

2007- A Record Year in New Business Development

The TVA region posted a record year for new business investment thanks in part to Toyota's decision to build a \$1.3 billion assembly plant in northeast Mississippi. For the fiscal year ending Sept. 30, TVA estimates its economic development staff worked on business investments totaling \$5.6 billion. That's one-third more than the previous year and sets the stage for continued growth, officials said.

"There have been some significant announcements in the past few years that have caused a lot of people to really take notice of the Tennessee Valley", said John Bradley, senior vice president of economic development for TVA. TVA supplies electricity to a seven-state region and assists with economic development efforts. The decision to certify industrial properties as "megasites" that can handle major manufacturers is helping boost the development efforts, Bradley said.

The megasite designation was crucial to locating Toyota's new plant near Tupelo, MS, and the \$400 million PACCAR diesel engine plant in Columbus, MS. There are nine TVA-certified megasites: I-65 Megasite near Athens, AL; Commerce Park Megasite, in Clarksville-Montgomery County, TN; I-40 Advantage Auto Park in Haywood County, TN; West Tennessee Auto Park in Crockett County, TN; Enterprise South in Chattanooga, TN; Crossroads Megasite and Golden Triangle Megasite, near Columbus, MS.; PUL Alliance-Wellspring Project in Tupelo, MS.; and Interstate 24 Megasite in Christian County, Ky.

"We've had some incredible years, and it may be hard to do that well every year," Bradley said. "Very rarely in the past did we see deals of more than \$100 million other than in a new car plant. But now we're seeing a lot more (\$300 million) and \$400 million plants in a variety of industries. They are hiring fewer workers than plants did in the past, for their size, but their wages are usually higher."

TVA budgets \$17 million a year for its economic development programs, which are run by a staff of 56 employees, Bradley said. TVA's ability to reliably supply electricity, measured at 99.999 percent for each of the past five years, remains the government utility's biggest asset for economic development, he said. "A lot of the attractiveness of the Tennessee Valley is the reliability on electricity, which is sometimes even more critical than its price," Bradley said.