

REGIONAL RESOURCE STEWARDSHIP COUNCIL MEETING

OCTOBER 12, 2007

VOLUME II OF II

LOCATION:

TENNESSEE VALLEY AUTHORITY
400 WEST SUMMIT HILL DRIVE
KNOXVILLE, TENNESSEE 37902

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2

3 MR. DAVE WAHUS (FACILITATOR)

4 MR. TOM LITTLEPAGE (COUNCIL CHAIR)

5 MR. GLEN BIBBINS

6 MR. MICHAEL A. BUTLER

7 MR. KENNETH RAY DARNELL

8 MR. KARL W. DUDLEY

9 MR. JEFFREY P. DURNIAK

10 MRS. JEAN KELLEMS ELMORE

11 MR. BILL FORSYTH

12 MR. JIM FYKE

13 MR. MICHAEL GOODMAN

14 MR. GEORGE KITCHENS

15 MR. W. C. NELSON, JR.

16 SENATOR ARTHUR ORR

17 MR. WES ROSENBALM

18 MR. ROY G. (JOE) SATTERFIELD, JR.

19 MR. BRUCE SHUPP

20 MR. BILL TITTLE

21 MR. RUSSELL TOWNSEND

22 MR. THOMAS R. VORHOLT

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TENNESSEE VALLEY AUTHORITY DESIGNATED FEDERAL OFFICER

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1 P R O C E E D I N G S

2 COUNCIL CHAIR MR. TOM LITTLEPAGE: I
3 think we have got everybody here. I want to thank
4 TVA on behalf of the Council for a fantastic dinner
5 last night. That was very good. We certainly
6 appreciate that.

7 We are here to wrap up our session
8 today. We have a couple of announcements. The
9 agenda is in front of you. We are going to try to
10 get out of here as soon as possible. There's several
11 of us that have long drives ahead, and we're going to
12 try to make sure we don't extend that out.

13 There is an expense -- for new
14 members, there's an expense section in the back of
15 your book. If you have any questions at all, see
16 Catherine. It should be pretty self-explanatory in
17 terms of how you file that, but feel free to ask her
18 the procedures on how you get reimbursed for those
19 expenses.

20 One last thing, if we could show that
21 slide, this is a slide that I put in a lot of my
22 presentations. It was put together by the National
23 Drought Mitigation Center that does the national
24 drought map. They had this out several years ago.

25 We have sort of talked around this

1 issue about the approach or the cyclical approach to
2 drought. This is what we're trying to avoid. It's
3 the real struggle that we have because you're
4 fighting human nature, but we made references to this
5 several times yesterday and I wanted everyone to know
6 that we're not the first ones to recognize it. It
7 has become sort of comprehensive for those involved
8 in the drought planning community. So I wanted to
9 let you see it. If you need a copy of it, it will be
10 back there in the notes. Thank you.

11 I guess we will turn it over to you.
12 I'm sorry. In addition to the information we have
13 already provided, Paul Davis, who is involved with me
14 on the water partnership for the State of Tennessee
15 and very active in their water quality programs but
16 has been representing some of these issues, has
17 provided a response to the three questions.

18 So this is what I would consider
19 Tennessee's perspective on this, and I think it's a
20 pretty good answer to the three questions. So we
21 have provided copies for everybody's use and
22 consideration as we debate these questions.

23 Does anybody have any questions or
24 comments before we get started?

25 I guess we will turn it over to you

1 for the meat of the meeting here.

2 FACILITATOR DAVE WAHUS: Thank you
3 very much. Good morning. I understand I missed a
4 great dinner, but in spite of that we will proceed
5 and move forward.

6 The three questions, you should all
7 have them in front of you. Let me explain what we're
8 going to do this morning. We're going to -- first of
9 all, you will see the questions that you have on the
10 paper in front of you. You're also going to see the
11 questions on the screen.

12 As you provide input, Jennifer here is
13 going to capture not verbatim but hopefully the
14 essence of your comments, and we're going to put them
15 up on the screen.

16 We will be asking you to answer -- we
17 will start with the first question. We will review
18 the questions in just a moment. We will ask for
19 responses to the first question. When you have
20 exhausted yourselves or the responses, you don't have
21 any more responses, then we will go back and ask if
22 there's any discussion on these responses.

23 You may want to say, yes, I agree with
24 that one or I don't want to discuss it. Because I
25 want to get everything out there, I don't want to

1 have any -- anybody suggesting -- offering a
2 suggestion and then someone else disagreeing with it
3 right away, that seems to stifle the suggestions, but
4 you will have an opportunity to agree or disagree or
5 discuss some of it.

6 If while we're going through the
7 process of providing suggestions, if you don't
8 understand something, we will entertain questions for
9 clarification.

10 Okay. We will go -- we will do that
11 for all three questions. We probably won't get
12 through all three questions before 9:30. At 9:30 we
13 will be stopping for public involvement and if any
14 members of the public come in and wish to speak.
15 When we started this morning, we did not have anyone
16 yet to sign up. So we will see what happens within
17 the next hour.

18 Following the public comments, we will
19 go back and offer opportunities for any further
20 discussion, any additions, any additional comments
21 based on what you have heard.

22 Then we will review the items and
23 individual suggestions on each question, and then you
24 will decide whether you want to leave that suggestion
25 in as part of your recommendation or if you wish to

1 delete it. We will do that through using a thumbs up
2 or a thumbs down.

3 We want everybody to participate. I
4 don't want -- we don't want just a few of you
5 deciding for everyone. So everyone is going to be
6 expected to give us some indication as to whether you
7 want each suggestion left in for the recommendation
8 or you want it removed.

9 Any questions?

10 Does anyone disagree with proceeding
11 in this -- does everybody feel comfortable proceeding
12 in this manner?

13 Okay. Let's review the question.
14 Jennifer here is -- oh, two things. We're going
15 to -- she's going to try to capture what you say.
16 Spellcheck will be dealt with afterwards. If the
17 word is misspelled so badly that we can't decipher
18 what it is, then we will stop and deal with that, but
19 we -- let's not worry about spelling, that's what
20 spellcheck is for.

21 If you see as your suggestion is going
22 up that we're not capturing the intent, your intent,
23 please stop us, that's why we're putting the
24 information up on the screen as we proceed.

25 As of September 23rd rainfall in the

1 Tennessee Valley is 67 percent of normal for the
2 fiscal year. This year is the third driest in 118
3 years of recordkeeping. Managing the Tennessee River
4 System in a drought like this makes very challenging
5 for TVA to maintain the multiple benefits all of us
6 have come to expect from the reservoir system. An
7 extreme drought, such as this year's, means
8 significant hardships and challenges for our region.
9 You heard a lot of presentations yesterday explaining
10 how that works.

11 The first question: How can TVA's
12 communications strategy and implementation for
13 extraordinary events like extended droughts be
14 improved?

15 Who would like to start? How can
16 TVA's communications strategy and implementation for
17 extraordinary events like extended droughts be
18 improved?

19 If you want to speak, put your tents
20 up. Yes.

21 MR. BILL FORSYTH: When you read this
22 statement here, I have seen one press release this
23 whole year from TVA about the extent of the drought
24 and the complications it causes with river
25 operations.

1 I think there ought to be a lot more
2 press releases to make the public aware. Even if
3 they become redundant, just making the public more
4 aware of the fact that there is a drought and it
5 affects the river operations would be very helpful.

6 FACILITATOR DAVE WAHUS: Okay. Did
7 she capture your thought up there? More information
8 to the public would be helpful, is that correct?

9 MR. BILL FORSYTH: Yes.

10 FACILITATOR DAVE WAHUS: Glen.

11 MR. GLEN BIBBINS: This may not be an
12 improvement, but I just want to take this opportunity
13 to compliment you on your web site. It's broad and
14 it's deep and you do emphasize the drought on there.
15 I would just suggest that you keep pounding away on
16 that and keep up the good work on it.

17 FACILITATOR DAVE WAHUS: Russell was
18 next.

19 MR. RUSSELL TOWNSEND: Having years of
20 experience with communication between federal
21 agencies and understanding, as Wayne said that there
22 be some emergency management procedural documents in
23 place that don't necessarily imply no droughts but
24 apply to communications, I feel that it would be wise
25 for TVA to create a drought management programmatic

1 agreement that would basically detail communication
2 steps between cooperating agencies, get together with
3 the Army Corps and the USGS and whoever else you need
4 to, but create this programmatic agreement that
5 basically says that during these conditions we will
6 take these steps and you will take these steps so
7 that it's very crystal clear. And as the conditions
8 change and become worse, then we will take these
9 additional steps and you will take these additional
10 steps.

11 It should probably include points of
12 contacts, research or monitoring, team data, that
13 type of thing so that even if it's something that you
14 do as a matter of course informally that it will be
15 formally regimented and the public can be made aware
16 that these steps have been taken prior to these
17 conditions arising and that it's a standard operating
18 procedure now.

19 FACILITATOR DAVE WAHUS: Thank you.
20 W. C.

21 MR. W. C. NELSON, JR.: Yes.
22 Following up on Glen's comment about the web site.
23 The web site is great. It keeps people informed. To
24 me it's the best conduit to the stakeholders to let
25 them know what TVA is doing in these drought

1 conditions.

2 For instance, it was -- the decision
3 to leave Norris full was discovered by the
4 stakeholders in our area, and, of course, they were
5 quite upset. The first question in their mind is,
6 which executives at TVA have places on Norris, and
7 that's just the mentality that you have out there.

8 So, you know, when that decision was
9 made to deviate from the ROS, it would have been good
10 had that been communicated to the stakeholders on the
11 web site for the rationale. Most people understand
12 if there's a reason.

13 Likewise, on the balancing, when you
14 can no longer use the balancing guide for each lake
15 and another methodology was used, that should have
16 been put on the web site so people could see it.

17 Believe you me, these people are
18 following it. There are mathematicians sitting out
19 there that are doing the calculations and making sure
20 that they are on par with the other lakes. They
21 don't complain when they are on par, but when they
22 see another lake getting beneficial treatment, then
23 the damage is done. So communication through the web
24 site to me is the best method.

25 FACILITATOR DAVE WAHUS: Did we

1 capture your thought?

2 MR. W. C. NELSON, JR.: (Moves head up
3 and down.)

4 MR. WES ROSENBALM: As a distributor
5 and as a water supplier, I don't have time to
6 frequent the web site like most people do. I am in
7 meetings like this today.

8 What I would like to see is some kind
9 of periodic updates via e-mail to the distributors of
10 how far behind we are on hydro so we can start
11 preparing for some potential rate increases that may
12 come from that.

13 Also, as a water supplier I have
14 learned a lot in the last three days. I think you
15 probably are communicating with our water plant
16 superintendent, but he's not the person that's going
17 to be on the front page when we can't get the water.
18 So it would be nice if there were some mechanism to
19 stay in communication with the decision-makers at the
20 water supply companies throughout the region, even if
21 it's just a monthly e-mail.

22 For example, I learned today that
23 the -- or yesterday that the lowest level before TVA
24 starts passing things through is 1675 on South
25 Holston. So I immediately was sitting up there

1 typing e-mails to our people saying, what's our drop
2 and all these different things because I did not
3 know. I am not saying our people didn't, but I did
4 not know that. So I think if we could communicate
5 with the decision-makers at the water supply
6 companies that would be a very good process in this.

7 FACILITATOR DAVE WAHUS: Thank you.
8 Bruce.

9 MR. BRUCE SHUPP: The general public
10 in the lower valley, the main-stem area that may be
11 asked to make sacrifices for the drought conditions
12 generally don't look at the TVA web site. They are
13 really not tuned into that. So I think you need
14 updated news releases to inform the general public of
15 what's going on, particularly in the tributary
16 reservoirs.

17 You know, we sit there with a stable
18 water level on the lower river and have no concept of
19 the sacrifices being made upriver and what those
20 people are going through. So that's -- number one is
21 news releases that explains the severity of the
22 drought throughout the basin and what's going on in
23 the upper reservoir, that's the number one
24 suggestion.

25 The second one, and this is something

1 we had an experience with in the fisheries community
2 with diseases and regional-type incidents that needed
3 explanation to the general public, and what we did is
4 use something, it isn't the same, but like your
5 drought committee that you have established, at a
6 drought committee meeting come to an agreement of
7 what our statement is going to be, what is the
8 statement we want to put out, get that hashed out at
9 that meeting, and then have that release come out the
10 same through all the agencies that are involved in
11 the drought committee.

12 In other words, this is the status of
13 the drought now. This is the predictions we see of
14 what could occur in the future and have all of the
15 entities agree that this is the statement we can live
16 with. That way you don't get conflicting reports
17 coming out.

18 We did this with a large-mouth bass
19 virus when it hit the south back in the '90s and
20 early 2000 and alleviated almost immediately panic
21 and concern that the world was coming to an end on
22 these reservoirs. So I would suggest using that
23 drought committee to really further the communication
24 goals.

25 FACILITATOR DAVE WAHUS: Did we

1 capture your thoughts there?

2 MR. BRUCE SHUPP: Yes.

3 FACILITATOR DAVE WAHUS: Michael, I
4 think you were next.

5 MR. MICHAEL GOODMAN: As we all know,
6 communication is the hardest thing to accomplish and
7 it's also the key to the success of anything we do.

8 I don't envy your job of communicating
9 this. You have such a wide variety of stakeholders,
10 but the other side of the coin is you're going to
11 have to use a variety of methods to communicate this.
12 The more information you can get out, the more people
13 will know of why things are going on and how they are
14 going on.

15 And one suggestion is I know as a
16 direct-serve your LIFT program has a communication
17 that's pretty -- that works pretty well. So you
18 might look at it for existing contacts and
19 communication forms to pass this information along to
20 others.

