

MINUTES  
OF  
REGIONAL RESOURCE STEWARDSHIP COUNCIL  
MEETING

August 29, 2001  
Guntersville, Alabama

**Present**

1. Mr. Jimmy Barnett
2. Mr. Lee Baker
3. Mr. Phil Comer
4. Mr. Austin Carroll
5. Ms. Ann Coulter
6. Mr. Karl Dudley
7. Mr. Bill Forsyth
8. Mayor Thomas Griffith
9. Ms. Julie Hardin
10. Dr. Kathryn J. Jackson (DFO)
11. Mr. Al Mann
12. Ms. Miles Mennell
13. Mr. W. C. Nelson
14. Mr. Bruce Shupp (Council Chair)
15. Dr. Stephen A. Smith
16. Dr. Paul F. Teague
17. Mr. Greer Tidwell, Jr.
18. Mr. Dave Wahus (Council Consultant)

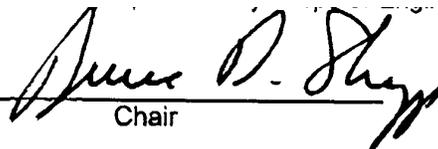
**Absent**

1. Senator Roger Bedford, Jr.
2. Mr. Herman Morris, Jr.
3. Ms. Elaine Patterson
4. Mr. Jim Sutphin

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(available in the TVA Corporate Library)

Approved by

  
Chair

1 REGIONAL RESOURCE STEWARDSHIP COUNCIL MEETING

2 AUGUST 29, 2001

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1 REGIONAL RESOURCE STEWARDSHIP COUNCIL  
2  
3 MR. BRUCE SHUPP (COUNCIL CHAIR)  
4 DAVE WAHUS (FACILITATOR)  
5 SENATOR ROGER BEDFORD, JR.  
6 MR. W. C. NELSON  
7 MR. AL MANN  
8 MAYOR THOMAS GRIFFITH  
9 MR. BILL FORSYTH  
10 MR. HERMAN MORRIS, JR.  
11 MR. JIM SUTPHIN  
12 MS. ELAINE PATTERSON  
13 MR. LEE BAKER  
14 MR. JIMMY BARNETT  
15 MR. AUSTIN CARROLL  
16 MR. KARL DUDLEY  
17 MR. PHIL COMER  
18 MS. ANN COULTER  
19 MS. JULIE HARDIN  
20 MS. MILES MENNELL  
21 MR. GREER TIDWELL  
22 DR. STEPHEN A. SMITH  
23 DR. PAUL F. TEAGUE  
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1 P R O C E E D I N G S

2 MR. BRUCE SHUPP: Good morning all  
3 you guests and TVA employees, staff, Council  
4 members, welcome to beautiful Guntersville for our  
5 August meeting of the TVA Regional Resource  
6 Stewardship Council.

7 We have got a real busy agenda today,  
8 a fun agenda, a challenging agenda, and I'd like to  
9 have Dave Wahus, our facilitator, to go through it  
10 with you.

11 Dave?

12 MR. DAVE WAHUS: There are a couple  
13 of changes on the agenda. So if you have your  
14 agenda, please follow along. We will be starting in  
15 just a few minutes with feedback from TVA on the  
16 Council's three recommendations. Skila Harris will  
17 be leading that.

18 At about 10:15 we will have a break,  
19 and then at 10:30 Austin Carroll will give a report  
20 on the legislative working group's trip to  
21 Washington, D.C. And then following that at the  
22 tail of that, this is the first change, Phil Comer  
23 will report on the August 20th meeting with the  
24 Chairman of TVA.

25 At 10:45 Ann Coulter will give a --

1 present the recommendation on the roof issue at the  
2 campgrounds, and then rather than bringing her on  
3 again a little later in the morning, we're going to  
4 move the item now that's on the vegetative  
5 management at 11:45 up to the same location on  
6 the -- so she will give that presentation  
7 immediately following the roof issue at the  
8 campgrounds.

9                   Following the completion of that,  
10 Miles Mennell will do a recommendation on navigation  
11 responsibilities and issues on the Tennessee River  
12 system, and then Jimmy Barnett on the three  
13 recommendations on TVA's monitoring and water  
14 quality improvement program.

15                   We will adjourn for lunch at noon.  
16 That will be in the Goldenrod room. Then at 1:00 we  
17 will have -- receive comments from the public. And  
18 starting from 2:00 to 4:00 we will have discussion  
19 on the recommendations that were presented starting  
20 at 10:45 this morning. At 4:00 to 4:30 we'll have  
21 planning for the next meeting, and our target is to  
22 adjourn at 4:30.

23                   Are there any other changes or  
24 additions, any deletions that anyone has for the  
25 agenda?

1                   MR. BRUCE SHUPP: Thank you, Dave. A  
2 reminder for anybody who would like to speak in the  
3 1:00 to 2:00 public comment section, we would  
4 appreciate it if you would register out at the desk,  
5 and that's so we can manage the time so we'll know  
6 how many speakers there are. It helps us a great  
7 deal to get through that period efficiently.

8                   MR. DAVE WAHUS: This morning on the  
9 feedback from TVA, and also the afternoon discussion  
10 from 2:00 to 4:00, I would ask the members to please  
11 help me by staying on issue and please keep your  
12 comments concise. There's a lot of information that  
13 has to be covered during both periods, and I would  
14 ask that you not digress and that you not wander off  
15 the subject, that you think about what you're going  
16 to say so you can say it as precisely as possible  
17 and we can give everyone an opportunity to speak  
18 during those times.

