

TULLAHOMA UTILITIES AUTHORITY

Electricity, Water, Wastewater **Television, Internet, Telephone** 901 S. Jackson St. Tullahoma, TN 37388 www.tub.net



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TMEPA Member Spotlight – May 2017

Tullahoma Utilities Authority has served customers within the small Tennessee town in some capacity since the early 1900's. How the establishment got its start began in 1901 when the Electric Light and Water Works Commission was formed on April 15th of that year for the purpose of erecting and operating a generating plant for the city.

In 1911, Abbott 'Dad' Daniel was the city's sole electric worker. He read meters, wired houses, ran wire to poles and hooked up new customers. That was a modest beginning in comparison to today as TUA operates with an electric crew consisting of the department vice-president, two associate engineers, a line foreman, six line workers, three driver/operators, and one mechanic who maintain the electric system, which consists of 250 miles of distribution line.

In 1912, the Board of Electric Light, Water Works, and Sewer Commissioners established rates of 10 cents for the first 50 kilowatt hours of electricity used, eight cents for any additional usage, and 25 cents for rental of electric meters. A contract to supply electric power to city residents was awarded to the private firm of Cummings and Brown.

From these auspicious beginnings, the Board of Public Utilities for the City of Tullahoma was born in 1947, when TVA assumed the distribution of electricity from the Tennessee Electric Power

Company. Although TVA had been established in the mid-1930s, Tullahoma leaders did not enter a contract with the federal agency for over 12 years.

Due to mounting pressure from TVA to supply city residents with lower electric rates and a promise to compensate the city annually for the loss of revenue, Mayor Olney Anderson entered into a contract with TVA, and formed a separate board for electricity on September 13, 1948. The first Board of Public Utilities consisted of F.I. Couser, O.D. Wiseman and E.I. Hitt, chairman. Serving as manager was A.H. Sanders, and Elmer Rose was secretary/treasurer. Assets amounting to \$305,637 were turned over to the board.

On August 12, 1977, ground was broken for the current Tullahoma Utilities Authority building on South Jackson Street. Designed by Sverdrup & Parcel, the building and warehouse were projected to cost \$1.3 million and were funded with the aid of a Federal grant secured by former U.S. Rep. Albert Gore Jr., who was on-site at the groundbreaking ceremony.

Throughout the years, TUA has serviced the city with all of its electric, water, and sewer needs. Then, in 2008, TUA ventured into a new realm—the world of advanced fiber optics.

Under the direction of current TUA President Brian Skelton, LightTube was born and serves the people and businesses of Tullahoma by providing ultra high-speed internet, quality television, and crystal-clear phone services.

"Our board made the decision to build LightTube for Economic Development – to help our existing businesses grow and to help bring in new businesses to our community," said Brian Skelton. "LightTube ultra high-speed Internet also allows many of our customers



to work from home. The bonus result of building this system is that all of our residential LightTube customers now have the highest quality High Definition television service available anywhere, along with crystal clear, low-cost telephone service." Additionally, LightTube offers over 140 HD channels and the most local programming around. Not to mention, the fiber system boasts unbelievably reliable and fast internet speeds up to 1 Gigabit per second.

In 2011, TUA made the decision to move toward Time Of Use (TOU) rates, as the utility purchased power from TVA at different rates depending on the season and time of day.

In order to move to a TOU rate structure, TUA first needed a new way of monitoring customers' meters. In 2012, bids were taken for an Automated Metering Infrastructure (AMI) system and the contract was ultimately awarded to Mueller Systems.



TUA smart meters were operational by early 2013, with trial runs performed for billing thereafter. By the end of that year, the utility started billing customers using the new system. Customers have accepted the advanced meters well. A few were reluctant to give the utility permission to come onto their property to install the meters, but in the end, only one customer declined to have a smart meter installed, opting instead to pay a fee each month to have the meter read manually.

With the meters successfully installed by TUA employees, it was now time to implement TOU billing. The difference in residential rates between on– and off-peak rates was 5 cents per kilowatt hour in the summer and three cents per kilowatt hour in the winter. This reflected a bit more of a differential than in the TVA wholesale rates, but Tullahoma wanted to create more incentive for customers to conserve energy during on-peak times. TUA communications staff worked diligently to let customers know the advantages and control they now had over their individual bills with TOU rates in place. In 2016, TUA made the move to become an Authority, a separate entity from the city, allowing multiple benefits for both the utility and the city. The move allowed TUA debt to be cleared from the city's books, as well as allowed the utility to have more control over purchasing/selling property, among other things. With the move, the utility's name officially changed from Tullahoma Utilities Board to Tullahoma Utilities Authority.



Additionally, TUA has been awarded the Tree Line USA recognition for six years by the Arbor Day Foundation, won the 2010 & 2015 Community Service Award from TMEPA, the 2015 Community Service Award from American Public Power Association (APPA), and has been recognized as a Reliable Public Power Provider from APPA annually since 2007. TUA President Brian Skelton has garnered several awards over his tenure at the utility including the APPA's 2015 Harold Kramer-John Preston Personal Service Award.

Community service is a high priority for TUA's 82 employees. Annually, employees host a Water Week Celebration, a Public Power Week Celebration, a Tailgate Party for the local high school students, and a free movie night in the park.