21 FACILITATOR DAVE WAHUS: Let's let her
22 catch up.

23 MR. MICHAEL GOODMAN: That's got it.

24 FACILITATOR DAVE WAHUS: Let's see.
25 Tom, your tent has been up there for a while.

1 COUNCIL CHAIR MR. TOM LITTLEPAGE: I
2 was going to comment a little bit on something
3 Russell said. I think we have kind of touched on it
4 in several instances, and that's this concept on
5 communication and information.

6 My concern with Russell's aspect of
7 formal agreements and formal actions prescribed is
8 the droughts are so variable in intensity and
9 location and impact that I am a little concerned
10 about having agreements that specifically prescribe
11 certain activities.

12 I like Bruce's idea of having a
13 drought-type committee that is a clearinghouse. The
14 improvement, I think, referenced here in Paul Davis'
15 e-mail in number one was one that I really think
16 strongly of is the data side associated with a
17 drought and the ability to act as a clearinghouse for
18 what the conditions are, what's the near term
19 forecast and agreed upon consistent forecasts are
20 going to be, and how the Tennessee Valley states can
21 work together.

22 You know, droughts are a little unique
23 because the actions in many cases are state, regional
24 or local level actions, not TVA actions in terms of
25 things like implementing restrictions or emergency

1 action responses or those kinds of things.

2 So I think it really needs to focus on
3 the communication and information aspects. I like
4 the idea of joint press releases. I really think
5 that helps reinforce the consensus and coordination
6 that's going on behind the scenes.

7 FACILITATOR DAVE WAHUS: Okay. Thank
8 you. Kenny.

9 MR. KENNETH DARNELL: In TVA's new
10 strategic plan they have stated that they want to be
11 recognized as the industry leader in improving
12 operations with their river system. TVA is in a very
13 unique position with having interests in power
14 generation, navigation, historic preservation, and a
15 number of other things. Whereas, the groups that we
16 heard from each represented one specific interest,
17 TVA is the only organization that has a broad
18 umbrella over basically all of the interests in the
19 TVA valley.

20 Building on these comments that the
21 best thing that they can do is put out information,
22 TVA has a readymade system already in place if they
23 would utilize it; and that is, in each community you
24 have a -- someone who is over the power board or
25 someone over a water board or you have your

1 navigation people and you have your recreation people
2 and your fish and wildlife people, and this is an
3 opportunity now that TVA can bring those people
4 together on a -- the grassroots people and brief
5 them, not while the drought is ongoing. Like we
6 heard yesterday, in the middle of a drought is not
7 the time to solve the problems.

8 TVA can now start a program where you
9 bring these people together and discuss that here is
10 what happens, here's why we're going to do this,
11 here's what we can do, here's how we're going to meet
12 your needs should this occur again, and start to --
13 not only do you get those people at the grassroots
14 level, but then what you have done is you have
15 created ombudsmen who will then go out into their
16 individual communities and will express these ideas
17 to the public.

18 FACILITATOR DAVE WAHUS: Just a point
19 of clarification, you're talking about non-TVA
20 employees, you're taking about the --

21 MR. KENNETH DARNELL: Local power
22 officials, the water plant guys, just have like
23 seminars or groups and take a proactive role in being
24 the industry leader on this issue.

25 FACILITATOR DAVE WAHUS: Okay. Thank

1 you. Jean, I apologize for making you wait so long.

2 MRS. JEAN ELMORE: No problem. I
3 would say that from what all have said, the
4 communication, the information but that it be
5 positive and realistic communication that instills
6 confidence in TVA and the other agencies. That is
7 going along with what Kenny said, that everyone is on
8 the same page. It's the disinformation that gets out
9 that often creates the problems.

10 FACILITATOR DAVE WAHUS: Okay. Any
11 others?

12 Bruce, did you have another comment?

13 MR. BRUCE SHUPP: No. I'm sorry.

14 MR. GLEN BIBBINS: This may be
15 unrealistic and might need Les' help and George's
16 help, but what if you put on the bill that
17 "Conservation is good." Even if 1 out of 100 people
18 did something, you know, you would have almost a
19 million people making a little bit of a change and
20 that might make a difference.

21 FACILITATOR DAVE WAHUS: I'm sorry.
22 Put it on what?

23 MR. GLEN BIBBINS: Put it on the
24 electric billing that goes to the end user.

25 FACILITATOR DAVE WAHUS: You will get

1 some comments on that, I'm sure. Arthur.

2 SENATOR ARTHUR ORR: They may already
3 have this in place, but having PSA's or Public
4 Services Announcements for the end user and for the
5 consumers during the drought-type period that would
6 explain conservation, I think the air time would be
7 free.

8 You could also target it in the local
9 TVA markets where the drought is particularly, you
10 know, onerous. Knoxville may be different from, you
11 know, the Muscle Shoals area or something like that,
12 but having PSA's in place talking about conservation
13 for the end users.

14 FACILITATOR DAVE WAHUS: Okay. Karl,
15 your name tag went up awfully fast there.

16 MR. KARL DUDLEY: I'd just respond to
17 what Glen said, and I appreciate his comment, we have
18 for several years placed on our bills on the back
19 that we would like to talk to you about your electric
20 bill, that if it's a concern we want to talk to you
21 about conservation, we want to talk to you about
22 usage or we will do a survey at your home and let us
23 help you find ways to conserve because we believe
24 conservation is the cheapest generation that TVA has.
25 I'm not sure collectively that we have always went

1 down this road, but I appreciate your point.

2 The other thing I would like to say,
3 and I try to keep them from getting into this, but I
4 think it was Russell that said I'm a one trick pony,
5 well, this is my trick. Communicating with the
6 public, TVA -- and Jean touched on it, TVA from time
7 to time puts out blanket information to the public
8 and sometimes it's confusing.

9 An example would be this summer when
10 they talked about the drought and that the fuel cost
11 adjustment would be 3 to \$6 per month, that's only
12 good for three months. So 3 to \$6 per month for
13 three months is going to take care of the drought.

14 Then right after that the Board comes
15 along and talks about a strategic plan with a single
16 digit increase. Guess what? The papers picked up
17 that was part of the drought package, too. So TVA
18 needs to be very careful when they price things
19 during a time like this, especially during a drought.

20 I guess my thought is when the chicken
21 house is on fire, it's not time to talk about the
22 price of eggs. They may be simplistic, but think
23 about it, you know, we don't need to talk about the
24 cost of a drought because as we found out this week,
25 as I found out, we don't know what the drought has

1 cost us, do we?

2 We don't know. It will be some time
3 before TVA knows the full impact of the drought. It
4 will be some time before my customers will get the
5 bill for the drought of this year.

6 I am not sure that the FCA is going to
7 cover it for this quarter, the next quarter or the
8 next three quarters. I expect this thing to go on
9 for a while. So please, TVA, do not ever price
10 something that may cause a misunderstanding.

11 This is the thing I have had from time
12 to time, if you do price something, please don't tell
13 them it's going to be 3 to \$6 or something. Let's
14 just tell them it's going to be a some kind of
15 revenue increase for TVA, maybe a 9 percent increase
16 or whatever, but a 3 to \$6 may work in my world, it
17 may not work for the direct serves.

18 So we have to be very careful about
19 how we put a price on the cost of something, because
20 I think this drought is going to be a whole lot more
21 than \$3 a month, and I think our customers needs to
22 know that at the appropriate time. Let's don't do a
23 meeting in a month. Let's get serious about this
24 thing and talk about what we need to do.

25 Sorry to have taken so much time.

1 FACILITATOR DAVE WAHUS: Wes, I
2 believe you were up, and then Jeff.

3 MR. WES ROSENBALM: Just very quickly.
4 We are new to the TVA fold, or soon will be, so they
5 may already be doing this, but Mr. Kilgore was
6 speaking last night about forming different
7 committees, and one of them was conservation.

8 I would encourage, now that I am aware
9 of some of these things, that conservation is also
10 water conservation, not just electricity. So as it
11 progresses forward, you probably need to roll both of
12 those into one thing for the people who take water
13 from these sources.

14 FACILITATOR DAVE WAHUS: So water
15 conservation and energy conservation need to be
16 rolled together.

17 Jeff.

18 MR. JEFF DURNIAK: I was going to wait
19 on this until we talked about the plan, but Senator
20 Orr brought it up and I would like to add to it in
21 terms of public service announcements.

22 Out of this challenge I think is a
23 tremendous opportunity to educate the public and
24 change their behavior, Smokey Bear, Smokey Bear. If
25 you can pool your marketing resources and create some

1 kind of icon that is common to all -- common to the
2 Valley and easily identifies, you can actually change
3 public behavior at a grand scale to promote
4 conservation is one of the tools to manage a drought
5 with.

6 So out of this challenge comes the
7 opportunity, and the one that always comes to my mind
8 is, "Only you can prevent forest fires." So can you
9 find a Smokey Bear of a drought and everybody put
10 some money in a pot and get a really top-notch
11 marketing group to actually help out things here so
12 that we're not counting the costs later but reducing
13 those costs during the drought.

14 FACILITATOR DAVE WAHUS: Did we
15 capture your thought?

16 MR. JEFF DURNIAK: Yes.

17 COUNCIL CHAIR MR. TOM LITTLEPAGE: I
18 guess I am going to piggyback basically on what all
19 three, Wes, Jeff, and Senator Orr said, and that is
20 there is some significant research going on in the
21 federal government on what's called the water energy
22 nexus and the relationship between energy, production
23 generation, water use, and consumption. I think Gene
24 Gibson sits on some efforts on behalf of TVA, and
25 there may be some others.

1 I guess I would broaden this beyond
2 drought. As Mr. Kilgore talked about an energy
3 conservation focus, maybe the thing to do is look at
4 water and energy and the relationship between the two
5 and make that a little broader in its focus and then
6 drought becomes just a component of that education
7 process.

8 So maybe as Jeff alluded to you, come
9 out with a conservation initiative, and maybe you can
10 come up with some marketing tools to help that, but
11 really it's a broader education on the relationship
12 between water and energy and the benefits of
13 conservation in both arenas.

14 FACILITATOR DAVE WAHUS: Did we
15 capture your thoughts?

16 COUNCIL CHAIR MR. TOM LITTLEPAGE: All
17 right. Yes, I think so.

18 FACILITATOR DAVE WAHUS: Okay. Wes.

19 MR. WES ROSENBALM: This really may
20 not be a comment for this but just for the
21 decision-makers from TVA in the room. You now have
22 more and more distributors that are offering cable
23 television and they do have access time slots, and
24 they probably can do that free of charge for TVA to
25 help us on this education process. I know we would.

1 FACILITATOR DAVE WAHUS: Thank you.
2 Some distributors have TVA or cable.

3 MR. WES ROSENBALM: They are offering
4 cable television. They have what's called channel
5 insertion.

6 FACILITATOR DAVE WAHUS: Any other
7 suggestions in response to the first question?

8 The first question being: How can TVA
9 communications strategy and implementation to
10 extraordinary events like extended droughts be
11 improved?

12 Any thoughts?

13 Well, let's go on to Question No. 2.
14 We will come back to Question No. 1 a bit later.

15 Question No. 2 is: Now that you have
16 seen the Draft Drought Management Plan, is there
17 anything else TVA should consider for inclusion in
18 the plan, for inclusion in the Draft Drought
19 Management Plan? Is there anything else they should
20 consider for inclusion to this drought plan?

21 Who wants to go first?

22 Bruce.

23 MR. BRUCE SHUPP: Decision mechanisms
24 for the decision tree and priorities. I think
25 there's a section needed in there of how will

1 decisions be made and by whom and what are the
2 general priorities for -- that those decisions will
3 be based upon, I think that's important.

4 I'm not sure, even with our
5 discussions yesterday, that I fully understand who's
6 going to make the ultimate decisions down the road if
7 things get tougher and tougher. I know TVA has the
8 ultimate responsibility, but there's a lot of local
9 decisions that will have to be made too. So I think
10 that has to be somehow outlined in the plan.

11 FACILITATOR DAVE WAHUS: Russell.

12 MR. RUSSELL TOWNSEND: I would agree
13 with what Bruce said. I would add as well that I
14 think that the plan needs to be, I guess, beefed up
15 to include more constrained definitions of terms
16 like, what is assessment, you know.

17 When we say we're doing monitoring,
18 what does that mean? Who does it? Where is it done?
19 How often is it done.

20 When we say we're doing thermal
21 assessment, how often? Where? When? Why?

22 I think those kind of definitions need
23 to be there so that it's a plan that everybody within
24 your agency understands. It's also a plan that the
25 public can understand so that they say, well, what

1 are you doing to ensure that endangered species
2 downstream aren't being, you know, damaged by lack of
3 water quality concerns? Well, you can let them know
4 that these are the types of tests and assessments
5 that are made to ensure that those types of things
6 aren't happening. So I think those kinds of
7 definitions are important to add to the document.

8 FACILITATOR DAVE WAHUS: Thank you.

9 Yes, Jeff.

10 MR. JEFF DURNIAK: The drought plan
11 draft struck me as more of a drought communications
12 plan rather than an action plan. I would like to
13 mirror Bruce's comments and suggest that where
14 appropriate actions are defined in the plan.

15 You may consider including that 1988
16 agreement as an appendix if that is the basis for
17 your management priorities, I think that would be
18 helpful, but some more specific actions I think would
19 really beef up that plan.

20 One other quick comment. You were
21 able to deviate from the flood guide based on staff
22 initiative last spring that really saved the Valley
23 from more dire consequences. One idea would be to
24 define how much variation you can -- you are allowed
25 to have from that flood guide in the spring if you

1 have another winter drought.