19                   MR. BRUCE SHUPP: Well, this is game  
20 time, folks. We have been practicing for 18 months  
21 and we're getting ready to play the game. And we've  
22 worked very hard at practice, and we've put together  
23 recommendations and sent them to the TVA Board. And  
24 you're lucky, this meeting that last night Director  
25 McCullough was here -- Chairman McCullough was here

1 to share his views with us.

2                   And today Board Member Skila Harris  
3 is here with the real challenge; and that is, to  
4 review with us those recommendations -- the three  
5 recommendations that the three subcommittees sent to  
6 the Board a couple of months ago.

7                   She is going to have an interactive  
8 discussion with us, not a definitive answer to our  
9 recommendations, but an interactive discussion to  
10 improve and sharpen those recommendations to fit the  
11 needs of both Council and the Board. We're really  
12 delighted to have Skila here to do that, and she's  
13 got about two hours to do a challenging job. So the  
14 floor is yours, Skila.

15                   DIRECTOR SKILA HARRIS: Thank you  
16 very much. Thank you all, all of you who are here  
17 as visitors. It's great to be back again.

18                   COURT REPORTER: Use your mic.

19                   MR. BRUCE SHUPP: They're very  
20 directional.

21                   DIRECTOR SKILA HARRIS: I'd rather  
22 not have the microphone in my face. I'm sorry. A  
23 lot of people are in my face a lot, and I'd rather  
24 not have the microphone.

25                   MR. PHIL COMER: I can't hear you.

1                   DIRECTOR SKILA HARRIS: I want to  
2 welcome everybody here, those of who you are  
3 visitors, as well as members of the Council. I know  
4 that Glenn mentioned to you last evening how much we  
5 appreciate the work that you-all have done.

6                   It's inadequate just to say that --  
7 thank you, because the gratitude that we feel --  
8 because there are very few people that we believe  
9 share the understanding of the complexity of the  
10 issues that you have dealt with over the last 18  
11 months. Glenn and I face these.

12                  The reason we were so enthusiastic  
13 about bringing a group like this together was that  
14 we needed the benefit of your deliberations. We  
15 needed the benefit of your wisdom and the combined  
16 intellect and the experiences that you have to  
17 really help us wrestle with these problems.

18                  As I have sort of dipped in and out  
19 of the progress you have been making, either in my  
20 individual conversations with you or with the  
21 conversations with the TVA staff, I have -- really  
22 my respect for the earnestness, for the seriousness  
23 that you have taken -- undertaken this task.

24                  As you know, this isn't easy, and it  
25 really has taken a lot of your personal and

1 professional time. That is something, because we  
2 all know that time is such a premium. I especially  
3 thank you and appreciate the time that you've given  
4 to this effort.

5                   This morning we have about two hours.  
6 What I have envisioned, and I don't know and I would  
7 be certainly open to any suggestions in this area,  
8 several of the recommendations you have made are  
9 fairly easy to agree with. I would like to go over  
10 some of those first, and then generally go over the  
11 recommendations, read them to you, sort of give you  
12 our response, and let you react whether or not we  
13 have gotten the essence of the message that you are  
14 sending us.

15                   Now, what I want to avoid is  
16 revisiting all of the deliberations that you have  
17 had over 18 months in the last -- in the next two  
18 hours. I would certainly -- I think that as a group  
19 you have probably coalesced to the point that you  
20 can cut through and just say, well, so many people  
21 agreed and -- but we were split on this one, that's  
22 just the sense that I want to get from this.

23                   Some of them we will be able to tell  
24 you today, well, we agree with that and we're going  
25 to pursue that, but it's going to be a mixed bag in

1 terms of what we might be -- a timetable for where  
2 we -- when we might be getting back to you on the  
3 balance of them.

4 All it will take is for me to have an  
5 opportunity to sit down with Glenn, to discuss with  
6 him what I heard today, and then at that conclusion  
7 we'll be able to get back. And we will -- as we  
8 have committed to you, we will provide you a written  
9 response that will address all of the  
10 recommendations. So we will have a formal document  
11 that presents the feedback that we have to the  
12 recommendation. I just felt like that more of a  
13 conversation today was more important because I want  
14 to make sure that we were understanding what you  
15 were saying.

16 So let me just first start -- we will  
17 take the easy ones first. Why don't I start with  
18 the land -- the public lands issues? And make  
19 sure -- and I want you to interrupt me. I am going  
20 to stop every once in awhile and make you say  
21 something to me, but if anything that I -- and I am  
22 going to try to -- I'm going to read this to make  
23 sure that our -- our interpretation is correct.

24 So let's go to the recommendations on  
25 public lands, management of public lands. My

1 understanding is that you recommend that TVA's  
2 public lands be utilized and managed for long-term  
3 benefits, guided by public input, and that TVA  
4 continue management of the public lands presently  
5 under our stewardship.

6                   And as the old saying goes, from your  
7 lips to God's ears, let's always hope that we will  
8 continue the stewardship of the lands that are  
9 currently under our management. We definitely  
10 accept this recommendation. And with your help, we  
11 will continue to be the stewards of those -- of that  
12 land.

