancements and self-service functionality available to customers have dramatically changed since the year 2000. To provide an example of how technology has improved our service is that, since 2000, the significant decrease in the volume of *payment only* transactions at the main office; NU has provided the availability of web payments, smartphone payment apps, auto-pay processes, and 24/7 secure payment toll-free phone service. This change alone required a total renovation of the customer service department workspace. The shift has been well received and has proven to be more efficient for both customers and staff. During these renovations, an outdoor, automated customer service kiosk was installed for additional customer convenience.

WHO WE ARE AND WHAT WE DO

In order to provide essential utility services and respond to customer needs, NU employs 95 full-time and five part-time employees. The employees at NU possess an exemplary work ethic, are highly skilled, and work together to provide the service expected by our customers.

In addition to the employees of NU, the Newport Utilities Board of Directors works with management in setting policy and maintaining oversight of the organization. Board members are appointed by the City of Newport Board of Mayor and Aldermen. The Board of Directors is also instrumental in the strategic planning and future growth of NU. Glenn Ray is the General Manager.

We supply residents and businesses of Cocke County, and portions of adjoining counties, with reliable electricity; clean, safe water; and the collection and treatment of wastewater. Our customers expect and receive good value, comfort, convenience, security, and a clean, healthy environment. We recognize that our products and services provide a better quality of life to those we serve.



As of June 30, 2015, we provide services to 21,735 electric customers and 10,568 water customers located in Cocke County and adjacent portions of Sevier and Jefferson counties. We also provide for the collection and treatment of wastewater for 4,375 customers, mostly within Newport city limits.

Electric Services Overview

The NU electric system consists of eight substations, as well as 1,450.47 miles of distribution lines and 32.84 miles of transmission lines. From the generation of power from TVA, through Newport Utilities distribution system, more than 21,000 homes and businesses in East Tennessee rely on clean, safe electrical power at noticeably competitive rates.

Electrical Statistics

Supplier: TVA

Delivery Voltage: 161 KV (2 points)

Substations: 7

69 KV Transmission: 33 miles

13.2 KV Distribution: 1450 miles

Service Area: 600 Square miles

Customers: 21,500

Newport Utilities' fleet of 25 maintenance vehicles, 24/7 dispatch console, and well-trained and certified electrical technicians assure prompt response to both new installations and any service interruptions. Newport Utilities state-of-the-art 24-hour Outage Management System (OMS) automated reporting system not only allows for immediate notification of outages, but automatically calls residential telephones to announce the resumption of service.

Our electric service market is geographically defined by our abutment of facilities to our neighboring utilities. Infill provides a potential for economic growth and provides excellent marketing opportunities.

Water Services Overview

Newport Utilities raw water comes from the world's third oldest river, the French Broad, running over and through the Great Smoky Mountains from North Carolina into Cocke County, Tennessee. Newport Utilities maintains a 6.0 MGD capacity processing facility, with a modern quality testing laboratory. A safe and adequate drinking water supply is assured through our commitment to excellence. When a customer turns on the tap or needs a reliable source of clean water for a business, the customer can be assured that the drinking water is safe, clear and good tasting.

The NU water system distributes water from the 4.35 MGD plant to 404.8 miles of water lines using 15 booster stations (pumps) and 23 storage tanks, which create 17 different pressure zones.

Newport Utilities water supply meets and exceeds established water quality standards prescribed by the Safe Drinking Water Act of the Environmental Protection Agency. Fluoride is added to comply with quality water specifications. Water report and information regarding testing procedures and results are available on NU's website.

Our water market is limited by the economic feasibility of extending into low customer density infill.

Water Statistics

Rated Capacity: 6 MGD

Reservoir Capacity: 10.6 MG

Average Flow: 4.4 MGD

Water Lines: 405 Miles

Storage Facilities: 23

Fire Hydrants: 564

Customers: 11,515

Wholesale Water: Provided to the Town of Dandridge, Sevier County Water

Department and Webb Creek Utility District

Wastewater Services Overview

Newport Utilities Wastewater Treatment Plant can process more than 4.0 MGD daily. Using modern treatment techniques and constant monitoring the treatment process in an on-site laboratory by state-certified operators, Newport Utilities assures appropriate and continuing services to its more than 4,000-unit customer base. Newport Utilities protects the families, neighborhoods and businesses it serves from disease by safely transporting sewage to treatment facilities.

Newport Utilities cooperates with local manufactures to assure proper processing of special or uncommon wastewater products so that they are handled in a safe and efficient manner. Continuous monitoring of discharge is a pledge of this environmentally-friendly Wastewater Treatment Plant.

Wastewater Statistics
Rated Capacity: 4.35 MGD
Average Flow: 2.8 MGD
Sewer Lines: 98 Miles
Pump Stations: 41
Manholes: 1,200
Customers: 4,441

The wastewater system collects and conveys wastewater through 71.7 miles of gravity lines, 26.2 miles of force mains, and 41 lift stations (pumps). Wastewater is treated at the NU wastewater treatment plant (WWTP), a 4.36 MGD facility. Recent upgrades and expansions make Newport Utilities' WWTP a model for East Tennessee.

We are proud to be a recipient of the Kentucky-Tennessee Water Environment Federation Wastewater Operational Excellence Award, conferred to recognize the dedication, resolve, and

outstanding efforts of the employees of this facility by having no more than one violation of its NPDES permit limit for 14 of the last 15 years.

Our wastewater market is limited by the economic feasibility of extending into low customer density infill.

Planning for the Fiber Future

Technology will continue to affect the way businesses and people conduct most aspects of their lives. NU continues to improve our technology systems. Other technology that is having a huge impact in the electric industry is the "smart grid." This innovation has many aspects. How it will unfold and the total impact on electric operations and customer experiences remains to be seen. Fiber connectivity can be a great economic asset to the community. Having fiber throughout the County will help NU with its strategic plans in all three departments. All departments would have access to more reliable, dependable and faster connections within its Supervisory Control and Data Acquisition (SCADA) systems to all sub-stations, relays, regulators, tanks and pumps with access to real-time data, video, security and network access. Fiber will also help the Advanced Metering Infrastructure (AMI) system with near instantaneous readings from meters, which in turn will decrease time at critical moments when doing voltage reduction.

Broadband service can bring more businesses to the area which, in turn, will create more jobs locally. Having fiber internet connections to homes will allow school children to research for homework, improve their grades, and better prepare them for college. Once completed, the possibilities and opportunities to the community provided by the high-speed fiber connectivity are endless.

SmartGrid Fiber infrastructure deployed across NU operations would allow the organization to improve operational efficiencies, increase reliability, and provide the platform necessary to offer energy efficiency programs to end customers. SCADA systems for water and sewer operations will also be significantly improved when transitioned to fiber/broadband communications infrastructure.

This connectivity unleashes the potential to provide a better quality of life, increased access to services, improved operational efficiencies for businesses and community partners. It also creates an environment to promote economic development opportunities for Cocke County as a whole by ways of small business, industrial development, expanded tourism, and new residential development.