2 That was very interesting, and I'm not
3 sure as we saw that graph about how TVA has to
4 manage. You manage based on the disaster. You're
5 either going to have a flood or a drought because
6 there's no such thing as a normal water year, but
7 what are the trade-offs there as you try to store
8 water and go above your flood guide to try to prevent
9 a drought?

10 How much latitude does your agency
11 have to deviate from that red flood guide? Again, I
12 think there's an opportunity there.

13 FACILITATOR DAVE WAHUS: Did we
14 capture your thought?

15 MR. JEFF DURNIAK: I would add to
16 conserve water.

17 FACILITATOR DAVE WAHUS: Kenneth.

18 MR. KENNETH DARNELL: To echo what he
19 said, yesterday I mentioned it to some of the
20 panelists, the plan seems to be long on what we're --
21 how we're going to talk about drought and talk about
22 things, but it was short on what exactly we're going
23 to do and what options are available.

24 There needs to be a set of -- there
25 needs to be leeway for the staff to take things on

1 their own initiative and use their forecasting, but
2 there also needs to be a defined set of parameters.
3 When this parameter is met, this action will go into
4 place.

5 For example, Tom Vorholt, his
6 organization needs to know at what point will they
7 reduce the draft limits on the river, at what point
8 will they close sections of the river and such.

9 FACILITATOR DAVE WAHUS: Thank you.
10 Tom.

11 COUNCIL CHAIR MR. TOM LITTLEPAGE: All
12 right. Yes. I think I briefly touched on this
13 yesterday. Part of the science of drought is there's
14 really two levels in terms of preparation. One is a
15 strategic or long-term preparation that takes maybe
16 years, certainly months, before you can accomplish
17 it. The other is a tactical response, which is kind
18 of what our emphasis is here in terms of once you get
19 in that drought and you're in it, how do you respond
20 to it?

21 I think the plan needs to at least
22 recognize that there are strategic preparations.
23 Unfortunately for TVA those are really a state and
24 system responsibility, but we need to recognize that
25 there are some benefits to preparing for droughts and

1 encouraging water suppliers and users as they can to
2 look at options in terms of redundant supplies or
3 increased storage or other opportunities that are not
4 available when you're in a drought to be able to
5 weather those effects.

6 So I think the plan just needs to
7 recognize and encourage those preparations that are
8 longer termed in nature and that there would be a
9 benefit as you get into the drought to have those
10 kind of redundancies available.

11 FACILITATOR DAVE WAHUS: Did we
12 capture your thought there or do we need to add
13 something?

14 COUNCIL CHAIR MR. TOM LITTLEPAGE: I
15 guess we need to emphasize that those are not
16 necessarily TVA's responsibilities.

17 FACILITATOR DAVE WAHUS: Not
18 necessarily or not necessarily only TVA?

19 COUNCIL CHAIR MR. TOM LITTLEPAGE: All
20 right. Only TVA.

21 FACILITATOR DAVE WAHUS: Only TVA.

22 MR. JEFF DURNIAC: As to Tom's
23 comment, I felt that really in two days I have not
24 heard how we would manage a level four drought. I
25 think that plan would benefit from some beefing up on

1 that worst-case scenario.

2 What happens during a level four
3 drought? Whose responsibilities is it?

4 The plan needs to be a complete plan.
5 I had the impression that the plan was good through
6 about three levels of drought, but during that most
7 critical stage when the most important decisions have
8 to be made, I felt like some information was lacking
9 in the plan.

10 We don't want to be in a situation
11 where one agency is looking at another saying, I
12 thought that was your responsibility. If that plan
13 can outline the critical steps needed during a level
14 four, that may help everybody to prepare for the
15 worse-case scenario.

16 FACILITATOR DAVE WAHUS: Did we
17 capture your thought?

18 MR. JEFF DURNIAK: Critical steps, I
19 would say critical actions needed during level four.

20 FACILITATOR DAVE WAHUS: Thank you.

21 COUNCIL CHAIR MR. TOM LITTLEPAGE: It
22 is critical actions and responsible offices or --

23 MR. JEFF DURNIAK: And responsible
24 parties.

25 COUNCIL CHAIR MR. TOM LITTLEPAGE: All

1 right. Yeah.

2 FACILITATOR DAVE WAHUS: Okay. This
3 is so much easier than using a flip chart like we
4 used to. One, you couldn't read my writing. I can't
5 spell. For a group this large, putting a flip chart
6 up here, you would all be looking through binoculars.
7 So this is so much easier.

8 Any other responses to Question No. 2?

9 There are a few of you that I haven't
10 heard from. I want to give the opportunity. You can
11 pass if you want.

12 MR. GEORGE KITCHENS: Pass.

13 FACILITATOR DAVE WAHUS: I just want
14 to make sure -- I'm not going to give you an
15 opportunity. You get your chance later.

16 DFO MR. PEYTON HAIRSTON: Exactly.

17 FACILITATOR DAVE WAHUS: Any other
18 responses to Question No. 2? Is this okay?

19 You are all moving along very nicely.
20 Let's see if we can get through Question No. 3 before
21 the public -- before we stop for public input.

22 Are there other partnership
23 opportunities that TVA could use for support during
24 extreme conditions like droughts?

25 I can see the wheels really turning.

1 Wes' is probably turning the fastest. So we're going
2 to give him the first chance.

3 MR. WES ROSENBALM: First I would like
4 to second Kenny's comments about the local
5 partnerships, I think that's an excellent idea about
6 getting these grassroots together.

7 Again, Wayne and Chuck may tell me
8 after I have made these comments that this already
9 exists, but being new to the fold, I see an
10 opportunity here that TVA offers a lot of services
11 and access to services to their distributors and
12 maybe TVA could go to a nationally recognized firm
13 and help these water suppliers and negotiate lower
14 rates for them to create emergency plans during
15 drought conditions to take water in their emergency
16 response plans at a level four or whatever it may be
17 and by the buying power they have they could get us
18 all a lower rate by doing that. I am not asking TVA
19 to pay for that, just to negotiate a better rate for
20 us.

21 FACILITATOR DAVE WAHUS: You would
22 like TVA to work with a national firm to negotiate
23 lower water rates.

24 MR. WES ROSENBALM: Not water rates.
25 Consulting service rates so that you take -- on our

1 system we serve about 8,000 customers. So we can't
2 go in and spend 15, \$20,000 on a national response
3 plan. So if they could cut that to 10,000 for us, we
4 could form an emergency response plan, what to do
5 with when the lake gets to a certain level.

6 FACILITATOR DAVE WAHUS: Negotiate
7 lower consulting rates to help you do your emergency
8 water plan.

9 MR. WES ROSENBALM: Not water rates.

10 FACILITATOR DAVE WAHUS: I
11 misunderstood. I appreciate you're correcting me.
12 Probably put the word help in there or negotiate.

13 COUNCIL CHAIR MR. TOM LITTLEPAGE: For
14 emergency planning.

15 MR. WES ROSENBALM: You know, TVA may
16 even want to have those plans filed here so that they
17 know what the reaction will be on the South Holston
18 Lake if something happens, but that would be their
19 decision.

20 FACILITATOR DAVE WAHUS: Thank you.
21 Bill.

22 MR. BILL FORSYTH: Us power
23 distributors talk almost daily with the power side of
24 the house of TVA, but we almost never hear from the
25 water management side. I think if we were kept in

1 the loop a little better, we would be another conduit
2 to pass that word along. A lot of people look to us
3 that represents TVA, and if we were better informed I
4 think we could help get the word out.

5 FACILITATOR DAVE WAHUS: So the water
6 side of the TVA communicate more frequently with the
7 power side?

8 MR. BILL FORSYTH: Yes.

9 FACILITATOR DAVE WAHUS: With power
10 distributors.

11 MR. BILL FORSYTH: Distributors.

12 FACILITATOR DAVE WAHUS: Another
13 avenue of communication?

14 COUNCIL CHAIR MR. TOM LITTLEPAGE: And
15 that needs to be the water management functions.

16 FACILITATOR DAVE WAHUS: Thank you.
17 Kenny.

18 MR. KENNETH DARNELL: The Wolf Creek
19 Dam issue has been a big concern to people
20 downstream, which is most of western Kentucky and a
21 lot of west Tennessee.

22 The State of Kentucky, the Governor's
23 office has partnered with the Corps of Engineers to
24 put out a weekly newsletter. If you are signed up on
25 the Common Wealth Information System, once a week,

1 whether you want it or not, you get an update on
2 what's going on with the Wolf Creek Dam.

3 That is an agency/state partnership
4 that's worked really well because there was a lot of
5 panic at first about whether the Wolf Creek was going
6 to break and flood downtown Nashville and such as
7 that, and that's worked really well.

8 TVA has the ability to do the same
9 thing. Most of the states would be happy for an
10 agency, with particular expertise, to provide the
11 information and the data and the statements in a
12 ready-for-consumption package to then disseminate out
13 to the citizens.

14 FACILITATOR DAVE WAHUS: So partner
15 with states via a newsletter, a communications
16 package that the states could put on their web sites?

17 MR. KENNETH DARNELL: Right.

18 FACILITATOR DAVE WAHUS: And either
19 distribute or make available to interested parties.

20 MR. KENNETH DARNELL: Of course, the
21 states take credit for all of the information, you
22 know, even though some other agency provided it, but
23 that's part of the way the game is played.

24 FACILITATOR DAVE WAHUS: Bruce.

25 MR. BRUCE SHUPP: Kenny, could I

1 suggest that instead of the states that we put the
2 drought committee as a mechanism to coordinate that
3 and to agree on what they are saying?

4 So it's the whole package coming
5 together preparing news releases and statements that
6 are agreed upon by all parties that are involved with
7 that drought committee.

8 MR. KENNETH DARNELL: Yeah, that
9 would -- I see where you're coming from, to get the
10 statement -- to get an agreement with the statement
11 with Wolf Creek Dam, it was a single issue and the
12 agency had a lead on it. You would need one
13 controlling agency to take all that information and
14 package it and then ship it out.

15 MR. BRUCE SHUPP: Package it, get
16 approval from all the parties, and then disseminate
17 it. We even used universities that were dabbling in
18 the subject matter that we were working in to sit in
19 on these meetings to agree on what was stated so that
20 anybody doing research wouldn't come out and say, oh,
21 they said this but I disagree and go off on a
22 tangent. We plugged everybody we could think of into
23 that equation to get a common denominator for public
24 release.

25 MR. KENNETH DARNELL: I think in

1 situations like this you're not going to get into the
2 dynamics of drought control and reservoir operation
3 and power generation, you're just going to
4 disseminate out the -- you know, mostly it's going to
5 be a -- this is -- this is not as bad as you think it
6 is, how things are and we're going to make it through
7 it, that kind of thing.

8 MR. BRUCE SHUPP: On the other hand,
9 somebody has to make some predictions. If this
10 continues into next year in this state and we start
11 next spring in this condition, what are we looking at
12 next year? What are you, as a homeowner, as a
13 business owner, as a school district, you know, what
14 are you looking at for your potentials for next year?

15 Somebody should make some kind of
16 predictions on that. I wouldn't want to be on the
17 school board and decide to resod a football field and
18 then be told in April that I can't put any water on
19 that football field. It would be a pretty tough
20 situation.

21 MR. KENNETH DARNELL: Can I follow up
22 on -- may I follow up on it?

23 FACILITATOR DAVE WAHUS: Yes, you can.

24 MR. KENNETH DARNELL: Thank you, sir.
25 Excellent point. It goes back to what he said about

1 the plan, putting -- going down to a fourth level
2 drought.

3 If you know what's going to happen
4 down the road if we have a four level drought and if
5 conservation measures are not put into place, if you
6 know what actions are going to result and you know
7 how drastic the situation is going to be, that would
8 be an impetus for people to say, well, it's kind of
9 like if you -- like a parent telling a child, if you
10 do this I am going to take away your TV or whatever.
11 If you know what's coming down the road, your
12 planning is going to be different on that.

13 FACILITATOR DAVE WAHUS: George.

14 MR. GEORGE KITCHENS: Well, I know we
15 have talked a lot about communications this morning,
16 but TVA really does do a pretty good job of
17 communicating. There's a model in place that TVA can
18 use to go by that works very well already for power
19 emergency situations like we have had during the very
20 peak times. TVA has an Emergency Load Curtailment
21 Program.

22 FACILITATOR DAVE WAHUS: Emergency
23 Load Curtailment Program?

24 MR. GEORGE KITCHENS: Since this is my
25 one opportunity to use acronyms and sound important,

1 ELCP. The plan is routinely looked at and updated.
2 As the load situations indicate, TVA sends power
3 alerts, which could be turned into a -- for our
4 discussion water alerts that could be communicated to
5 all stakeholders as frequently as need be. There are
6 companies who are already set up to do this. It
7 could just be expanded a bit to include water and
8 drought conditions.

9 The ELCP has various stages beginning
10 with a step ten and on up through about 50. If it
11 gets to 50, I hope I am somewhere else. You know,
12 you could do that with each level of drought and
13 communicate to municipal water user groups,
14 industrial groups, the states, our river system is at
15 a D1 or whatever, and this is what it means for river
16 operations. We will let you know something more
17 after it rains next week or whatever, but the system
18 that's in place works very well on the power side of
19 things.

20 FACILITATOR DAVE WAHUS: Okay.

21 MR. GEORGE KITCHENS: It's something
22 that works well already. It could just be maybe
23 adapted to work for river operations as well.

24 FACILITATOR DAVE WAHUS: Okay. Thank
25 you. Glen.

1 MR. GLEN BIBBINS: This question is
2 looking for partnership opportunity, and it seems to
3 me that, you know, about variable metering, I would
4 like to see that happen so that the end user kind of
5 sees what you see with supply demands, that when
6 demands goes up, the price goes up, again, it gets
7 back to conservation.