13                   Another part of the recommendation  
14 said the water -- that water quality be a No. 1  
15 consideration in public lands management. Now, I  
16 was a bit confused by this because it says a No. 1  
17 consideration. I would assume that you-all -- the  
18 implication there is that water quality be the No. 1  
19 consideration.

20                   Is that a misunderstanding?

21                   DR. PAUL TEAGUE: That's correct.

22                   DIRECTOR SKILA HARRIS: Okay. Okay.  
23 I know that's a small detail but it -- to me it's  
24 important. We accept this recommendation, and we  
25 will continue to manage TVA's shoreline and other

1 lands to improve, protect, and enhance water  
2 quality.

3                   You also recommended that TVA  
4 continue to develop and update land management plans  
5 and to actively manage and implement plans with  
6 appropriate management techniques. Now, I need a  
7 little more specificity here. I -- would someone  
8 sort of explain what you envision as an appropriate  
9 management technique?

10                   MS. ANN COULTER: Well, the --

11                   DIRECTOR SKILA HARRIS: Ann, I think  
12 they're pointing at you.

13                   MS. ANN COULTER: I think so. The  
14 plans that we reviewed, both plans already completed  
15 and those in progress --

16                   DIRECTOR SKILA HARRIS: Right.

17                   MS. ANN COULTER: -- under public  
18 comment period and so forth, we felt, were very well  
19 done with adequate amounts of both research and  
20 public input and offered a balance of the many  
21 considerations that we have realized are valuable,  
22 and offered in those plans, we thought, were  
23 adequate implementation techniques.

24                   And so we would not envision -- we're  
25 not recommending any additional ones or more

1 specific ones but felt that the ones that come out  
2 of that land use planning process are appropriate.

3 DIRECTOR SKILA HARRIS: Okay. Good.  
4 Anybody else have a -- want to expand on that?

5 I understand that. Well, given  
6 that -- that interpretation, we definitely accept  
7 that recommendation, and we really appreciate the  
8 support and your validation of the approach that  
9 we're using right now. I personally think that it  
10 has really enhanced our ability to manage the lands  
11 in a way that people respect, they're included, and  
12 I think that it's -- it's been a valuable process,  
13 certainly for us, and I think it's improved people's  
14 understanding. So thank you.

15 Also, you recommended that TVA  
16 balance multiple benefits, including conservation,  
17 economic development and recreation, and that a  
18 balance set of recreational experiences be provided  
19 on TVA managed lands.

20 If any -- does anyone want to  
21 elaborate on that one? Okay. We accept this  
22 recommendation and we will continue to strive for  
23 this balance in all of our land planning processes.

24 See, these are easy, guys. You know,  
25 you say something, we say yes.

1                   You recommended that TVA property  
2 currently allocated for industrial use be included  
3 in the site selector system and that it be made  
4 available for potential use. What a great idea. We  
5 think that you saw something that we had overlooked  
6 and we appreciate this recommendation and we will  
7 certainly follow that.

8                   You also recommended that future  
9 industrial, commercial, and residential development  
10 should enhance natural resource conservation by  
11 incorporating innovative site planning and design  
12 techniques.

13                   We accept this recommendation for  
14 residential access where we will continue to use  
15 such provisions of the shoreline management policy  
16 to incorporate such techniques.

17                   For industrial and commercial land  
18 uses, we will continue to encourage use of best  
19 management practices, buffer zones, and restoration  
20 of shoreline areas. We share your belief that this  
21 is an important responsibility. We have a unique  
22 opportunity here and a little leverage where we can  
23 create this opportunity and take advantage of it.  
24 So I especially appreciate this because I think  
25 it's -- TVA has a unique opportunity to improve land

1 use in these areas.

2 Anybody else want to say anything  
3 about that one?

4 Okay. You also recommend that  
5 funding for public land management not be unduly  
6 borne by ratepayers and that public and private  
7 entities actively assist TVA in finding new funding,  
8 establishing partnerships, and developing creative  
9 approaches.

10 Now, TVA accepts this recommendation  
11 and we are committed to continuing to try to work  
12 with others, with other Government agencies, with  
13 other private concerns in the development of  
14 innovative partnerships for sharing costs of TVA  
15 public lands management.

16 I would like to have a little  
17 discussion about that because I'm interested in  
18 hearing your concepts for partnerships with private  
19 entities and what your discussions were around that  
20 issue.

21 Ann?

22 MS. ANN COULTER: Well, I would like  
23 to hear also some of the other input of the  
24 subcommittee members. This is the set of issues  
25 that we probably debated at most length and came --

1 and came to a unanimous agreement on this wording.

2                   We felt that in a certain sense  
3 citizens of the Valley have in a way been spoiled in  
4 the past by TVA's ability to garner the kind of  
5 national funding or from national sources to do  
6 these kinds of things, and therefore, we have not at  
7 the local level stepped up to the plate necessarily  
8 as much as may be appropriate in the future, both  
9 public and private entities, particularly, I think,  
10 local and state governmental agencies, as well as  
11 private landowners such as land trusts and others.

12                   We think and we have heard from  
13 people in the various meetings and hearings that  
14 there is interest in doing that, that people  
15 recognize that the kinds of things that TVA has done  
16 in the past with regard to public lands is going to  
17 be more difficult to do in the future and that we  
18 all need to try to work a little harder, be a little  
19 more creative, be willing to partner in some ways  
20 that haven't been done in the past, and that was  
21 just sort of the general essence of what we  
22 discussed.

