

RESOLUTION REGARDING T.V.A. POWER RATES

WHEREAS, the division of Power of the Tennessee Valley Authority is self-financing by Act of Congress, and is a government sponsored and created monopoly, and

WHEREAS, the rate payers of the TVA service area have been exposed to rate increases for electric power in excess of the rate increase in neighboring parts of the country, and

WHEREAS, these increases fall with crushing financial impact on persons, who have planned for the future and constructed houses heated by electricity and built to the then current energy efficient standards, and

WHEREAS, these rate increases fall with even greater impact on those persons with fixed incomes, and

WHEREAS, the TVA is currently engaged in a vigorous construction and expansion program, and

WHEREAS, the current high interest rates on money borrowed to finance this construction program is a major cause of rate increases, and

WHEREAS, the demand for electric power has been increasing at an annual rate far below prior projections or has in fact declined, and

WHEREAS, the TVA has while technically complied with the Public Utilities Regulatory Procedures Act but in fact has neither vigorously pursued alternatives which will further level and decrease demand, and

WHEREAS, the debt-equity structure of the TVA may be subject to revision in a way which would provide relief to rate payers so long as the Federal Financing Bank is available to TVA for borrowing purposes, and

WHEREAS, the nuclear program of TVA is to some extent experimental and as such will benefit the nation as a whole rather than solely the inhabitants of the Tennessee Valley, and

WHEREAS, seventeen percent of the TVA power generated goes to governmental installations for uranium enrichment and this power may not be fully credited to TVA system, and

WHEREAS, the publicly stated reason for TVA's expansion program is to make power available for the location of new industry in future years, and

WHEREAS, any such industry locating in the TVA service area in the future will reap the benefits without paying the full costs, while current residents finance the expansion.