8 FACILITATOR DAVE WAHUS: Help me
9 understand. You're suggesting that they consider
10 variable metering?

11 MR. GLEN BIBBINS: Yes, to the end
12 user.

13 FACILITATOR DAVE WAHUS: To the end
14 user. Okay.

15 MR. GLEN BIBBINS: Many of these
16 people know much more about it than I do.

17 FACILITATOR DAVE WAHUS: Bill, you
18 have had your name tag up for a while.

19 MR. BILL FORSYTH: I'm sorry.

20 DFO MR. PEYTON HAIRSTON: We will fix
21 that.

22 FACILITATOR DAVE WAHUS: Did this
23 capture it?

24 MR. GLEN BIBBINS: To encourage
25 conservation. People respond to financial

1 incentives, you know, if you tell them to run your
2 clothes dryer at night, they go, yeah right. If you
3 say if you run it at night and it will cost
4 50 percent less, more people will do it.

5 FACILITATOR DAVE WAHUS: Thank you.
6 Russell, you had yours up, and then we will go to
7 Carl.

8 MR. RUSSELL TOWNSEND: You know, it's
9 been said, and I think I will restate it, that these
10 three questions seem to be about dissemination of
11 information, either to the public and to other
12 agencies and states or internally within the agency
13 itself.

14 When I look at Question 3 I note that
15 partnerships don't just happen. They don't just
16 exist. They are created. They are built. It takes
17 a leader to build these partnerships.

18 I think partnering with the states and
19 other federal agencies is key to disseminating
20 information and taking appropriate steps during these
21 times. It seems to me that sure, Army Corps, you
22 know, works hand-in-hand with a lot of what TVA does,
23 but I also wonder about States' Departments of
24 Natural Resources, the Natural Resource Conservation
25 Service, USDA, U.S. Forest Service, and other

1 agencies that could work together not only to help
2 collect information about drought management but to
3 disseminate that information, you know, to their
4 constituencies.

5 I think, you know, TVA, the river,
6 whether TVA wants it to or not, the river flows
7 through these states and places. They are
8 responsible for the watershed. I think TVA is
9 excellently placed to be that leader and create those
10 partnerships.

11 So, yes, there are partnership
12 opportunities, and I think the states are critical
13 and that TVA should cement these partnerships.

14 FACILITATOR DAVE WAHUS: Did we
15 capture your thoughts on the screen?

16 Let's put such as there so that it's
17 not restrictive.

18 MR. RUSSELL TOWNSEND: That's good.
19 Thank you.

20 FACILITATOR DAVE WAHUS: Karl.

21 MR. KARL DUDLEY: I just wanted to ask
22 a clarifying question of Glen. Are you talking about
23 time metering as a different price?

24 MR. GLEN BIBBINS: Yeah. I don't know
25 the terminology.

1 MR. KARL DUDLEY: Okay. Would it be
2 acceptable to you if we used that phrase variable?

3 MR. GLEN BIBBINS: Sure.

4 FACILITATOR DAVE WAHUS: What phrase?

5 MR. KARL DUDLEY: Time of use
6 metering.

7 FACILITATOR DAVE WAHUS: Time of use.
8 Thank you. Appreciate that. Jean.

9 MRS. JEAN ELMORE: I think we have
10 established that communication is key, but I think
11 the ultimate partnering is bringing the public in as
12 partners, giving them the information in a very
13 simple way because they are not going to look at all
14 of the things that we look at. They need it put very
15 simply in information that they can understand that
16 affects them. Basically everyone is selfish. They
17 don't look at the whole picture. They look at what's
18 affecting me.

19 Like what Glen said, that's going to
20 hit them where, okay, if I do this at night, it's not
21 going to cost me as much than if I do it in the
22 middle of the day. Watering systems, if you turn
23 them on in the middle of the night, that's better,
24 you know, have it keyed to come on at 2:00 in the
25 morning rather than at 9:00 or at noon. Sometimes

1 you see sprinkler systems going at noon where it's
2 all evaporating.

3 So, you know, putting it where they
4 can understand that it's benefiting them, simple
5 information.

6 FACILITATOR DAVE WAHUS: It's just
7 about 9:30.

8 COUNCIL CHAIR MR. TOM LITTLEPAGE: We
9 do not have any public comments.

10 FACILITATOR DAVE WAHUS: No public
11 comments?

12 COUNCIL CHAIR MR. TOM LITTLEPAGE: No
13 public comments.

14 FACILITATOR DAVE WAHUS: Do we wish to
15 proceed then?

16 COUNCIL CHAIR MR. TOM LITTLEPAGE: In
17 order to -- if we could just extend the break -- I
18 mean, wait on the break a little bit maybe so we can
19 wrap up.

20 FACILITATOR DAVE WAHUS: Maybe could
21 get through this question and then we can take a
22 short break, if you want, and then we will come back
23 and discuss these and make some decisions.

24 Is that okay with all of you?

25 MR. KENNETH DARNELL: I hate to delay

1 our break, but speaking to what Russell said and Jean
2 said too, the importance of partnerships with
3 agencies that you typically wouldn't think of, like
4 USDA, the NRCS, people like that, what is going to
5 happen now if the Department of Agricultural or our
6 State Department of Agricultural comes out and starts
7 encouraging farmers to irrigate as a way to mitigate
8 the effects of future droughts or they even have
9 incentive programs for farmers to do that, then that
10 will put an extra strain on the water resource.

11 That's why TVA should take the lead in
12 these partnerships and get all the information out
13 there and make sure everyone is on the same page so
14 that we're not running in different directions and
15 working against one another.

16 FACILITATOR DAVE WAHUS: Okay. Very
17 good. Thank you. Have we got you?

18 MR. KENNETH DARNELL: We got it.

19 COUNCIL CHAIR MR. TOM LITTLEPAGE: Are
20 you including the states in that list?

21 MR. KENNETH DARNELL: Yes.

22 FACILITATOR DAVE WAHUS: Did I hear
23 you say partner with organizations that you normally
24 don't partner with?

25 MR. KENNETH DARNELL: You have to be a

1 little more creative in looking at agencies to
2 partner with, not the Rotary Club or anything like
3 that.

4 FACILITATOR DAVE WAHUS: I apologize.
5 Jeff is up now.

6 MR. JEFF DURNIAK: TVA should consider
7 creating a grant program for drought proofing. I
8 consider this brainstorming. It may not be cost
9 effective, but we would rather give you more ideas
10 rather than fewer.

11 Consider the grant program for drought
12 improvements, or at the very least, consider being
13 the clearinghouse for a grant program information.
14 Some specific examples would be drought proofing
15 water supply intakes. I will try to talk slow.
16 Drought proofing water supply intakes.

17 The second idea would be grants
18 Xeriscaping.

19 FACILITATOR DAVE WAHUS: Zero?

20 MR. JEFF DURNIAK: X-e-r-i. Grants
21 for water system repairs. I don't know how much
22 water is lost from systems, but in North Georgia a
23 lot of our water delivery systems are old and there's
24 a significant percentage of water that's lost before
25 it hits the customer.

1 My focus here is, what can TVA do as
2 the Valley leader to promote conservation and then
3 reduce consumption?

4 Let's try to reduce the problem rather
5 than manage a larger one. What can TVA do to promote
6 conservation and then reduce consumption during
7 critical times?

8 FACILITATOR DAVE WAHUS: Thank you.

9 MR. WES ROSENBALM: Jeff covered what
10 I was going to cover, but I'd just add a little bit
11 on the losses. You're talking typically 25 to
12 30 percent of what a water utility treats they lose
13 through their system. The EPA at one point in time
14 was considering some regulations about making you be
15 under 30 percent for that.

16 So one thing TVA may be able to do is
17 create a program that distinguishes or awards systems
18 for a certain percentage loss or less that they could
19 do things in some form of a grant or recognition and
20 things of that nature just to help these small
21 communities because it is a problem and you do lose a
22 lot of water.

23 FACILITATOR DAVE WAHUS: So
24 recognition of reduction of water losses?

25 MR. WES ROSENBALM: Even if it's

1 through a small grant for people that have under a
2 certain percentage, just anything like that that
3 could help make more repairs on the system.

4 FACILITATOR DAVE WAHUS: Karl.

5 MR. KARL DUDLEY: I'd like to make a
6 comment or state it as a question. I guess I am
7 representing the little lady at the end of line now,
8 but when you talk about these grants and things like
9 that related to the water system, if I am not
10 mistaken, the Tennessee River is the only river in
11 America that does not receive federal funding for the
12 operation of the river system.

13 Is that a fairly correct statement?

14 The only source of revenue that TVA
15 has is the ratepayers of the Valley. Once you start
16 down this road of fixing this and fixing that, the
17 first thing you know we're going to be fixing the
18 whole world. We can't do. Our ratepayers cannot do
19 it. They cannot pay for everything.

20 All things are good, okay, I can go
21 show you a thousand different good works, but our
22 ratepayers cannot pay for good works. We're already
23 paying for the river system to the tune of probably
24 \$70 million annually that should be funded by
25 Congress, but that's a whole other bird. So I would

1 very much be against anything that's going to
2 increase the rates for our customers.

3 FACILITATOR DAVE WAHUS: Thank you.

4 COUNCIL CHAIR MR. TOM LITTLEPAGE: I
5 am wrestling because really we have kind of diverged
6 between this particular question and broader issues
7 with regards to the communication and the plan
8 itself.

9 I guess my comment really goes back to
10 Question 1. We made references to consistency and
11 TVA communication between the power distribution side
12 and the water management side, and what I have not
13 heard is the water management teams.

14 I guess my comment would be that one
15 idea -- and I guess it more relates to Question 1,
16 that TVA develop a coordination process relative to
17 making sure there is a consistent message being put
18 out by all aspects and so that there is a consistent
19 message put between the power distribution side and
20 the water management side or river operations and
21 watershed management team so that as these drought
22 conditions are occurring there is a central theme
23 that's being put out.

24 You know, we have heard different
25 aspects. I think Karl referenced the power

1 distribution notes that come out periodically on the
2 supply side, the energy side.

3 So one thought is making sure that
4 there is an internal coordination process as well so
5 that as Bruce alluded to there's a consistent
6 message. It needs to be both internal and external
7 with both the drought committee and then within TVA
8 so that there's a message being sent out relative to
9 the current conditions and near term forecast.

10 FACILITATOR DAVE WAHUS: Thank you.

11 Any other responses to question No. 3?

12 With that, Mr. Chairman, I suggest we
13 take a 15-minute break, and then we will come back
14 and we will go over the responses to Question 1 and
15 have an opportunity to discuss them one at a time and
16 decide whether you want to leave it in or take it
17 out, and we will do that the same with Question Nos.
18 2 and 3.

19 (Brief recess.)

20 FACILITATOR DAVE WAHUS: I would like
21 to share with you a bit of bravery that took place
22 while you were all thinking and talking.

23 As we were working here a spider came
24 up the side of the table and crawled across the
25 keyboard as Jennifer was keying it in and she didn't

1 miss a stroke, and I think she needs to be recognized
2 for that bravery.

3 So you never know what's going to
4 happen at one of these Council meetings. That was
5 totally unscripted.

6 Okay. What we would like to do now,
7 if you-all agree, we will go back to Question 1 and
8 we will start with the first response and we will
9 offer opportunities first to discuss, and before we
10 leave the response to Question 1 or to the first
11 response to Question 1, then I would like to ask you
12 to decide whether you want to -- we will discuss all
13 of them and then we will come back to each one
14 individually for, do you want to leave it in or take
15 it out.

16 If during the process you -- as you
17 discuss it that you definitely feel that it needs to
18 be taken out, then speak up and we will do an
19 evaluation right then. When we do these evaluations,
20 leave it in or take it out, I will ask you to either
21 put your thumb up if you're going to leave it in or
22 thumbs down if you're going to take it out.

23 You may see some similar ones. If you
24 want to combine them, that's fine. If you decide or
25 agree that we want to do some changing of words to

1 make it clearer or whatever, that's fine, too. It's
2 entirely up to you. This is your recommendations,
3 not mine.

4 Tom.

5 MR. TOM VORHOLT: Could I ask
6 something to No. 1?

7 FACILITATOR DAVE WAHUS: You certainly
8 may. Let's go to the last item on No. 1.

9 MR. TOM VORHOLT: Item No. 1 talks a
10 lot about federal, state and local agencies. It
11 talks a lot about one way of communicating. I'm not
12 saying it doesn't happen, but I think No. 1 should
13 capture the fact that there are other stakeholders in
14 the river, in the Tennessee River, other than the
15 agencies of federal, state, and local, that may have
16 some very valuable information that would be
17 pertinent to making a few decisions.

18 FACILITATOR DAVE WAHUS: Could you
19 give me an example of one?

20 MR. TOM VORHOLT: Sure. Navigation.

21 FACILITATOR DAVE WAHUS: The
22 navigation industry.

23 MR. TOM VORHOLT: I mean, we are a
24 stakeholder. There is some point in time where
25 navigation on that river stops, you know. If you

1 lower the barges from 1775 tons per barge to 1400
2 tons to barge, it has serious consequences for not
3 only TVA but the people in the Valley from the
4 standpoint that there are four power plants on the
5 Cumberland and Tennessee rivers that collectively
6 burn 18 million tons per year of coal. So that's
7 about 1.5 million tons per month.

8 It doesn't -- it wouldn't take long to
9 chew through a bunch of inventory in a power plant
10 and some rather dire consequences take place. That's
11 one example.

12 My point is that there are other
13 stakeholders out there. I think the two-way
14 communications that is not captured in No. 1 is
15 importance of the other stakeholders in the Valley.