23                   DIRECTOR SKILA HARRIS: Miles, do you  
24 have a response to any -- I mean, you're involved  
25 with all the local governments.

1                   MS. MILES MENNELL: From our local  
2 Government's point of view, speaking as ATVG,  
3 representing their interest, we're very much in  
4 favor of seeking, again, federal funding by  
5 appropriation for many of the programs that TVA  
6 supports in terms of its stewardship.

7                   So in terms of innovative  
8 partnerships, the problems that local governments  
9 have, of course, is the continuation of what they  
10 say as unfunded mandates. They are asked to do  
11 things and to come up with funds to fund programs  
12 that they simply don't have necessarily the  
13 resources for.

14                   Now, obviously when a push comes to a  
15 shove, we all have to learn to reallocate our  
16 resources and use them in different ways, but in  
17 general our organization would encourage TVA's Board  
18 of Directors and the folks at TVA to join with us in  
19 going back to the Administration and to Congress and  
20 soliciting, once again, by federal appropriation  
21 monies for many of these stewardship programs.

22                   DIRECTOR SKILA HARRIS: Yes, Paul.

23                   DR. PAUL TEAGUE: This was debated at  
24 length, as you can only imagine. Our feeling was  
25 it's unfair for the ratepayers to do everything for

1 the Valley that other valleys out west, the Corp,  
2 Forest Department, Recreation Department, get money  
3 for. And if TVA is to continue to integrate  
4 management, then somebody else has to help, both  
5 federal, the municipalities, and even in some cases  
6 private.

7                   As Ann says, the people of the Valley  
8 have been spoiled, especially the municipalities.  
9 They go around all the time with their hands out,  
10 but it makes it much more important -- an issue is  
11 much more important if we put our own sweat into it  
12 and when we put our own monies into it.

13                   And we think that municipalities  
14 should have a percentage, TVA should have a  
15 percentage, the Federal Government should have a  
16 percentage. It should not be left totally on the  
17 backs of the tax -- of the consumers of electricity.  
18 If they plan on us being more than an energy  
19 company, then they also should plan on helping us  
20 with the resources.

21                   DIRECTOR SKILA HARRIS: One of the  
22 things -- I mean, this -- we might as well talk  
23 about this issue and certainly TVA's posture on it.  
24 And Kate, you may want to chime in here.

25                   When Congress took the action to

1 limit TVA -- well, eliminate, let's not -- let's not  
2 be cute about this, to eliminate our appropriations,  
3 basically it provided us with some guidance for how  
4 we should pay for those activities or how we could  
5 pay for those activities. And right now it's TVA's  
6 position that we probably are not in a position to  
7 go to Congress and request appropriations.

8 Congress gave us guidance. They said  
9 for these types of programs, and they gave us a  
10 whole litany of -- and I'm sure you have already  
11 heard the -- how we're supposed to pay for these.  
12 And it seemed to say that TVA should not come back  
13 and directly request appropriations, that is our  
14 interpretation right now.

15 Kate, am I -- I mean, now, so -- and  
16 if you say to me -- and I know -- Karl, you were  
17 shaking your head, I don't know whether -- was that  
18 a yes or a no?

19 MR. KARL DUDLEY: I agree.

20 DIRECTOR SKILA HARRIS: Okay. If  
21 you-all have another view or another interpretation  
22 of the statute, I would welcome you bringing it to  
23 me and explaining it. That is the way we are  
24 proceeding right now.

25 So, Miles, that puts us in a position

1 where we don't feel like that we have standing at  
2 this point to go back to Congress and say, remember  
3 what we said before, well, never mind. So right now  
4 we are proceeding and we are going -- we're not  
5 going to stand in the way of other people who think  
6 that's an appropriate course to take.

7 MS. MILES MENNELL: Well, what I  
8 would like to say, and I understand that and I  
9 understand the credibility, et cetera, et cetera, of  
10 that position and your position, but that certainly  
11 doesn't preclude our local governments or our  
12 Council here from recommending that federal  
13 appropriations be supplied for several of these --  
14 many of these projects. And I think that's -- I see  
15 that as an appropriate role for various stakeholders  
16 or the Council or whatever, excluding you from  
17 active participation in that.

18 Would you agree?

19 DIRECTOR SKILA HARRIS: Yes.  
20 Absolutely. Obviously, this is an independent  
21 advisory committee. You know, as the municipal  
22 governments and the local state governments,  
23 whatever they -- I mean, those are choices that each  
24 individual entity has to make, but for TVA, I --  
25 unless there is a different twist on this that we

1 haven't considered, I really believe that we are  
2 pretty much excluded right now from going to  
3 Congress and requesting new appropriations from a  
4 practical and also from a political standpoint. So  
5 as long as that's an understanding.

6                   And it actually relates to several  
7 issues that we'll go -- that we'll revisit later,  
8 but I thought it important, because this is one of  
9 those opportunities to talk about -- when we start  
10 talking about partnerships, and actually, you know,  
11 I think partnerships are important.

12                   Just on Monday, Monday, I think, we  
13 just had a great conversation about our watershed  
14 teams and some of the remarkable projects that they  
15 are undertaking right now for -- to prevent erosion,  
16 you know, bank stabilization projects, things that  
17 are of real value. It goes to the water quality  
18 issue. It also goes to the issue of just  
19 preservation of the contours of the reservoirs and  
20 the rivers and the tributaries. So, you know, those  
21 are great projects. The Department of Agriculture  
22 provides support to some of those, State  
23 Conservation Agencies do.

