



Electric • Water/Sewer • Natural Gas • Cable/Internet

System growth and innovation are keys to future customer needs

The success of a hometown utility like Fayetteville Public Utilities is dependent on how well it responds to the needs of its customers. FPU is dedicated to meeting the needs of our community by following four core values: integrity, accountability, innovation, and commitment to community.

As our new fiscal year begins, we remember these cornerstones as we continue to face the challenges of community growth, changing technology and system improvements that must be addressed to secure the quality of life in our rural community.

As we look forward with a positive approach to do what's right for our customers, we will be concentrating on the immediate concerns of each FPU department, and we will keep you informed of our progress as each area develops.

I am pleased to report that FPU will continue installing Electronic Receiver/Transmitter (ERT) meters and retrofit devices for gas, water and electric meters. Although electric companies lead the industry in automated meter-reading, FPU is applying the technology to natural gas and water services as well. The ERT devices communicate meter readings via radio signals that are sent to handheld computer devices to accurately record monthly meter readings. Currently, FPU has installed 13,000 ERT meters, and retrofit devices have been installed on 3,580 natural gas meters and 110 water meters. While the main objective is accurate and efficient meter-reading, the ERT system has also provided an operational cost savings to the utility.

Other areas of improvement in the new fiscal year include plans to construct a new electric substation in the southern region of Lincoln County. Our board of directors recently approved a \$17.7-million, three-year work plan to bring the electric department where it needs to be. With residential growth trends producing a higher demand for electric service in

the area, FPU has begun the initial process of substation design and potential load transfer for the new substation.

Equal to the concern of electric supply are the concerns over the moratorium placed on our sewer system. Simply stated, the moratorium prevents FPU from constructing new sewer services until current maintenance issues with portions of existing sewer lines are addressed and improved. The two main areas of concern are what we have labeled the Tanyard Branch and Laten Bottom areas.

I assure you that FPU is aggressively working toward correcting the maintenance problems at these

locations, and we have hopes of obtaining a partial lift of the moratorium. A partial lift of this ban on new sewer construction will allow FPU to provide sewer services to new customers in our service area while we work to make repairs to our existing plant.

If our proposed sewer line design is approved by the Tennessee Department of Environmental Conservation and we secure the \$450,000 Community Development Block Grant (CDBG) that we applied for some weeks ago, FPU will begin construction immediately in the Tanyard Branch area. FPU officials have worked closely with state representatives, seeking their support of the grant, and have expressed the importance of the system upgrade in our community. In October, we will know if FPU has received the grant in order to press forward with our plans for system rehabilitation.

If, for some reason, FPU does not receive the CDBG grant, we do have other financial avenues that we will pursue to get the needed upgrades done.

In conjunction with the Tanyard Branch work, we also plan to replace and upgrade four sewer lift stations, one of



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Call the FPU Customer Service Department for details at (931) 433-1522.

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which is also a concern under the moratorium, the Laten Bottom area off Lewisburg Highway.

Other construction projects will include the completion of water and sewer line relocations for Highway 64E and the water line for Norris Street bridge construction.

It is important to note that Fayetteville is not the only community in the state under such restrictions of a moratorium. And like other water and sewer systems, FPU is conducting an in-depth study with the assistance of the Municipal Technical Advisory Service (MTAS), an Extension service of the University of Tennessee, to evaluate our current water and sewer rates as compared to the cost of providing these utility services in our area. MTAS is looking at several areas, including service policies, water tap fees, capacity charges and more to assess the true cost of providing service to our customers.

We all agree that there is a reasonable rate to pay for quality, reliable service, and careful consideration will be given by our board of directors to the results of the MTAS study and the current issues we face on behalf of the water and sewer system.

Although not as pressing as the electric, water and sewer concerns, we are planning upgrades to two natural gas regulator stations this year to enhance reliability of our system and high-pressure gas supply to the area.

No major line extensions are planned for FPU's telecom nor natural gas departments, but we will continue to build services to new homes constructed in the city and Park City areas where the FPU gas and telecom plant exists.