16 FACILITATOR DAVE WAHUS: Did we
17 capture your thoughts?

18 MR. TOM VORHOLT: Yeah.

19 FACILITATOR DAVE WAHUS: Bill.

20 MR. BILL FORSYTH: To add on to what
21 Tom said, it goes as far as all the way down to
22 marine operators, anybody that has a business that's
23 associated with the system is affected and ought to
24 be communicated with.

25 FACILITATOR DAVE WAHUS: Okay. Did

1 you have something else, Tom?

2 MR. TOM VORHOLT: No.

3 FACILITATOR DAVE WAHUS: Let's go back
4 up to Question 1. Now, we intentionally lettered
5 these so we can differentiate. So if you know of the
6 letter or whatever or you can focus your discussion
7 on something other than what we're talking about, we
8 can identify it.

9 Okay. How can TVA's communications
10 strategy and implementation for extraordinary events
11 like extended droughts be improved?

12 Your first response was: Only one
13 press release about the drought and the
14 complications, and there ought to be more information
15 to the public.

16 Is this what you wanted to say, just
17 one drought -- just one -- is this one coordinated?
18 Are you talking about coordinated or you only want
19 one public release effort?

20 MR. BRUCE SHUPP: That was a
21 statement. He said there only has been one.

22 FACILITATOR DAVE WAHUS: Oh, there
23 only has been one. Okay. There ought to be more
24 public information. Any discussion on that? Thank
25 you.

1 Let's go to B. You complimented the
2 web site. It was broad and keep up the good work.

3 Yes.

4 MR. JEFF DURNIAK: Does the TVA web
5 site link to other websites, the states, the Corps?
6 So if there is a drought page on TVA's web site, does
7 that automatically link with any local information
8 for the public?

9 FACILITATOR DAVE WAHUS: You're
10 suggesting that it should?

11 MR. JEFF DURNIAK: It should link to
12 other agencies.

13 FACILITATOR DAVE WAHUS: Partnering
14 agency web sites.

15 MR. JEFF DURNIAK: The information on
16 those sites should be as consistent as possible given
17 the variations in this drought or in local response
18 to the drought.

19 FACILITATOR DAVE WAHUS: Let's add
20 that right there on that one. Let's add links to
21 partnering agencies.

22 MR. BILL FORSYTH: Just to add to
23 that, Bruce suggested that the drought management
24 team put out communications that y'all agree on. If
25 that could be put on the web site, if they meet

1 weekly and update the web site weekly with that
2 information of that press release.

3 FACILITATOR DAVE WAHUS: Update. Can
4 we say periodically or weekly? As appropriate?

5 MR. BILL FORSYTH: Yeah. Any other
6 discussion on this one?

7 Let's go to C then. Years of
8 experience between federal agencies. There are years
9 of experience between federal agencies. It would be
10 wise for TVA to create a drought management
11 programmatic agreement detailing communication steps
12 between cooperating agencies, include points of
13 contact, research, monitoring team data. This
14 information can be shared with the public.

15 Russell.

16 MR. RUSSELL TOWNSEND: I understand
17 our Chairman's concern with formal agreements because
18 they do take some time to put together and they do
19 hold you to certain steps.

20 You know, I guess I am coming at this
21 from two perspectives. One perspective is that I am
22 a social scientist. I am used to dealing with
23 variables. Nothing is as variable as human culture
24 and human beings, not even the weather.

25 So I think these kinds of things can

1 be addressed. I think a programmatic agreement,
2 along the lines of, you know, drought strategy
3 through tactical actions through steps D-0 through
4 D-5 could be handled on about a five-page
5 programmatic agreement or a six-page programmatic
6 agreement.

7 I think it would demonstrate -- you
8 know, if the concrete steps themselves weren't
9 beneficial to the cooperating agencies, I think the
10 effort of putting this together would demonstrate in
11 a concrete way to the public that TVA is aware of
12 these issues and concerned about these issues and is
13 taking a leadership role.

14 I also understand that you have to
15 preserve flexibility. Representing Indian tribes, my
16 second perspective is flexibility is dangerous when
17 Indian tribes deal with the federal government. If
18 you show too much flexibility, you end up with your
19 whole nation out in Oklahoma somehow.

20 So I think some good definitions and
21 some good clear steps and points of contact, I think
22 it's worth it.

23 FACILITATOR DAVE WAHUS: Thank you.
24 Thank you, Russell. Any other discussion on this?

25 COUNCIL CHAIR MR. TOM LITTLEPAGE: I

1 guess -- and I don't have any problem with the
2 concept of programmatic agreement, maybe as Jeff has
3 talked about and Russell, some delineation between an
4 action plan and a communication or coordination plan.

5 Part of the problem with it being a
6 full-blown action plan is that it's not their
7 control. The actions prescribed are not under TVA's
8 control. So I am a little concerned about
9 programmatic agreements that specify certain actions,
10 but I certainly would not see any problem with
11 agreements that stipulate communication protocols and
12 decision trees and those kind of aspects of being
13 somewhat structured in their flexibility to adapt to
14 or respond to situations.

15 So I don't see anything wrong with
16 that at all. I guess programmatic agreements tends
17 to be a way a lot of federal agencies work together
18 in a more formal sense.

19 FACILITATOR DAVE WAHUS: I will remind
20 you that Kim is taking down every word you're saying.
21 So we're not trying to capture everything here on the
22 screen because we do have a record of everything
23 that's being said. So we will be able to go back and
24 make sure we have captured everything in the intent.

25 Any further discussion on this

1 suggestion?

2 Okay. Our web site is great. Keeps
3 people informed. Best conduit for informing
4 stakeholders. Example, keeping Norris full.

5 COUNCIL CHAIR MR. TOM LITTLEPAGE: Can
6 you scroll back up to B?

7 FACILITATOR DAVE WAHUS: Yes. Let's
8 go back to B. Complimenting the web site. Broad,
9 keep up the good work.

10 Would you like to combine these two or
11 do you want to leave them as separate?

12 Notice we have B here. Now let's go
13 down to D. Do you want to combine the two? Do I see
14 thumps up? Do you want to combine them?

15 Okay. Everybody wants to combine it.
16 Let's move D up there at the end of B.

17 Any further discussion on this one?

18 COUNCIL CHAIR MR. TOM LITTLEPAGE: I
19 would tend -- just to clarify, I would delete that
20 sentence, web site is great, and just continue that
21 train of thought. I don't want to take -- I think
22 it's a little redundant.

23 FACILITATOR DAVE WAHUS: You're
24 already complimenting the web site in the very first
25 sentence or the first phrase. I guess it's not a

1 complete sentence.

2 Let's go then back to D. Would like
3 to see periodic updates by e-mail to distributors so
4 they can prepare for potential rate increases,
5 mechanism to stay in communication with the
6 decision-makers.

7 I believe the discussion there was
8 that the decision -- the water folks closer to the
9 water are being communicated with, but the
10 decision-makers are not necessarily in the loop. I
11 may be paraphrasing what one of you said, but I think
12 that's what you said.

13 MR. WES ROSENBALM: I said that
14 there's two-fold there. It may be just because we're
15 not in the fold of TVA and we're getting those, but
16 we read about some of the stuff in the newspaper
17 rather than getting it through the TVA on the rate
18 side and the electric side, but on the water side I
19 think that potential is there as well, as George
20 pointed out.

21 FACILITATOR DAVE WAHUS: Okay. Any
22 other discussion?

23 Do you want to change that to need a
24 mechanism? Is that okay with you? Need a mechanism
25 to stay in communication with the decision-makers?

1 MR. WES ROSENBALM: For water systems.

2 FACILITATOR DAVE WAHUS: For water
3 systems. Thank you. Need updated news releases,
4 particularly in the tributary reservoirs. Any
5 discussion?

6 I believe, Bruce, were you one that --
7 someone said that we need -- particularly when the --
8 when it appears that the reservoirs or the water
9 system is full down the main-stem that there are
10 problems up in the tributaries that we need to make
11 sure that we're sharing information on a regular
12 basis and explaining why there is a difference and
13 doing it on a regular basis. I don't know whose --

14 MR. BRUCE SHUPP: I think that's what
15 I said, but I don't think that captures it.

16 FACILITATOR DAVE WAHUS: Let's fix it.

17 MR. BRUCE SHUPP: Update news releases
18 explaining the -- to the main-stem residents the
19 sacrifices being made in the tributary reservoirs or
20 impacts being felt in the tributary reservoirs.

21 COUNCIL CHAIR MR. TOM LITTLEPAGE: All
22 right. The other thing I might suggest is I think we
23 talk about press releases in A, and maybe we just use
24 this as a follow-on thought to that.

25 MR. BILL FORSYTH: I think press

1 releases seems to be generic for the whole system,
2 and they almost never speak to the problems of the
3 tributaries.

4 FACILITATOR DAVE WAHUS: Are you
5 talking about targeted press releases that you go to
6 a particular part of the region rather than --

7 MR. BRUCE SHUPP: No. I think that
8 the whole region has to understand, particularly the
9 downstream -- the main-stem part of the region has to
10 understand what's going on to keep their water levels
11 where they are and why they are still there.
12 Otherwise, they wouldn't be there.

13 FACILITATOR DAVE WAHUS: Did I hear
14 you say you wanted to combine this with A?

15 We will go back up. Let's go back up.
16 Do I see any opposition to combining this with the
17 other one on press releases or are you satisfied with
18 that?

19 Okay. Let's go back down to E, I
20 believe it is. Use a drought-type committee and come
21 to an agreement on statement and release information
22 to the public reduces conflicting reports.

23 MR. BRUCE SHUPP: I think that should
24 be drought management committee, is that correct,
25 TVA? Everybody is shaking their head, drought

1 management.

2 FACILITATOR DAVE WAHUS: Come to an
3 agreement on public statements, I am just trying to
4 understand what you're saying here. So help me out.

5 MR. BRUCE SHUPP: Yeah.

6 COUNCIL CHAIR MR. TOM LITTLEPAGE: All
7 right. This would be an internal TVA? Are you
8 talking about the drought committee as proposed in
9 the drought plan or internal to TVA?

10 MR. BRUCE SHUPP: No. In the drought
11 plan. The joint widely represented drought committee
12 that would decide on are -- what they agree upon is
13 the status and what they agree upon is predictions
14 and what they agree upon should go out to the public.

15 DFO MR. PEYTON HAIRSTON: So that we
16 have some consistency.

17 MR. BRUCE SHUPP: So it's consistent
18 and nobody is in left field with out-of-bound
19 statements.

20 FACILITATOR DAVE WAHUS: Are we
21 capturing the thought here?

22 MR. BRUCE SHUPP: Yes, I think the
23 point is made.

24 FACILITATOR DAVE WAHUS: Does anyone
25 have any problems with that? Any further discussion

1 on this subject?

2 Okay. Going to F. Communication is
3 the key to success. Use a variety of methods to
4 communicate. Look for existing internal contacts to
5 pass along information. Discussion? Comments?

6 Okay. Let's go on to the next one. I
7 think there was something similar to that, but let's
8 go on and we will see if we find something.

9 Concerned about formal agreements.
10 Likes drought-type committee that acts as a
11 clearinghouse for information. Would focus on
12 communication and information with joint press
13 releases.

14 Is this similar to what we just talked
15 about?

16 MR. BRUCE SHUPP: Yeah, that's like an
17 affirmation to the one above it.

18 FACILITATOR DAVE WAHUS: Do you want
19 to combine them? Do you want to eliminate this one?
20 What do you want to do?

21 MR. JEFF DURNIAK: Tom, wasn't that
22 your comment in response to Russell's proposal?

23 COUNCIL CHAIR MR. TOM LITTLEPAGE: Oh,
24 okay. Yeah. I think we would delete that first
25 sentence and just combine it with Bruce's concept for

1 a TVA committee.

2 FACILITATOR DAVE WAHUS: Again, are we
3 talking about a drought-type committee
4 or drought-management committee?

5 COUNCIL CHAIR MR. TOM LITTLEPAGE: It
6 was management.

7 FACILITATOR DAVE WAHUS: Okay. Let's
8 go back down to G. TVA could utilize existing
9 resources in the community. Bring them (the
10 grassroots people) together to discuss impacts and
11 how we meet needs -- how we can meet needs. Create
12 ombudsman that can share information with the public,
13 take a proactive role.

14 Any discussion on this?

15 You guys are too easy here.

16 Jeff, did you want to say something?

17 MR. JEFF DURNIAK: Would folks know
18 who the grassroots people are? I think it was power
19 distributors, wasn't it, that this was being referred
20 to?

21 MR. KENNETH DARNELL: Well, it was --
22 well, even the power distributors, the water plant
23 operators, and things like that.

24 FACILITATOR DAVE WAHUS: Let's put
25 that in there. Grassroots people such as power

1 distributors, water plant managers.

2 MR. KENNETH DARNELL: The gist of that
3 was taking the lead and disseminating this
4 information out to all of the users, the people that
5 it affects at the local level in the Valley.

6 COUNCIL CHAIR MR. TOM LITTLEPAGE: I
7 don't think we want to forget stakeholders. As Tom
8 mentioned, there's a number of very directly impacted
9 involved stakeholders, like navigation interests and
10 those folks.

11 FACILITATOR DAVE WAHUS: And other
12 stakeholders. Does that satisfy it and better
13 capture what you wanted to say?

14 Let's go down to H. Communicate
15 positively and realistically. Discussion? Okay.

16 Put PSA's in place to talk about
17 conservation for the end users. I'm sorry. I missed
18 one. Add words to the water and power bills,
19 something like conservation is good. What do you
20 want to do with this? Do you want to -- any
21 discussion?

22 Yes, George.

23 MR. GEORGE KITCHENS: I mean, just the
24 only thing I would add to that is that it's a great
25 suggestion. It's outside TVA's purview. The

1 responsibility for this lies in the power world with
2 100 and plus power distributors.