24                   So those are the kinds of projects  
25 that we feel like when you pool the resources you

1 can actually get something going. Whether there are  
2 enough resources to do that everywhere is -- what we  
3 have done is establish a priority list and we're  
4 going and we're working down that list to make sure  
5 that the money that we're spending now and the  
6 overall resources, human resources and financial  
7 resources, are focused on those areas where we can  
8 get the most benefit. So that, as you know, is how  
9 we're proceeding now, but in this other area of  
10 seeking funding I just wanted to make sure that you  
11 understood TVA's current position, and we were in  
12 sync on that.

13 Yes?

14 MS. JULIE HARDIN: Might that current  
15 position change with new leadership of TVA, the new  
16 Chairman, et cetera, or do you see that as having  
17 any impact upon --

18 DIRECTOR SKILA HARRIS: You mean the  
19 new Chairman other than Glenn?

20 MS. JULIE HARDIN: No. No. Glenn.

21 DIRECTOR SKILA HARRIS: He just got  
22 it. I don't think he's going to give it up.

23 MS. JULIE HARDIN: At least he has  
24 it, and might that have an impact?

25 DIRECTOR SKILA HARRIS: You know, if

1 you -- if you look at the -- if you look at how we  
2 got to where we are, Julie, and you look at the  
3 language in the legislation and everything, you  
4 know, obviously a different Board might have a  
5 different take on it.

6                   It's pretty clear though. It's --  
7 you know, I don't -- I will never say never because  
8 stranger things have happened, but at this point  
9 certainly Glenn and I are not comfortable, given  
10 what we have read, the interpretation that we have  
11 come to, we're not comfortable going to do that.  
12 Now, who knows what may happen.

13                   MS. JULIE HARDIN: In a decade.

14                   DIRECTOR SKILA HARRIS: Well, in a  
15 decade, that's true. I'll be sitting in my rocking  
16 chair in a decade, so -- yes?

17                   MR. JIMMY BARNETT: Skila, I can't  
18 resist this opportunity to have something to say  
19 from the power distributors' standpoint.

20                   DIRECTOR SKILA HARRIS: Yes.

21                   MR. JIMMY BARNETT: The power  
22 distributors are scattered all over the Valley.  
23 Some of them are close to the river, some aren't.  
24 You have some 8,000,000 customers involved with  
25 these power distributors, which are our customers

1 and your customer through us, plus some direct  
2 serves that you have.

3                   The further away from the river they  
4 are, these customers, the more they wonder, why  
5 should we pay for something, for an example, a  
6 recreation area right on the river? It may benefit  
7 you, Barnett, but it don't, you know, benefit us.

8                   One of the things I would like to  
9 suggest is that you take this recommendation from  
10 the Council and give it the widest possible  
11 dissemination they, hey, we met with stakeholders  
12 and this is what they said, and we would like to see  
13 at least do that.

14                   I have talked to several managers,  
15 and there's some here, that are far away from the  
16 river, and I'm sure they wonder, why should my  
17 people have to pay for something that might benefit  
18 Shelbyville or Decatur or Huntsville or Chattanooga  
19 and what's in it for us, why should we do that.

20                   Of course, we're all interested in  
21 TVA being a good viable organization, and it has  
22 been and we trust it will continue to be, but that  
23 is -- we see other areas in the country, and I know  
24 I have talked to some people from the Corps, they  
25 said their funding has been cut, rather drastically

1 in some areas, and they have made some interesting  
2 suggestions as to how we might go back and approach  
3 it with different people.

4 But I would like too see at least you  
5 and Glenn, and Bill, if he gets on the Board, stress  
6 that this particular Council came up with that  
7 recommendation. All we want is to be treated as  
8 fair as other areas of the country, no more.

9 DIRECTOR SKILA HARRIS: Okay. I  
10 appreciate that. Thank you.

11 MS. ANN COULTER: I would like to  
12 point out that there's one word that we probably  
13 debated more than any other in this particular  
14 recommendation, and that was the word unduly, that  
15 the cost of funding public lands management should  
16 not be borne unduly by the ratepayers, realizing  
17 that it means that some costs are duly borne by the  
18 ratepayers that don't necessarily directly result in  
19 electricity.

20 For example, I no longer have a child  
21 in public school, but I don't expect the county and  
22 state to drop my taxes because I no longer access  
23 that public education system. So we realize that  
24 word unduly involves a lot of judgment in there,  
25 which was why we elaborated on the further

1 recommendations.

2                   And I do want to point out to Miles  
3 that the thought she had is incorporated in that set  
4 of recommendations with regard to legislators of the  
5 regions appropriately and aggressively seeking to  
6 restore that funding as it's possible, in light of  
7 the fact that reality is that may not be available  
8 as quickly or in the amounts that some of us might  
9 like, we believe that there are some good ideas and  
10 good resources at the local and state level that can  
11 help pick up the slack.

12                   I think, for example, about  
13 Chickamauga Dam Reservation, which I grew up close  
14 enough to ride my bicycle to, which was free and  
15 open to the public, incredibly beautifully  
16 maintained. TVA paid lifeguards. Grass mowed twice  
17 a week. We're no longer in that kind of a  
18 situation, but there's definitely there's an  
19 alternative between that and padlocking that  
20 facility. And I think at the local level people are  
21 more than willing to view that as a valuable  
22 resource and see that in some way that be maintained  
23 as a public resource for the public. I think we're  
24 all ready to get a little bit more creative about  
25 how that happens.

