

BEFORE THE ELECTRIC POWER BOARD

**RESOLUTION ENDORSING THE
TENNESSEE VALLEY AUTHORITY'S STRATEGIC
CLEAN ENERGY INITIATIVES**

WHEREAS, the Electric Power Board of the Metropolitan Government of Nashville and Davidson County operating as Nashville Electric Service ("NES") supports the Tennessee Valley Authority ("TVA") and its strategic initiative to create a balanced and reliable energy portfolio to reliably serve its customers; and

WHEREAS, TVA provides electricity for more than nine million people in parts of seven southeastern states, which makes it the largest public power utility in the United States and one of the largest producers of electricity in the country; and

WHEREAS, electricity is a just-in-time commodity that cannot be stored in meaningful amounts, which requires the resources needed to produce the amount of electricity demanded from a system to be available when the demand is made in order to prevent reductions and curtailments in service – *i.e.*, brownouts or blackouts; and

WHEREAS, one of TVA's most important responsibilities is ensuring that it is able to meet the demand for electricity placed on its power system by maintaining a diversified balanced energy portfolio; and

WHEREAS, TVA's power mix includes 11 coal-powered plants, 29 hydroelectric dams, three nuclear power plants (with six operating reactors), nine simple cycle natural gas combustion turbine plants, and five combined cycle gas plants; and

WHEREAS, a primary factor affecting the demand for power in the TVA power service area is economic growth in the Tennessee Valley due to the relocation of corporate headquarters, such as Nissan in Franklin, the thriving music business centered in Nashville, and an increased retiree population resulting in additional population growth in service industries and the people needed to work in them; and

WHEREAS, following detailed studies of energy needs, schedule, costs, environmental impacts, and financial risks, TVA decided to complete construction of Watts Bar Unit 2 ("WBU2") to help meet the Tennessee Valley's growing demand for power; and

WHEREAS, WBU2 would maximize an existing asset to work for TVA customers, add more than 1,100 megawatts of generating capacity to the TVA power system, and help TVA avoid emissions of six to eight million tons of carbon dioxide a year by decreasing reliance on its coal-fired resources; and

WHEREAS, TVA is committed to investing in cleaner energy resources, which is evidenced by it already achieving the EPA's goal of reducing carbon emissions from utilities by 30 percent from 2005 levels by 2030; and

WHEREAS, WBU2 will be the nation's first new nuclear energy in the 21st century and constructed in compliance with the post-Fukushima safety measures of the Nuclear Regulatory Commission ("NRC"); and

WHEREAS, TVA provides flood control, navigation and land management for the Tennessee River system and assists local power companies, like NES, state and local governments with economic development, all without receiving taxpayer funding or making profits; and

WHEREAS, NES, established in 1939 pursuant to Tennessee Code Annotated §§ 7-1-101, *et. seq.*, is committed to providing affordable, reliable, and quality electric service to over 360,000 customers in Middle Tennessee; and

WHEREAS, NES is committed to the promotion of electricity as a means of powering businesses and homes while supporting economic development initiatives in the areas it serves; and

WHEREAS, TVA will soon request a license to operate WBU2 in a safe and reliable manner from the NRC;

NOW, THEREFORE, BE IT RESOLVED that NES strongly endorses TVA's strategic initiative of creating a balanced portfolio of energy that includes traditional power along with its investment in other clean energy sources;

BE IT FURTHER RESOLVED that NES endorses TVA's completion of WBU2 to help TVA meet expected demands for increased baseload power due to continued economic growth, improve the diversity of resources serving its customers, reduce the risks inherent with any particular kind of resource, provide added flexibility to reduce fossil plant emissions, and potentially lower the cost of power to TVA's customers; and

BE IT FURTHER RESOLVED that an appropriate copy of this resolution be prepared and delivered to the office of the NRC Chairman and Mr. Justin Poole, NRC Office of Nuclear Reactor Regulation.

ADOPTED this 28th day of January, 2015.

By: 
Robert Mendes, Chairman

Date: JAN 28, 2015

Approved as to Form and Legality:

By: Laura Smith Tidwell
Laura Smith Tidwell, General Counsel

Date: 1.28.15

ATTEST AND CERTIFICATION

I, Teresa Broyles-Aplin, do hereby certify that I am the duly appointed secretary of the Electric Power Board of the Metropolitan Government of Nashville and Davidson County, and as such official, I further certify that the foregoing resolution is a true and correct copy of said resolution adopted by the Electric Power Board at its regular meeting on January 28, 2015, the original of which is on file in this office. I further certify that the Electric Power Board consists of five members and that _____ members voted in favor of the resolution.

By: Teresa Broyles-Aplin
Teresa Broyles-Aplin, Secretary

Date: 1-28-15