3 I'm always -- even though we get some
4 response from messages we put on the bills, most
5 people look at the dollars that are due and don't
6 read any of the other garbage or whatever that is put
7 on a power bill. I mean, it's a fact.

8 I am scared about a lot of the
9 communication that we have been talking about this
10 morning just because we can put out great press
11 releases, but TVA doesn't control the editorial
12 boards of hundreds of newspapers in the seven state
13 area and the headline gets away from us, you know,
14 the headline comes out that the river is drying up,
15 you know, move to Jamaica or something.

16 FACILITATOR DAVE WAHUS: What are you
17 proposing as far as this is concerned?

18 MR. GEORGE KITCHENS: I think it's a
19 great suggestion, but it is outside TVA's purview is
20 the only observation that I was trying to make.

21 FACILITATOR DAVE WAHUS: Any other
22 discussion?

23 MR. KENNETH DARNELL: I think he's
24 right.

25 COUNCIL CHAIR MR. TOM LITTLEPAGE: I

1 think as we talked about water and energy
2 conservation concepts, I think there were some
3 references to Mr. Kilgore's discussion or in the
4 strategic plan and the emphasis on energy
5 conservation.

6 I guess what I am seeing is trying to
7 look for ways to that initiative to bring water
8 conservation into that focus and look for ways to
9 jointly work with that group and push the
10 conservation message.

11 I think there's a reference down there
12 to combining energy and water conservation and maybe
13 this just alludes to that focus.

14 FACILITATOR DAVE WAHUS: So in this
15 case are we talking about both energy and water
16 conservation or are we talking about water
17 conservation? What are we talking about here?

18 COUNCIL CHAIR MR. TOM LITTLEPAGE: I
19 thought in this case the reference was to water
20 conservation, trying to encourage ratepayers to
21 understand the need for water conservation.

22 FACILITATOR DAVE WAHUS: Well, do you
23 want to add the word water conservation?

24 MR. KENNETH DARNELL: It's an
25 either/or the way it's written.

1 FACILITATOR DAVE WAHUS: Add the words
2 water conservation is good.

3 MR. BILL FORSYTH: I think it might be
4 a good idea to always try to combine the two. They
5 are both important.

6 COUNCIL CHAIR MR. TOM LITTLEPAGE: And
7 maybe instead of proposing this, if it's the pleasure
8 of the Council, just to look at changing this to
9 something liken, encourage a conservation message as
10 you can to distributors or as appropriate, rather
11 than proposing a specific approach.

12 FACILITATOR DAVE WAHUS: How do
13 you-all feel about that suggestion? Thumbs? Okay.
14 Let's make that change. Encourage a conservation
15 message to customers whenever possible.

16 COUNCIL CHAIR MR. TOM LITTLEPAGE: And
17 just delete that first part.

18 FACILITATOR DAVE WAHUS: Delete that
19 first sentence. Okay. Very good. Encourage -- I'm
20 sorry. PSA's in place to talk about conservation for
21 the end users, again, are we talking about water or
22 energy or both conservation?

23 I am going to ask that question about
24 conservation, how do you want to target it because
25 some of the TVA folks weren't sure what you meant

1 when you used the word conservation.

2 MR. GEORGE KITCHENS: I hate to speak
3 for Arthur. Arthur had to leave. This was Arthur's
4 comment. I know he was making reference to water in
5 this specific comment, but just having those PSA's in
6 the can and ready to go when we do get to drought
7 conditions, pull the trigger on getting those
8 messages out via local TV and news outlets, I think
9 he was talking about water conservation.

10 FACILITATOR DAVE WAHUS: Do you accept
11 adding water conservation here?

12 COUNCIL CHAIR MR. TOM LITTLEPAGE: And
13 maybe at the front just have should have PSA's in
14 place.

15 FACILITATOR DAVE WAHUS: Any further
16 discussion on this one?

17 MR. JEFF DURNIAK: May be a part of A.
18 A was press releases.

19 FACILITATOR DAVE WAHUS: Remember the
20 first one was press releases. Is this a separate
21 issue separate, separate recommendation, or is that
22 part of the press release, the sharing information?

23 MR. KENNETH DARNELL: It's a little
24 more separate talking about Public Service
25 Announcements.

1 FACILITATOR DAVE WAHUS: Any further
2 discussion? Leave it separate? Okay.

3 K, TVA needs to be careful when
4 putting out information during a drought or other
5 water emergency. Be careful when putting out
6 information on pricing. Discussion?

7 Okay. Water conservation and energy
8 conservation needs to be rolled out together.
9 Discussion?

10 MR. GEORGE KITCHENS: It's very
11 similar to the one that we had just a few letters up.

12 FACILITATOR DAVE WAHUS: Go back to --
13 is that I, is that the one you want, encourage
14 conservation messages to customers whenever possible,
15 is that --

16 MR. GEORGE KITCHENS: Leave it in
17 then. Leave it in. I was looking for a place to
18 combine it.

19 FACILITATOR DAVE WAHUS: Water -- any
20 discussion on L?

21 Slow down. You're making me seasick.
22 M, opportunity to educate the public and change their
23 behavior, i.e., an icon like Smokey The Bear,
24 marketing opportunity. Any discussion? Any
25 comments?

1 MR. GEORGE KITCHENS: Billy Bass or
2 Charlie Catfish since we're talking about --

3 FACILITATOR DAVE WAHUS: Just add
4 that. Any other discussion on this issue?

5 N, broaden beyond drought. Look at
6 water and energy and the relationship between the
7 two. Conservation and drought become components of
8 the whole. Discussion?

9 Okay. Some distributors are offering
10 cable and could possibly provide free air time for
11 sharing information with the public, is this a
12 combination with the PSA's or is this a separate one?

13 MR. WES ROSENBALM: Put it with PSA's.

14 FACILITATOR DAVE WAHUS: TVA should
15 consider an internal coordination process so as
16 drought conditions are occurring there is a central
17 theme being shared. Consistent internal and external
18 message. Discussion?

19 MR. KENNETH DARNELL: There's
20 something above that goes along with it.

21 FACILITATOR DAVE WAHUS: Go ahead.

22 MR. BRUCE SHUPP: That was different.
23 I think that statement was made to talk about what --
24 whether the river management people -- the river
25 operations people are saying the same thing as the

1 energy people are saying, I think that was the gist
2 of it.

3 FACILITATOR DAVE WAHUS: That was the
4 question I was going to ask.

5 MR. BRUCE SHUPP: If I recall, that's
6 what it was.

7 FACILITATOR DAVE WAHUS: So that the
8 central theme being shared between the water
9 management and the emergency folks?

10 MR. BRUCE SHUPP: Okay. Spent of TVA.

11 FACILITATOR DAVE WAHUS: Okay.

12 COUNCIL CHAIR MR. TOM LITTLEPAGE: You
13 have got your water management, your watershed teams,
14 your energy and power production side.

15 FACILITATOR DAVE WAHUS: So what
16 you're saying -- if I understand what you're saying
17 is that the Agency should have the same message
18 throughout the entire Agency rather than just water
19 management having this message. So we're talking
20 about energy and we're talking navigation and we're
21 talking all of the recreational and water supply and
22 everybody.

23 Okay. There are other stakeholders,
24 i.e., navigation industry, besides TVA that may have
25 information to share. There needs to be two-way

1 communications.

2 That was Tom's comment. He stepped
3 out for a moment. Any further discussion?

4 Also, consider marina operators, other
5 businesses associated with the water system.

6 MR. KENNETH DARNELL: That's pretty
7 much a corollary.

8 FACILITATOR DAVE WAHUS: Do you want
9 to combine those two?

10 MR. KENNETH DARNELL: Yes.

11 FACILITATOR DAVE WAHUS: Okay. Any
12 further discussion that you would like to make on
13 Question No. 1?

14 Okay. We're going to go up to 1-A now
15 and we're going to say, do you want to leave it in or
16 do you want to take it out, and we're going to
17 have -- this should go rather quickly, and then we'll
18 go into discussion No. 1.

19 We have discussed these. I know
20 there's two sides. Some of you are opposed. Some of
21 them are not. Some feel strongly about them. Others
22 feel strongly to keep them. We need to get a feeling
23 of consensus from you as to what you want to do.

24 The first one, A, there has only been
25 one press release about the drought and the

1 complications. There ought to be more information to
2 the public. Need updated news releases explaining to
3 the main-stem residents the impact being felt in the
4 tributary reservoirs, in or not?

5 Okay. It's in.

6 Let's go on to the next one.

7 Complimenting the web site. Broad, keep up the good
8 work. Add links to partnering agency web sites with
9 messages that are as consistent as possible. Update
10 information as appropriate. Keep people informed.

11 The best conduit for informing stakeholders.

12 Example, keeping Norris full. In or out? Everybody
13 has an opinion. Okay. Leave it in.

14 There are years of experience between
15 federal agencies. Wise for TVA to create a drought
16 management programmatic agreement detailing

17 communication steps between cooperating agencies.

18 Include points of contact, research, monitoring team
19 data. Information can be shared with the public.

20 Could be handled on a five- to six-page programmatic
21 agreement. In or out? Hold them up there. I see
22 some differences here. I see all positive except I
23 see some that haven't voted.

24 MR. BRUCE SHUPP: I don't understand
25 it really.

1 FACILITATOR DAVE WAHUS: I saw two
2 negatives. Do you want to make any comment?

3 MR. JEFF DURNIAK: I would wonder
4 whether you couldn't handle it through the drought
5 plan and be a little bit less formal and less
6 bureaucratic. To be frank, can it happen in a more
7 efficient manner?

8 FACILITATOR DAVE WAHUS: Other
9 comments? Russell.

10 MR. RUSSELL TOWNSEND: I would respond
11 by saying we're dealing with federal agencies. You
12 can't get much more bureaucratic than that.

13 I don't -- I think it is always wise
14 to have your communication steps listed, your
15 communication protocol clearly defined.

16 You know, I think Tom made a good
17 point that perhaps this should focus on
18 communications between cooperating agencies and
19 states as opposed to direct actions. I think some
20 actions where it goes -- where the document would say
21 something like, should we reach this point we will
22 communicate with these agencies or these states or
23 these departments within the states, I think it's
24 just wise. I think you could deal with that level of
25 bureaucracy.

1 FACILITATOR DAVE WAHUS: Do you want
2 to add another sentence? Do you want to add focus on
3 communications rather than direct action?

4 MR. RUSSELL TOWNSEND: I think that
5 would be wise.

6 FACILITATOR DAVE WAHUS: I will now
7 ask for indication again, thumbs up if you want to
8 leave it in there as changed or thumbs down if you
9 think it ought to go, it ought to be taken out?

10 I saw one thumb up and one thumb down.
11 I see mostly thumbs up, gentlemen. We will leave it
12 in.

13 D, would like to see periodic updates
14 via e-mail to distributors so they can prepare for
15 potential rate increases. Need a mechanism to stay
16 in communication with the decision-makers for water
17 systems. In or out? Up or down? Okay. I see up.

18 Use a drought management committee and
19 come to an agreement on public statements and
20 releases of information to the public. Reduces
21 conflicting reports. Likes drought management
22 committee that acts as a clearinghouse for
23 information. Would focus on communication and
24 information with joint press releases. In or out?
25 Up or down? Okay. Up.

1 Communication is the key to success.
2 Use a variety of methods to communicate. Look for
3 existing internal contacts to pass along information.
4 Up or down? In or out? Leave it in or take it out?
5 Okay. We will leave it.

6 TVA could utilize existing resources
7 in the community. Bring them (the grassroots people
8 such as power distributors, water plant managers and
9 other stakeholders) together to discuss impacts and
10 how we can meet needs. Create ombudsman -- easy for
11 you to say, not me -- that can share information with
12 the public. Take a proactive role. Do you like that
13 or do you not like it? Up or down?

14 MR. GLEN BIBBINS: That's sort of this
15 group, isn't it?

16 FACILITATOR DAVE WAHUS: Pardon me?

17 MR. GLEN BIBBINS: That's sort of this
18 group.

19 FACILITATOR DAVE WAHUS: I am not sure
20 that that's your role. Do you want to leave it in?
21 Okay. Leave it in.

22 Communicate positively and
23 realistically. Up or down? Everybody has an
24 opinion. I'm looking for a thumb from everybody.
25 Okay. Leave it in.

1 Encourage a conservation message to
2 customers whenever possible. In or out? Okay. In.

3 Should have PSA's in place to talk
4 about water conservation to the end users. Some
5 distributors are offering cable and could possibly
6 provide free air time for sharing information with
7 the public. Is that a recommendation or not? It is.
8 Okay.

9 TVA needs to be careful when putting
10 out information during a drought or other water
11 emergency. Be careful when putting out information
12 on pricing. Leave it in or out? Let's leave it in.

13 Water conservation and energy
14 conservation need to be rolled out together. I am
15 seeing lots of thumbs up on this one.

16 Opportunity to educate the public and
17 change their behavior. For example, the icon like
18 Smokey the Bear, Billy Bass, Charlie the Catfish.
19 Your imagination can just go wild. It's a marketing
20 opportunity. In or out? Okay. In.

21 Broaden between (sic) drought. Look
22 at water and energy and the relationship between the
23 two. Conservation and drought become components of
24 the whole. In or out? Okay. Everybody said yes.

25 TVA should consider an internal

1 coordination process so as drought conditions are
2 occurring there is a central theme being shared
3 between the water management and energy components
4 and others. Consistent internal and external
5 message. In? Okay. I am seeing lots of thumbs up.

6 There are other stakeholders, i.e.,
7 the navigation industry, besides TVA that may have
8 information to share. There needs to be two-way
9 communication. Also consider marina operators and
10 other businesses associated with the water system.
11 Okay. I am seeing all thumbs up.