1                   DIRECTOR SKILA HARRIS: Thank you.  
2    So I think that we have taken care of -- this  
3    discussion has covered the recommendation that  
4    legislators of the region periodically explore the  
5    feasibility of resuming federal appropriations for  
6    TVA's unique and historic stewardship and public  
7    responsibility, so I think that sort of took care of  
8    that.

9                   To me that wasn't directed at TVA.  
10   It's a general recommendation, and I think I hear  
11   what you-all are saying, that we should express that  
12   recommendation from the Council as we discuss this  
13   across the region, especially with our distributors  
14   and others.

15                  Next is you recommended that  
16   sustainability for both new and existing facilities  
17   and activities be examined. We accept this  
18   recommendation and we will continue to evaluate  
19   existing and proposed public land programs and  
20   facilities to ensure that they be maintained to meet  
21   the future needs of the public.

22                  Anybody else want to comment on that  
23   one? That one was pretty straightforward.

24                  The next recommendation, you  
25   recommended that TVA examine fee structures and full

1 reimbursement as methods to recoup or an appropriate  
2 part -- recoup all, excuse me, or an appropriate  
3 part of the costs of public lands management.

4                   Now, we accept this recommendation to  
5 examine our reimbursement policies. We actually did  
6 this several years ago. And we reviewed, and as a  
7 result of that review, we revised our cost recovery  
8 practices for Section 26(A), permitting for our land  
9 use, application process, and for environmental  
10 reviews.

11                   We also have some other revenue  
12 sources. We had -- we received revenues from land  
13 leases, from campground operations, and license  
14 agreements, but we will -- periodically we will  
15 review our costs for and the revenue from these  
16 activities and we will revise our fee structure to  
17 appropriately recover our costs.

18                   Now, if we have this commitment to,  
19 on an ongoing basis, review our fees and adjust them  
20 appropriately, does that adequately address this  
21 recommendation or did you have expectations for  
22 something more than simply an ongoing or periodic  
23 review and revision of the fees?

24                   MS. ANN COULTER: I think that  
25 addresses it.

1                   DIRECTOR SKILA HARRIS: Okay. All  
2 right. Now, part of what is left out of this  
3 recommendation, and I think I fully understand why,  
4 but if there was any discussion of this I think it  
5 would be helpful for us, is there any guidance that  
6 came from your discussions as -- what you would  
7 consider an appropriate cost recovery level? I  
8 mean -- yes, Paul?

9                   DR. PAUL TEAGUE: Our big discussion  
10 at this point was, let TVA develop some of these,  
11 and we were thinking primarily about recreational  
12 type things. When each one of these organizations  
13 would -- they would want TVA to have them a horse  
14 trail or a four-wheeler trail or a truck pull trail,  
15 we started each of our meetings with a big red 25  
16 billion dollars Post-It that these people could see  
17 and we would point out to them where we were coming  
18 from.

19                   Each one of these organizations, we  
20 asked them, who is going to pay for it? Who is  
21 going to pay to maintain it?

22                   Our approach basically was we would  
23 recommend that TVA help start the programs but that  
24 TVA not be saddled with the maintenance and upkeep  
25 of these trails or parks or what-have-you, and

1 basically we said if TVA -- if we will recommend  
2 that TVA help establish these programs, will you-all  
3 assist us, but we expect you to come up with funding  
4 for maintaining these programs under TVA's  
5 supervision.

6 DIRECTOR SKILA HARRIS: I like that  
7 you said you don't want TVA to be saddled with the  
8 costs for the horse trails. How clever of you so  
9 early in the morning.

10 MR. LEE BAKER: The distributor likes  
11 that wording.

12 DIRECTOR SKILA HARRIS: Thank you.  
13 Because that helps -- just those kinds of general  
14 comments help us as we begin thinking about how we  
15 would divide this and sort of the appropriate level.

16 Thank you very much.

17 DR. PAUL TEAGUE: That goes back to  
18 the old saying, if you're going to dance, you're  
19 going to have to pay the fiddler somewhat.

20 DIRECTOR SKILA HARRIS: I got you.  
21 There was also a recommendation that TVA's debt and  
22 the need to keep rates competitive with deregulation  
23 on the horizon should be kept in mind. If you-all  
24 ever for a minute think that we don't think about  
25 this -- I'm flattered that you think that there

1 might be a moment that we don't have that on our  
2 mind.

3                   But anyway, that TVA should insure  
4 that adequate levels of maintenance services for  
5 existing recreational facilities are provided. We  
6 do accept this recommendation. And let me assure  
7 you that the need to maintain competitive rates, as  
8 I just said, and our need to continue our trend of  
9 debt reduction is always on our mind.

10                   We are in a continuous search for  
11 ways to improve our efficiency. We have a great  
12 team at TVA that's helping us accomplish this. We  
13 have people who are innovative, who now have their  
14 pay structure linked to how well they achieve  
15 efficiency, which has a real way of getting their  
16 attention.

17                   And we will continue to try to  
18 increase efficiencies and improve our cost  
19 effectiveness across the whole organization so  
20 that -- and also in the area of the maintenance and  
21 preservation of the land and the facilities, but we  
22 hope to be able to continue to achieve those  
23 efficiencies so we can better preserve what we have  
24 and maintain what we have. So we definitely accept  
25 this recommendation as a challenge and we will focus

1 these efforts even more than we have had them --  
2 been focused on them in the past.