Our telecom department, too, is facing more digital upgrades by 2009 as federal legislation calls for all television service to be provided in digital formats. We already offer some digital programming, but in compliance with the new government mandates, all cable service providers may possibly be required to

upgrade all analog channels to digital. Along with this, we are currently adding bandwidth to our Internet service as more and more customers use our service and customer needs have increased for both bandwidth and speed. As always, we will continue looking at new technology and higher standards of providing your cable TV and Internet service.

This year, FPU is also moving in the direction of overall Global Positioning System (GPS) mapping of the system to incorporate all utility lines. This integrated GPS mapping system will assist personnel during future plant construction and cases of emergency.

In the area of customer service, we are reintroducing the *energy right*® programs through TVA, which offer convenient financing for the installation of electric heat pumps, dual-fuel heating systems and electric water heaters. The *energy right* programs are just one way we can offer assistance to those customers looking for professional advice, energy efficiency and quality installation of major appliances for the home. Also, if you're planning to build a new home, we encourage you to check with us first for ways to build a more energy-efficient home and save on your monthly utility bills by using the *energy right* New Home guidelines.

These are the challenges and opportunities we face. FPU must devote time to system growth and reliability in all areas of service while upholding our position on integrity, accountability, innovation and commitment to community. When looking at how we can improve our system in all areas of utility service, it's apparent that FPU must be in the forefront to supply the services and technology that today's customers expect. We will "raise the bar" by the end of 2008 when it comes to quality customer service and system reliability.

I firmly believe that doing the right things now not only serves us today but also future generations of FPU customers.



The school supply you can use all year... INTERNET ACCESS FROM FPU!

The number one item on your kid's back-to-school list should be reliable and affordable Internet access from Fayetteville Public Utilities.

- Find valuable reference and research tools for homework and class projects
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So go back to school with the most valuable tool you can give your child - Internet access from someone you know and trust.

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Bryant retires with 40 years of service to natural gas department

With almost 40 years of service, Danny Bryant, manager of the FPU natural gas department, has retired. Danny has been a leader in the natural gas industry, and here in Fayetteville, he's been the driving force behind several major system improvements of our gas system.

Danny began working at the former Fayetteville Gas System (FGS) in December 1967 after completing two years in the Army, where he was stationed in both France and Germany. "When I was hired at the gas system, it was still a fairly new operation," says Danny. "We had about 1,400 customers at the time. I was hired as the seventh employee of the gas system. Now we have 15 employees in the department and are serving 6,000 customers."

Danny began working as a laborer for the gas system and assisted with gas line construction, installing and repairing gas meters, reading and setting meters, lighting pilots and more. He spent his first two years in gas line construction and then five years in the meter shop. Soon, Danny became a certified steel pipeline welder when Federal Pipeline Regulations were enacted. In the late '70s, Danny was promoted to gas operations superintendent. Then in 2000 he was appointed by the FGS board of directors to serve as interim manager. Six months later, he was made the general manager of the gas system.

During his years as manager, Danny, along with gas system employees and the board, devised several aggressive plans to bring the system to where it is today. Those plans included purchasing and installing the Supervisory Control and Data Acquisition (SCADA) system, which monitors gas pressure at the two main gate stations that serve Lincoln County residents. Much like the electric SCADA system, it offers portable control from a laptop computer and allows for remote pressure transfer from north to south distribution lines across our area.

Plans also included the construction of a second delivery point for natural gas to Fayetteville. At the time, the North Lateral Pipeline from Lynchburg to Fayetteville was the only delivery point for high-pressure gas, and if there was a failure on behalf of fuel supplier East Tennessee Natural Gas (ETNG), all of our customers would be without service. After much negotiation, FGS struck a deal with Athens Utilities in 2002 to bring high-pressure gas to Ardmore where we tapped on our secondary gas supply line and constructed new gas services north along Highway 110 to Fayetteville.

"This served a two-fold purpose — to give us a second delivery point for gas and to gain new customers in the ever-growing southern part of Lincoln County," says Danny.

With the continued growth of the system, steps were made to upgrade the North Lateral Gas Transmission Pipeline as well. The existing 4-inch, high-pressure gas line was upgraded to an 8-inch line to provide better pressure from ETNG for current and future gas customers.



