



William D. Johnson
President and Chief Executive Officer
Tennessee Valley Authority
400 West Summit Hill Drive
Knoxville, TN 37902

February 15, 2018

Dear President Johnson,

We are writing to you on behalf of the thousands of TVA customers who are represented by our two organizations: Friends of the Earth and the Southern Alliance for Clean Energy. On their behalf, we are writing to request that the TVA, in compliance with the clear provisions of the TVA Act, release to the public full copies of all contracts executed by the TVA for the sale of power and the other information required in Section 9(a) and Section 14 of the TVA Act:

“Sec. 9. (a) The Board shall file with the President and with the Congress, in March of each year, a financial statement and a complete report as to the business of the Corporation covering the preceding governmental fiscal year. This report shall include an itemized statement of the cost of power at each power station, the total number of employees and the names, salaries, and duties of those receiving compensation at the rate of more than \$1,500 a year.”

“Sec. 14...It is hereby declared to be the policy of this Act that, in order, as soon as practicable, to make the power projects self-supporting and self-liquidating, the surplus power shall be sold at rates which, in the opinion of the Board, when applied to the normal capacity of the Authority's power facilities, will produce gross revenues in excess of the cost of production of said power and in addition to the statement of the cost of power at each power station as required by section 9(a) of the “Tennessee Valley Act of 1933,” **the Board shall file with each annual report, a statement of the total cost of all power generated by it at all power stations during each year, the average cost of such power per kilowatt hour, the rates at which sold, and to whom sold, and copies of all contracts for the sale of power.** [48 Stat. 66, as amended by 49 Stat. 1077 and 118 Stat. 2966, 16 U.S.C. sec. 831m]” (bold face has been added)

According to our research, the TVA has not met its legal obligation to publish with its annual reports the required information about its sale of power contracts and the other information in the above-quoted sections of the TVA act. We believe that this requirement is clearly and unequivocally stated in the Act and we ask that you take steps to immediately release this information to our organizations and to the general public.



We note that Section 9(a) requires the "...the total number of employees and the names, salaries, and duties of those receiving compensation at the rate of more than \$1,500 a year." This obligation is also clearly stated and the TVA has failed to meet its legal obligation to comply. We request that this information also be immediately released.

The customers of TVA are entitled by law to know at what rates TVA electricity is being sold to its direct serve customers as well as to its preferenced customers. They are also entitled by the TVA Act to know the salaries paid to TVA employees.

Thank you,

A handwritten signature in black ink that reads "Dave Freeman".

Dave Freeman

Senior Advisor

Friends of the Earth

1101 15th Street, NW, 11th Floor

Washington, DC 2005

A handwritten signature in black ink that reads "Stephen Smith".

Stephen Smith

Executive Director

Southern Alliance for Clean Energy

P.O. Box 1842

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