3           You also recommend that decisions  
4 relative to TVA public lands be guided by scientific  
5 research, substantive input, and the needs of an  
6 integrated river management system. I absolutely  
7 agree with this recommendation, we accept it, and  
8 TVA, we appreciate the fact that one way that we can  
9 do our job better and to achieve greater efficiency  
10 is to employ the best scientists and technicians to  
11 support our ongoing projects research needs. So we  
12 have benefited from the expertise we have at TVA,  
13 and we have every commitment in the future to  
14 continue doing that.

15           You also recommend that TVA build in  
16 the capacity to change, be more accepting of change,  
17 and adaptable to the changing environment and needs  
18 of communities, particularly as it relates to  
19 customer service.

20           In particular, you recommended that  
21 TVA continue to improve its customer interactions  
22 relating to implementing shoreline management policy  
23 and working with the public on lake fluctuations.

24           TVA accepts this recommendation and  
25 we are humbled by the challenge that it presents. I

1 think, and I hope that through some of the comments  
2 that I have been hearing, that we are changing.  
3 Were a large and an old organization, but there's  
4 something renewing and refreshing about opening  
5 yourself to change.

6                   And I think that we have a great  
7 opportunity to do our jobs better, to have the  
8 public understand what we do better, and part of  
9 that is to be more open, and as you suggest here,  
10 building in the capacity to change. So this is --  
11 this is quite a challenge, but we are committed to  
12 it.

13                   And I hope that you recognize that  
14 this process has been part of TVA opening up. I  
15 think there were some people who were a little  
16 skeptical about convening of this advisory Council.  
17 I would never ask -- those of you-all who I have  
18 known on this Council, and also I must add, I  
19 admitted this earlier, the people who have served  
20 also on the subcommittees, many of you-all are my  
21 friends. I would never have asked you-all to do  
22 this had I not been willing and eager to take your  
23 recommendations seriously. This is too much of an  
24 imposition for anybody.

25                   So I want you to know that we are

1 committed to doing this and to listening and to  
2 being a different kind of TVA. So that basically  
3 covers the policy recommendations on TVA's land  
4 management.

5                   So then what I would like to do now  
6 is to go to the third recommendation, set of  
7 recommendations -- well, second in this order, and  
8 this has to do with TVA's integrated management of  
9 the Tennessee River system. And it's getting  
10 more -- these are a little bit more global. And one  
11 of the things that you-all recommended or  
12 encouraged, I think, was for TVA to continue its  
13 role in regional economic development, including  
14 providing low cost and stable power supply,  
15 hydropower, power reliability, meet increasing power  
16 demands, efficiency in hydro operations, protecting  
17 water quality, maintenance of locks and channels,  
18 and stewardship of the natural resource values of  
19 land and water. That's a big order, but you know  
20 what, I think that we can do it, and we gladly  
21 accept your encouragement and your recommendation.

22                   The only other thing that we would  
23 add to this litany of responsibilities that you feel  
24 like we should carry out is our responsibility and  
25 one of the original missions of TVA, which is flood

1 control. We believe -- or as we call it now, flood  
2 risk reduction, is that the new code? I call it  
3 flood control.

4                   But we -- we will continue focusing  
5 on all the things that you outlined in this  
6 recommendation, but also at the very heart of TVA's  
7 mission is its responsibility to manage the river in  
8 a way that reduces the impact of flooding. You also  
9 encouraged TVA to operate the reservoir system for  
10 sustainable growth and keep commitments for water  
11 temperature and minimum stream flows to existing  
12 communities and industries.

13                   TVA accepts this recommendation. And  
14 as a result of this recommendation, we will initiate  
15 a study beginning in FY 2002, and for you-all, that  
16 starts on October 1 for us, to develop a strategic  
17 plan for the future river development, and I am  
18 going to talk a little bit more about that study and  
19 strategic plan in a bit.

20                   You also expressed concern about  
21 atmospheric deposition of rising mercury levels in  
22 reservoir waters. We definitely share your concern.  
23 We think this is an important cautionary note.  
24 Right now our testing does not indicate that mercury  
25 levels associated with atmospheric deposition are

1 increasing, but we're committed to continuing to  
2 monitor very closely the reservoir water quality.

3           TVA, as you know, we are -- this is  
4 emerging as a national issue, and TVA is supporting  
5 research related to mercury. And we have -- we have  
6 a strong interest in our part, both as a power  
7 generator and as a steward of the river for the  
8 importance of this substance in our ecosystem. So  
9 we take this recommendation and note your concern,  
10 and we will continue to closely monitor that.

11           You recommend that TVA reexamine its  
12 policies impacting lake levels and that these  
13 reexamination efforts include consideration of both  
14 the costs and the benefits of any potential changes  
15 to policies impacting lake levels and that TVA begin  
16 this formal reevaluation as soon as possible.

17           You also recommend that TVA use a  
18 critical path approach, address the water quality  
19 portion of the overall environmental impact study in  
20 the early stages, and include consideration of  
21 applicable water quality laws in each state of the  
22 TVA region.

23           TVA accepts this recommendation.  
24 And, in fact, we have already begun the thinking  
25 process of planning for this study. What we

1 envision -- and Kate, when was the last time this  
2 was done?