Danny Bryant

With the upgrades and a second delivery point for natural gas, the system was now positioned for potential large industrial customers and increased residential growth and better-equipped to meet federal regulatory and safety standards.

During this same time, the gas system experienced what is possibly the most controversial issue of its history — gas market volatility and spiking gas prices. The winter of 2001 marked a nationwide concern for gas companies and their customers alike as prices went from \$2.50 Mcf (per thousand cubic feet) to \$9.50 Mcf. As Danny states, this is a concern even today with unstable gas markets.

In the fall of 2002, FGS, Fayetteville Electric System and Fayetteville Water and Sewer System consolidated, creating Fayetteville Public Utilities. With the assignment of one general manager to oversee the newly created and consolidated utility, Danny remained as FPU's natural gas operations manager and continued most of his duties for the department.

Danny says that the two most challenging things that he's dealt with over the past 40 years are the volatility of the gas market and regulatory issues.

As for the regulatory issues, since October 2002, all gas companies have had to develop official Operator Qualification Plans for all job duties of the gas utility operations. Rather than using a standard plan, FPU's gas department elected to customize its own plan for employee training and operations and facility safety testing. The department also submits safety and public awareness plans under the Pipeline Safety Act of 2002 that include details on how gas customers are informed about the safety issues of natural gas use.

Danny looks forward to his retirement but says he's not planning to golf every day, catch the biggest fish in Tim's Ford Lake or travel the world. He simply plans to spend lots of time with his family. He and his wife, Patricia, have been married for 41 years. They have three children, Ricky, Tammy and Jeffrey, and six grandchildren, Brandon, 16; Amber, 14; Gabriel, 15; Danny Thomas, 9; Richard, 7; and Will, 4.

Danny and Patricia enjoy antique-collecting and continuing the restoration of their 1850s home on Lewisburg Highway.

They are members of the Smithland Community Church where much of his family attends. Danny is a Sunday School teacher and a deacon, and Patricia plays the piano.

"My years at Fayetteville Gas System and FPU have been a very big part of my life," he says. "And as I leave, I have one piece of advice as was given to me on day one: Always remember to put your customers first in all that you do at this utility. I thank you all for the opportunity to work with such a great group of people."

We all congratulate Danny on his many years of service and on his retirement.

Senior Expo offers services to our senior community

The first-ever Senior Expo, sponsored by Fayetteville Public Utilities and the Lincoln County Health System, drew a crowd of approximately 150 for the free four-hour health screening and information fair. More than 20 local health-care professionals, service organizations and more were on hand to assist and talk with the expo attendees.

“We are very pleased with the outcome of the event and are already discussing plans for future events much like this,” says Gina Warren, FPU public information specialist. “This was a valuable service to those attending. Many would not have had their health checked this year if it weren’t for this event.”

“It was beneficial to both FPU and the health system to work as a team to offer this service to our senior residents of Lincoln County,” says Warren. “Together we were able to offer a service to our community that might not have occurred without the partnership we created.”

Much appreciation goes to all the health-care professionals at Lincoln County Health System, the American Heart Association, Fayetteville Lions Club, Imprimis Day Spa, Events and Travel, Motlow College, the Fayetteville/Lincoln County Chamber of Commerce, Adult Education Center, Gardener’s Choice, South Central Human Resource Agency, Leadership Lincoln, Lincoln County Emergency Management Agency, University of Tennessee Extension, Tennessee Valley Authority, the employees of FPU and others for making this a successful event.



Leah Mathis, left, of the Fayetteville Lions Club conducts a hearing test. Above, Expo attendees have their blood drawn to check for early indications of diabetes and high cholesterol.

FPU and Adult Education offer computer classes for fall

Beginning this August and September, FPU and the Adult Education Center are offering computer classes for the following sessions. If you would like to enroll, please call 438-0555 or 433-1522 for details.