12 Okay. Now that you are comfortable
13 with the responses we will continue on with the
14 process, I should say.

15 Question No. 2. Now that you have
16 seen the Draft Drought Management Plan, is there
17 anything else TVA should consider for inclusion in
18 the plan?

19 The first suggestion you made was to
20 have a decision tree and priorities. How will
21 decisions be made. Who will make them? What
22 priorities will they be based?

23 Any discussion? We will discuss them
24 and then we will go quickly to whether they should be
25 in or not. Any discussion on this?

1 Okay. Go on to the next one. Plan
2 needs to be beefed up to include more constrained
3 definitions of terms, such as what is an assessment,
4 thermal assessment, how often, where, when, and why.
5 Discussion? Nothing.

6 Okay. Define appropriate actions in
7 the plan. Consider the '88 plan to be added to the
8 appendix.

9 Jeff.

10 MR. JEFF DURNIAK: Combine C with
11 that.

12 FACILITATOR DAVE WAHUS: Combine C
13 with A, do you agree?

14 MR. BRUCE SHUPP: Yes.

15 FACILITATOR DAVE WAHUS: I am seeing
16 lots of nodding of the heads. So let's combine C
17 with A. Any other discussion on that?

18 MR. RUSSELL TOWNSEND: I might suggest
19 that B could be combined. If you just start out
20 with, you know, include more constrained definitions
21 of terms such as, I think it can be combined with A
22 and drop it totally.

23 FACILITATOR DAVE WAHUS: Any further
24 discussion on A now that it's been changed? Okay.

25 Let's go to B. Define how much

1 varying staff is allowed to deviate from the red
2 flood guide to conserve water.

3 Bruce.

4 MR. BRUCE SHUPP: That is difficult to
5 describe in a short part of the plan. I'm not so
6 sure that that's capable of doing that. That's
7 really pretty complex stuff. I don't know if that
8 should be in the basic guidance plan.

9 FACILITATOR DAVE WAHUS: Well, what do
10 the rest of you think?

11 COUNCIL CHAIR MR. TOM LITTLEPAGE: I
12 don't remember who specifically made the comment.

13 FACILITATOR DAVE WAHUS: Jeff made
14 that.

15 MR. JEFF DURNIAK: I did. It's just
16 an opportunity that it's a trade-off between risk
17 management, between floods and droughts.

18 FACILITATOR DAVE WAHUS: Tom.

19 COUNCIL CHAIR MR. TOM LITTLEPAGE: All
20 right. What I would hope for is a process where
21 early in the planning cycle, late winter, early
22 spring, there is some discussion with the drought
23 management committee relative to opportunities to
24 prepare for the summer.

25 I don't know that we would prescribe

1 or recommend that that committee or some specific
2 provision be established for determining that
3 variance, but at least the discussion of whether
4 there's an opportunity to prepare for a drought and
5 the river operations folks can take some unusual
6 levels, i.e., overfilling in that early part so that
7 it.

8 MR. BRUCE SHUPP: And the risks
9 involved in that.

10 COUNCIL CHAIR MR. TOM LITTLEPAGE: You
11 know, there's a whole consideration of risks and
12 technical analysis. I don't think we want to define
13 specific criteria under which they could operate
14 above the guide curves. I think we need to say or my
15 recommendation would be that the process include
16 looking at opportunities to vary from the guide curve
17 in preparation for any coordination with the drought
18 committee.

19 FACILITATOR DAVE WAHUS: Jeff.

20 MR. JEFF DURNIAK: No problem with
21 changing the semantics as long as the concept is
22 there. I think what it would be is discuss in the
23 drought committee variance.

24 FACILITATOR DAVE WAHUS: Help us
25 reword this. Discuss or look for opportunities to

1 review -- help me out, Tom.

2 COUNCIL CHAIR MR. TOM LITTLEPAGE: I
3 am saying -- let's see. Look for opportunity, I
4 don't think -- all right. The drought committee
5 should consider appropriate opportunities to
6 encourage TVA.

7 MR. KENNETH DARNELL: Instead of allow
8 a deviation from the flood guide to conserve water.

9 COUNCIL CHAIR MR. TOM LITTLEPAGE: All
10 right. That we -- just consider it appropriate that
11 would allow TVA to -- just pick up the allow at the
12 bottom, that would to allow TVA to deviate.

13 FACILITATOR DAVE WAHUS: Did that
14 capture your thought?

15 COUNCIL CHAIR MR. TOM LITTLEPAGE: All
16 right. Yes, I think so.

17 FACILITATOR DAVE WAHUS: Does anyone
18 else have any thought or anything you want to share?

19 All right. Let's go to the next one.
20 Needs to be a defined set of parameters. When is
21 this parameter met? When this parameter is met, this
22 action show will go into place.

23 MR. KENNETH DARNELL: That's a little
24 more restraining than I think it was originally
25 intended there, but the whole idea is there needs to

1 be action items in the plan so that we or the
2 stakeholders or the people that have concern would
3 not know that if a -- if the drought level gets to
4 here then we will -- you will be looking at these
5 specific actions, flowage reduction or what-have-you.

6 FACILITATOR DAVE WAHUS: Okay.

7 MR. KENNETH DARNELL: Maybe general
8 action items.

9 FACILITATOR DAVE WAHUS: Do you want
10 to leave it as modified or modify it further?

11 MR. KENNETH DARNELL: I would take out
12 the need for defining a set of parameters, that was
13 just kind of a clarifying statement. You could stand
14 with the first sentence.

15 FACILITATOR DAVE WAHUS: When
16 parameters have met the action that go into place.

17 MR. KENNETH DARNELL: Yeah. Parameter
18 and condition would work?

19 FACILITATOR DAVE WAHUS: Is that what
20 you meant?

21 MR. KENNETH DARNELL: Yes. Do you
22 have any other discussion?

23 MR. GEORGE KITCHENS: Parameter to me
24 just seems pretty confining and restraining. We're
25 talking about drought conditions. So when you have

1 this level of drought condition, an appropriate
2 action would be called for.

3 FACILITATOR DAVE WAHUS: Good
4 observation. The next one is, the plan needs to
5 recognize that there are strategic preparations that
6 are longer term in nature. There are some benefits
7 to preparing for droughts. These are not necessarily
8 only TVA responsibilities.

9 Any discussion? Am I in your way? If
10 I am in your way and you can't see the screen, sound
11 off. No discussion.

12 Let's go to the next one. The plan
13 would benefit from addressing critical stages of
14 drought. Outline critical actions needed and
15 responsible parties during Level 4. Prepare for
16 worst-case scenario. Discussion?

17 Let's go to the next one. Let's go
18 back up to 2-A. Limber your thumbs. The first one,
19 the decision tree -- give me the question again.

20 Now that you have seen the Draft
21 Drought Management Plan, is there anything else TVA
22 should consider for inclusion in the plan?

23 The first one is decision tree and
24 priorities. How will decisions be made? Who will
25 make them? What priorities will they be based on?

1 Define appropriate actions in the plan. Consider the
2 '88 plan be added to the Appendix or as an Appendix.
3 Include such constrained definition of terms -- more
4 constrained definition of terms. Up or down? In or
5 out. Okay. I am seeing let's leave it in.

6 B, the drought management committee
7 should consider appropriate opportunities that would
8 allow TVA to deviate from the red flood guide to
9 conserve water. In or out? Okay. I am seeing no
10 negatives.

11 Let's go on. There need to be general
12 action items in the plan. When a condition is met,
13 an action will go into place. In or out? Okay.
14 Let's leave it in.

15 Plan needs to be recognize that there
16 are strategic preparations that are no longer term in
17 nature. There are some benefits to preparing for
18 droughts. These are not necessarily only TVA
19 responsibilities. I am seeing a few thumbs up, more
20 thumbs up. Okay. Let's leave it in.

21 The plan would benefit from addressing
22 critical stages of drought. Outline critical actions
23 needed and responsible parties during Level 4.
24 Prepare for the worst-case scenario. I see nothing
25 but thumbs up.

1 Okay. The third question then, are
2 there other partnership opportunities that TVA could
3 use for support during extreme conditions like
4 droughts?

5 The first one -- the first
6 recommendation was TVA could help negotiate with a
7 national firm regarding lower consulting rates for
8 emergency planning. Discussion? Okay. Let's go on.

9 MR. KENNETH DARNELL: I think you
10 could broaden that even from consulting rates to
11 state they could look for opportunities to provide
12 services or contract services.

13 FACILITATOR DAVE WAHUS: Wes, do you
14 feel comfortable with what he said?

15 MR. WES ROSENBALM: Yes.

16 FACILITATOR DAVE WAHUS: Lower cost
17 contract services, is that what you're looking for?

18 MR. WES ROSENBALM: To be clear, we're
19 not asking TVA to pay for anything, just be a
20 clearinghouse for bargaining power basically in this
21 situation.

22 FACILITATOR DAVE WAHUS: TVA is not
23 responsible for payment but offer bargaining power.

24 MR. WES ROSENBALM: B was my comment
25 as well. You may just want to move it right up to --

1 right after the first sentence there.

2 FACILITATOR DAVE WAHUS: Okay. Did
3 that help you with that?

4 MR. WES ROSENBALM: No. I would put
5 plans filed after the emergency planning to make sure
6 it's clear what you are referring to.

7 MR. GEORGE KITCHENS: Move the may up
8 to just following the first sentence.

9 MR. WES ROSENBALM: That may not be
10 something TVA would want to have here, but at least
11 they would know what each water utility was going to
12 do.

13 FACILITATOR DAVE WAHUS: Does that
14 capture what you want to do? Okay. Any other
15 discussion on A now?

16 Okay. B, TVA water management
17 functions communicate more frequently with the power
18 distributors.

19 Okay. Go on to 3. Partner with
20 states via a newsletter, communications package that
21 the states could include on their web sites or
22 distribute to interested parties. Any discussion?

23 Let's go on to D. Could use a drought
24 committee to coordinate communications package with
25 all the partners who would further distribute it.

1 Discussion?

2 E, TVA could use model for power
3 emergency load curtailment program, (ELCP). Could be
4 expanded for water emergency or drought conditions.

5 Any discussion?

6 Let's go on to F. Financial
7 incentive. Consider using time-of-use metering to
8 the end user to encourage conservation.

9 Wes.

10 MR. WES ROSENBALM: Is that in
11 reference to electricity or water?

12 FACILITATOR DAVE WAHUS: You tell me.
13 Jean.

14 MRS. JEAN ELMORE: I would say both.
15 That one was not actually my comment, but I added to
16 it.

17 FACILITATOR DAVE WAHUS: I think it
18 was Glen's initial comment.

19 MR. GLEN BIBBINS: I was thinking
20 electricity. I don't know if it's technically
21 feasible for water. Whatever it's feasible for.

22 MR. WES ROSENBALM: I was going to
23 make the point that I am not aware of a time-of-use
24 water meter.

25 FACILITATOR DAVE WAHUS: So we're

1 talking energy here, energy conservation.

2 MR. WES ROSENBALM: Also, that exists
3 currently. I don't know if that's something that you
4 want to put in the report, but they do have
5 time-of-use rates.

6 FACILITATOR DAVE WAHUS: Any other
7 discussion?

8 Okay. G, partnerships are developed
9 over time. Partnering with states and other federal
10 agencies is key. Consider other agencies (such as
11 NRCS, USFS) that could not only help collect
12 information but also disseminate to their
13 constituents. Any discussion?

14 H, bring the public in as partners.
15 Give them information in a very simple way. Need to
16 be focused on how it applies to them. Discussion.

17 Okay. Go on to the next one.

18 TVA should be leader in partnerships
19 with agencies such as the states, USDA, NRCS. Be
20 creative in identifying agencies to partner with.

21 MR. KENNETH DARNELL: Fold that into
22 the one above.

23 FACILITATOR DAVE WAHUS: Combine that
24 with the one above. Any opposition to that? Any
25 discussions on that now as modified?

1 Let's go back to I then. TVA should
2 consider a grant program for drought proofing or
3 consider being a clearinghouse for grant program
4 information. Drought proofing water supply intakes.
5 Grants for -- how do you pronounce that?

6 MR. GEORGE KITCHENS: Xeriscaping.

7 FACILITATOR DAVE WAHUS: Xeriscaping.
8 Water system repairs. What can TVA do as the leader
9 to promote conservation and then reduce consumption
10 during critical times.

11 I had to ask Jeff during a break what
12 you were saying.

13 MR. GEORGE KITCHENS: I would like to
14 just see if we could get a consensus around the
15 group. I am fine with the concept of TVA being a
16 clearinghouse for helping, you know, small municipal
17 water systems or whatever, be a clearing program to
18 help them find grants. I just don't know that TVA
19 should be in the grant business for this purpose.

20 MR. WES ROSENBALM: J is my comment as
21 well. I have to put my other hat on and agree with
22 George, I don't think that one will fly with the
23 distributors. While it's a good idea, maybe it's not
24 our place to decide what will or will not fly with
25 distributors, but that will not go over well. As

1 someone who does both, I would love to have, but
2 we're --

3 FACILITATOR DAVE WAHUS: What do you
4 want to do with this?

5 MR. GEORGE KITCHENS: And the reason
6 that I was going from there and, you know, you
7 captured it already, Wes, is because since TVA has no
8 other funding than from its power program, we're
9 adding yet -- you know, power customers are already
10 paying for clean air and a number of other programs
11 that have social benefits. I don't know if it's
12 quite fair to add water on to it.

13 So I am fine with the concept that TVA
14 being a clearinghouse to help people identify places
15 to get grants, but I don't know if I want to add one
16 more burden on the backs of power customers.

