

ATVG Action Alert

“Access to Competitive Power Act of 2007”

Your ATVG Board of Directors has adopted a resolution in opposition to Kentucky Senators Bunning and McConnell’s recent legislation entitled, “Access to Competitive Power Act of 2007.” We believe this legislation will be detrimental to the ratepayers and local governments all across the TVA region. ATVG is strongly opposed to any effort that would privatize TVA and place it under the authority of the Federal Energy Regulatory Commission similar to investor owned utilities.

One of the guiding principles of ATVG’s program of work *is protecting TVA as a federal, public power organization and championing the original core mission of TVA.* The Bunning/McConnell legislation would fundamentally alter the structure and oversight of TVA, putting it on a path toward deregulation, privatization and the sale of its assets.

The bill’s filing is related to three Kentucky electric distributors wanting to terminate their contracts to purchase power from TVA. The bill proposes to force TVA to keep enough power supply for the affected Kentucky distributors at rates determined by the Federal Energy Regulatory Commission while also letting them buy part of their power elsewhere. In addition it would also require TVA to allow the Kentucky distributors to use TVA’s transmission lines for power purchased elsewhere.

The public has been told that this legislation is intended to bring cheaper electric power to some parts of Kentucky. If this is all one knew about this legislation, you would think it to be a laudable effort, but what may be good for some Kentuckians would be bad for ratepayers all across the TVA region. ATVG believes this to be totally unfair...it would increase costs for the remaining 155 distributors in TVA’s seven state region. It would also have the possibility of eliminating the benefits local governments receive from TVA in their “in-lieu-of-tax” payments and economic development initiatives.

It is vitally important for you to let your members of Congress know how you feel about this bill and its potential impacts on Tennessee Valley local governments, as well as on TVA. The most effective way to communicate your views is through a personal call or visit to their offices. Next best is a personal letter.