Beginning Aug. 14, 5:30 p.m. — Microsoft Excel Application* (fast-track session)
Meets every Tuesday and Thursday night at 5:30 p.m. for three weeks

Beginning Sept. 24, 5:30 p.m. — Basic Computer Operations and Document Setup with Intro to Microsoft Word
Meets every Monday night at 5:30 p.m. for six weeks

Beginning Sept. 25, 12:30 p.m. — Basic Computer Operations and Document Setup with Intro to Microsoft Word
Meets every Tuesday afternoon at 12:30 p.m. for six weeks

Beginning Sept. 25, 5:30 p.m. — PowerPoint and Internet Browsing and Research*
Meets every Tuesday night at 5:30 p.m. for six weeks

**prerequisite classes may be required before taking this level of computer class*





Four students tour D.C. through FPU's Youth Tour program

Rachel Powelson, Savannah Quick, Owen Jackson and Nicholas Bolté were among the nearly 1,500 high school students from across the country who participated in the 2007 Electric Cooperative Youth Tour June 8-14 in Washington, D.C. An annual tradition for more than four decades, the Youth Tour is a weeklong event packed with opportunities to learn first-hand what it is like to be involved in politics, community service and today's pressing issues.



Above, from left, Savannah Quick, Nick Bolté, Gina Warren, Owen Jackson and Rachel Powelson pose in front of the White House. At left, Rep. Lincoln Davis leads the Tennessee group on a VIP tour of the U.S. Capitol. Below, Owen, Rachel and Nick visit George Washington's home, Mount Vernon. At bottom, the majestic Washington National Cathedral was only one of the breathtaking stops on the Youth Tour.



Tennessee's Youth Tour participants won spots on the expense-paid trip for writing the best short stories in their respective electric cooperative service areas. Titled "Electric Cooperatives: Where Tradition Powers Today," the short stories were a way for the high schoolers to discover how their locally-owned electric companies provide more than just electricity. Each electric utility, like FPU, remembers its founders' principles to provide community and economic development, lighting the path to a better tomorrow.

While in Washington, Tennessee's group saw historic monuments and memorials, explored the museums of the Smithsonian Institution, toured the homes of former presidents George Washington and Thomas Jefferson and enjoyed hot dogs and hamburgers at a Potomac Nationals minor-league baseball game. Other stops included Arlington National Cemetery, where the group laid a wreath at the Tomb of the Unknowns, the Washington National Cathedral, museums honoring the U.S. Marine Corps and Navy and dinner at Toby's Dinner Theatre.

This year's trip also included meetings with elected representatives in the U.S. House and Senate to discuss the process of government and issues of the day. Representatives Marsha Blackburn of Brentwood, David Davis of Johnson City and Lincoln Davis of Pall Mall guided the group on an after-hours, VIP tour of the U.S. Capitol. Later in the tour, Tennessee's Youth Tour contingent posed for photos with Sens. Lamar Alexander and Bob Corker on the steps of the Capitol and had breakfast with Tennessee's House representatives in the Rayburn House Office Building.

In addition to taking in the sights and sounds of the nation's capital, all the state groups convened for National Youth Day on Monday, June 11, to learn from public figures and other inspirational speakers.



Mike Schlappi, a four-time Paralympic medalist, wheelchair-bound since he was shot at age 14, urged the audience to persevere in the face of life challenges. And former Nebraska State Sen. Dave Landis explained the origins and importance of electric co-ops as he portrayed U.S. Sen. George W. Norris of Nebraska, writer of the Rural Electrification Act of 1935.



Speaking to the convention, National Rural Electric Cooperative Association CEO Glenn English described the important commitment electric cooperatives have to their communities. "Electric cooperatives are truly unique and special and different ... they represent the community. They're not for profit. They're there specifically for the purpose of helping the people who own the utility."

"Youth Tour is an eye-opening experience for these students as they meet their counterparts from co-ops across their states and around the country and experience the political process up close," said Gina Warren, FPU public information specialist.

"Participants learn that one person or a group of committed individuals can make a difference," she added. "They learn that they can't sit on the sidelines but have to get involved. That's what the Youth Tour's theme, 'Commitment to Community,' is all about."

The 2007 Electric Cooperative Youth Tour was the largest in the 43-year history of the program. Additional information can be found at <http://youthtour.coop>.

On the cover From left are Don Counts, Owen Jackson, Rachel Powelson, Savannah Quick, Nicholas Bolté and Gina Warren.