17 FACILITATOR DAVE WAHUS: How would you
18 propose --

19 MR. GEORGE KITCHENS: TVA should
20 consider being a clearinghouse for grant program
21 information.

22 FACILITATOR DAVE WAHUS: Like that?

23 MR. GEORGE KITCHENS: Yes, it works
24 for me better.

25 FACILITATOR DAVE WAHUS: Jeff, how do

1 you feel about that?

2 MR. JEFF DURNIAK: Fine. Grandma is
3 happy.

4 FACILITATOR DAVE WAHUS: Any other
5 comments on this issue? Okay.

6 MR. KENNETH DARNELL: Take the rest of
7 it out.

8 MR. GEORGE KITCHENS: I think that
9 just adds definition to what we were talking about,
10 unless we're going to add the definition of
11 Xeriscaping in for the folks that Jean was worried
12 about to understand what's being discussed here, and
13 me, I didn't know what it was until I asked Jeff at a
14 break.

15 MR. JEFF DURNIAK: Rocks instead of
16 grass in your lawn.

17 FACILITATOR DAVE WAHUS: Do you want
18 to leave the rest of it in for clarification? I am
19 seeing a lot of nods.

20 Any further discussion on I?

21 Okay. J, TVA could create a program
22 that distinguishes or rewards communities for the
23 reduction of water losses.

24 MR. WES ROSENBALM: If I may, this
25 ties into your conservation in some ways.

1 Communities have opportunities to get these small
2 awards and they make big deals out of them in the
3 public. I am not sure what cost it would have to
4 TVA, but in their conservation program if they had a
5 Friends of the Tennessee River Watershed or whatever
6 it was and you could apply and try to win that award,
7 it carries a little weight and helps the local
8 community. I don't think the cost would be --

9 COUNCIL CHAIR MR. TOM LITTLEPAGE: A
10 completely non-monetary award.

11 MR. WES ROSENBALM: Give a plaque out
12 or something like that.

13 COUNCIL CHAIR MR. TOM LITTLEPAGE: I
14 think this is a broader issue relative to TVA's
15 involvement in an energy/water conservation
16 initiative.

17 FACILITATOR DAVE WAHUS: Any changes
18 you want to make to this one or leave it as it?

19 COUNCIL CHAIR MR. TOM LITTLEPAGE: I
20 think it's fine.

21 FACILITATOR DAVE WAHUS: And then the
22 last one, caution against having ratepayers pay for
23 improvements. Ratepayers pay for what kind of
24 improvements?

25 MR. WES ROSENBALM: Water.

1 COUNCIL CHAIR MR. TOM LITTLEPAGE: Are
2 we specifically talking water conservation?

3 FACILITATOR DAVE WAHUS: Help me
4 define what we're talking about here.

5 COUNCIL CHAIR MR. TOM LITTLEPAGE: It
6 is water conservation initiatives.

7 MR. KENNETH DARNELL: Well, I thought
8 that was in response to some of the items that we're
9 suggesting about ratepayers' contribution to things,
10 and now that we have taken those items out do we
11 need --

12 FACILITATOR DAVE WAHUS: Well, there's
13 been a suggestion by, one, the suggester and another
14 by someone else that this be removed?

15 MR. BILL FORSYTH: You can combine it
16 with J.

17 FACILITATOR DAVE WAHUS: Is that what
18 you want to do or do you want to remove it?

19 MR. BRUCE SHUPP: Combine it with the
20 grant program.

21 FACILITATOR DAVE WAHUS: Combine that
22 with I? I am seeing some nods.

23 MR. JEFF DURNIK: The comment K was
24 in response to I.

25 FACILITATOR DAVE WAHUS: Let's take I.

1 MR. JEFF DURNIAK: It's a concern
2 among many members here.

3 MR. KARL DUDLEY: I think I actually
4 made that suggestion. There again, to create a
5 program that distinguishes fish and water losses, I
6 just -- I don't know that it's -- TVA is a power
7 generation transmission system operator. They serve
8 eight million residents of the Valley. If you're
9 going to start rewarding some communities or reward
10 all the communities if they reach a certain place, I
11 just -- all of this stuff is nice and it looks good,
12 but someone has to pay the fiddler. The little old
13 lady in line pays the fiddler, and I am here to
14 represent her. This pie in the sky stuff is not
15 going to work.

16 People have to realize that we don't
17 have the ability to maintain the growth we're seeing
18 in the Valley. We're going to have to do something
19 about it. Rewards is not going to amount to nothing.
20 We have got to do something crucial about it. We're
21 going to have to start conserving any way we know
22 how. I don't think a plaque on the wall is going to
23 do it.

24 I am opposed to it just because it
25 sends the wrong signal, No. 1, and No. 2, it costs

1 higher revenue, that's the only source that TVA has.

2 FACILITATOR DAVE WAHUS: Any other
3 discussion?

4 Well, let's start with I, then we will
5 work down to J, and work back up towards the first
6 three. We will work backwards on this one. Let's
7 start with J. Do you want to leave J in or do you
8 want take it out?

9 If your thumb is up, you want to leave
10 it in. If your thumb is down, take it out. I see
11 three. Come on, everybody has a vote. I need
12 everybody to participate, please. You're looking at
13 J -- I'm sorry, I.

14 TVA should be the clearinghouse for
15 grant program information. Drought proofing water
16 supply intakes. Grants for Xeriscaping, water system
17 repairs. What can TVA do as the leader to promote
18 conservation and then reduce consumption during
19 critical times? Caution against having ratepayers
20 pay for improvements.

21 Should that stay in as a
22 recommendation or should that go out? Okay. I am
23 seeing no moves. Leave it in.

24 J, TVA could create a program that
25 distinguishes a reward to communities for the

1 reduction of water losses. In or out? I see that as
2 going out. Some didn't vote.

3 MRS. JEAN ELMORE: I think there's a
4 problem with the implementation on that.

5 FACILITATOR DAVE WAHUS: Some didn't
6 vote. So it was five to six. So that comes out.
7 Let's go back up to H. Bring the public in as
8 partners. Give them information in a very simple
9 way, how it applies to them. Do you want to leave
10 that in as a recommendation or take it out? Okay.
11 Leave it in.

12 COUNCIL CHAIR MR. TOM LITTLEPAGE: So,
13 Dave, before we leave H, I think Jean made this
14 point, is that clear, that last how it applies to
15 them or should it say something to the effect needs
16 to be focused on how it applies to them or something?

17 FACILITATOR DAVE WAHUS: Do you feel
18 comfortable with that modification? Okay. Thank
19 you. Good. Do you want to leave that in or take it
20 out? I am seeing nothing but thumbs up.

21 G, partnerships are developed over
22 time. Partnering with states and other federal
23 agencies is key. Consider other agencies such as
24 NRCS and USFS that could not just help collect
25 information but also disseminate to their

1 constituents. TVA should be the lead in the
2 partnerships with agencies such as the states, USDA a
3 and NRCS. Be creative in identifying agencies to
4 partner with. Do you want to leave that in or take
5 it out?

6 MR. RUSSELL TOWNSEND: One thing that
7 would help clarify it is that situation after the
8 first parenthetical quote where you have, that could
9 not just, but how about change that to could not only
10 help collect information.

11 FACILITATOR DAVE WAHUS: Thank you.
12 Do you-all accept that? Okay. In or out?

13 Let's go on. F, financial incentive.
14 Consider using time-of-use metering to the end user
15 to encourage energy conservation. In or out? Okay.
16 I am seeing mostly plus and a couple of negatives.

17 TVA could use model for power energy
18 (sic) load curtailment program. Could be expanded
19 for water emergency or drought conditions. Would you
20 like to leave that recommendation in or out? I'm
21 seeing everything positive. Thank you.

22 TVA could use drought committee to
23 coordinate communications package with all partners
24 who would further distribute it? Do you want to
25 leave that recommendation in or out?

1 MR. BRUCE SHUPP: It's redundant in
2 what we said in the first question.

3 MR. RUSSELL TOWNSEND: I might offer
4 that I think that this is talking about creating
5 partnerships and disseminating information where the
6 other one was talking specifically about planning.
7 To me this is suggesting using that drought committee
8 to coordinate these partnership efforts and
9 communication efforts.

10 FACILITATOR DAVE WAHUS: Leave it in?
11 In or out? Okay. Let's leave it in.

12 Partner with states via newsletter,
13 communications package that the states could include
14 on their web sites or distribute to interested
15 parties. In or out? Let's leave it in.

16 B, TVA water management functions
17 communicate more frequently with the power
18 distributors. In our out? Nothing but positive
19 there.

20 Okay. The last one, TVA could help
21 negotiate with a national firm regarding lower
22 consulting rates for emergency planning. May want to
23 have plans filed here. Could look for opportunities
24 to provide lower cost contract services. TVA would
25 be responsible for payment but rather offer

1 bargaining power. In or out? Okay. I see no
2 negatives. We will leave it in.

3 Let's see if we have -- we have a
4 quorum. So does anyone else have any other comments
5 or responses to these three questions?

6 Then Mr. Chairman, I will turn the
7 program back over to you. You have a quorum and you
8 have recommendations that everyone concurs with.

9 COUNCIL CHAIR MR. TOM LITTLEPAGE: All
10 right.

11 FACILITATOR DAVE WAHUS: Before we
12 stop, could you give Jennifer a hand? She has done a
13 great job. Thank you.

14 COUNCIL CHAIR MR. TOM LITTLEPAGE: So
15 I am assuming this is the document that we will pass
16 to Peyton and TVA's staff and hope that you can use
17 this accordingly.

18 DFO MR. PEYTON HAIRSTON: Thank you.

19 COUNCIL CHAIR MR. TOM LITTLEPAGE: All
20 right. I want to thank everybody for their efforts
21 in doing that.

22 A couple of wrap-up things. I failed
23 to recognize Director Williams, she's here in the
24 audience and has been, I think, most of the morning.
25 We certainly appreciate her support of this effort

1 and the Council as a whole.

2 Is there any comments you wish to make
3 before we adjourn? Thank you again for being here.

4 DIRECTOR SUSAN WILLIAMS: I appreciate
5 all of you being here and good comments. We will get
6 them to the staff and hopefully begin to implement
7 some of these things.

8 COUNCIL CHAIR MR. TOM LITTLEPAGE: All
9 right. We need to set our next meeting date. I
10 think Catherine mailed out a selection of three
11 dates, one of which was Valentine's Day. We have had
12 a number of folks say their wives wouldn't let them
13 vote on that day.

14 Is there a strong consequence on
15 January 24th and 25th versus January 31st and
16 February 1st?

17 How about the 24th and 25th as the day
18 most people can make?

19 MR. BRUCE SHUPP: I am down that day.

20 MR. KENNETH DARNELL: What days are
21 these?

22 MS. CATHERINE MACKEY: They're all
23 Thursday and Friday.

24 COUNCIL CHAIR MR. TOM LITTLEPAGE: We
25 have got one that can't make the first one. How

1 about the second one, the January 31st and February
2 1st, how many cannot make it? Let's do that.

3 FACILITATOR DAVE WAHUS: We have one
4 on each one.

5 COUNCIL CHAIR MR. TOM LITTLEPAGE: Do
6 you have a personal preference?

7 DFO MR. PEYTON HAIRSTON: Why are you
8 putting this off on me, Mr. Chairman? No, I do not
9 have a personal preference.

10 COUNCIL CHAIR MR. TOM LITTLEPAGE: I
11 guess I would propose the earlier date, then if we
12 get into a delay we can fall back to the second date
13 as we poll the other members who are not here.

14 So maybe with that condition we will
15 select January 24th and the 25th, and then as we hear
16 from those members not here we may fall back to the
17 second date at this point.

18 Any other comments or questions or
19 closing remarks? Our lunches are here and you're
20 welcome to pick up a lunch and come back in here and
21 eat it or take it with you on the road.

22 MR. KENNETH DARNELL: I would like to
23 thank the new members and the excellent input they
24 have provided for this. It has been a very congenial
25 council and very enjoyable to work with.

1 COUNCIL CHAIR MR. TOM LITTLEPAGE: All
2 right. Thank you. I echo that. Thank now for
3 bringing that up, Kenny.

4 DFO MR. PEYTON HAIRSTON: Just one
5 thing. This is my first, and I wasn't quite sure
6 what to expect, but you guys did outstanding work. I
7 enjoyed socializing with you the last couple of
8 nights. It's been a lot of fun. We will take all of
9 this to heart and you will hearing more about it. So
10 thank you for your good work. Be safe going back.

11 FACILITATOR DAVE WAHUS: I would ask
12 that you take your name tags off and leave them on
13 the table, that way you will have them again to be
14 able to wear them here the next time you meet.

15 COUNCIL CHAIR MR. TOM LITTLEPAGE: And
16 you're also welcome to leave your notebooks here. If
17 you don't want to carry your notebook back, just
18 leave it here and Catherine, I am sure, will handle
19 that for you.

20 Thank you. We are adjourned.

21 END OF MEETING

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REPORTER'S CERTIFICATE

STATE OF TENNESSEE)
 : SS.
COUNTY OF KNOX)

I, Kimberly J. Nixon, RPR, the officer before whom the foregoing meeting was taken, do hereby certify that foregoing transcript was taken by me in machine shorthand, and thereafter reduced to typewriting by me;

That the transcript is a true and accurate and was prepared under my supervision, and attached to this certificate is a true, accurate and complete transcript, as provided by law;

That I am neither counsel for, related to, nor employed by any of the parties to this meeting; and I further certify that I am not a relative or employee of any attorney or counsel employed by the parties hereto, nor financially or otherwise interested in the outcome of this action; and that the foregoing transcript is complete and accurate in all particulars, as provided by law.

In witness whereof, I have hereunto set my hand this _____ day of _____, 2007.

KIMBERLY J. NIXON, RPR
NOTARY PUBLIC AT LARGE.
MY COMMISSION EXPIRES 4/28/07.