3 MS. KATE JACKSON: '91 was the  
4 results of the lake improvement plan, but it took  
5 four years or five years before that.

6 DIRECTOR SKILA HARRIS: We believe  
7 that there is -- you know, this is an opportunity  
8 for us to take an even more comprehensive look at  
9 the river system. One of the things that Glenn and  
10 I are not known for is our patience, and we have  
11 asked that while the last study took four years,  
12 that this study be limited to two years.

13 We appreciate the fact that this is a  
14 trade-off. Part of what we're limiting in this  
15 process is the extensiveness of the comment  
16 collection. We hope that on an everyday basis that  
17 we are doing a better job and that this Council has  
18 provided us an opportunity to begin that process  
19 already.

20 This -- we -- and I would like to  
21 have a discussion about that, because we happen to  
22 place a premium on getting that information faster.  
23 We think in four years -- four years is a long time,  
24 and we believe that it would be to our benefit to do  
25 as comprehensive an analysis as we possibly can in a

1 two-year period and then to be able to look at those  
2 results and make decisions based on those findings.

3                   Now, one of the things that we intend  
4 to do and part of the process that has started is to  
5 think about outside consultants to bring in and  
6 support the effort. TVA knows a whole lot. TVA  
7 knows more about the Tennessee River system than  
8 anybody else, but there are people who have  
9 expertise who have experienced doing very similar  
10 studies across the United States. We think that we  
11 could benefit from their expertise. So this study  
12 will be done with a combination of external  
13 consultants that we think are some of the best in  
14 the country and with the TVA staff.

15                   Now, given that layout, is there any  
16 reaction to that?

17                   DR. STEPHEN SMITH: Skila, what  
18 exactly do you mean by limiting the comment  
19 collection?

20                   DIRECTOR SKILA HARRIS: Well, I mean,  
21 obviously you can get more comments over four years  
22 than you can over two years. I mean, we will --  
23 during the period we will have as much as we  
24 possibly can of public input, but it's just -- it's  
25 the factor of two years versus four years.

1                   To me we -- to me the urgency of the  
2   need to have the findings justifies that trade-off,  
3   but, Stephen, one of the things that I believe, you  
4   know, we are -- we have been -- we have benefited so  
5   much from the 18 months of this particular Council's  
6   activity, I think that, in essence, we have been  
7   doing some of that already, and we don't intend --  
8   we intend to build on what has already been done as  
9   part of this process.

10                   I mean, we have -- we have a lot of  
11   information. We have public comments that have been  
12   received as part of this process. You-all will  
13   continue on. I mean, by the way, you aren't  
14   finished yet. So we believe that this will -- this  
15   is obviously -- obviously will continue on. We will  
16   layer over this process the other process. So, you  
17   know, this is a trade-off we have made. In four  
18   years you can have more public comments than you can  
19   in two years, but that is a decision we have made.

20                   MR. STEPHEN SMITH: But the -- I  
21   guess what I'm getting at, and I appreciate what  
22   you're saying, there's not going to be any -- I  
23   mean, there would still be the NEPA procedural  
24   guidelines followed?

25                   DIRECTOR SKILA HARRIS: Absolutely.

1                   MR. STEPHEN SMITH: Designated with a  
2 public comment period?

3                   DIRECTOR SKILA HARRIS: Absolutely.  
4 Absolutely. No, there's not going to be any  
5 shortcutting of it. It's just that -- because those  
6 are what very well prescribed, there will be nothing  
7 that will limit that process, and we are going to  
8 have to redouble our efforts to make sure that the  
9 quality of this study isn't hurt by the fact that we  
10 don't go maybe for a fourth round of comments, and I  
11 think in the first process that was true.

12                   Is that correct?

13                   MS. KATE JACKSON: We had space for  
14 additional comments in that longer time period.

15                   DIRECTOR SKILA HARRIS: Right.  
16 Miles?

17                   MS. MILES MENNELL: But also to  
18 reiterate, if I'm understanding you correctly, you  
19 view this as an ongoing process. While there's a  
20 comprehensive study, nevertheless, the process and  
21 the evaluation and reevaluation will continue and be  
22 ongoing, did I understand you to say that, or do you  
23 view this study as finite, two years, or whatever it  
24 is, beginning to end, or, in fact, will you continue  
25 on a regular basis to look at these issues?

1                   DIRECTOR SKILA HARRIS: Well, I mean,  
2 right now what we're talking about is a study, a  
3 two-year study.

4                   MS. MILES MENNELL: Beginning and  
5 end?

6                   DIRECTOR SKILA HARRIS: Right.  
7 Believe me, every day in our own management  
8 processes and our effort for continuous improvement  
9 that's built into how we do -- how we run our  
10 business, that constantly looking at how we do  
11 things is part of our day-to-day activities.

12                   The study though, where we bring in  
13 consultants and scientists, will have a timetable,  
14 just as you recommend here, it says that you will  
15 have a critical path and that particular effort will  
16 be a two-year period, that's what I'm -- Phil?

17                   MR. PHIL COMER: Having been  
18 identified slightly with this recommendation.

19                   DIRECTOR SKILA HARRIS: Slightly?

20                   MR. PHIL COMER: Slightly. I would  
21 like to go on record as saying, we applaud the fact  
22 that you have decided on the two-year approach, and  
23 generally very favorably received by the  
24 constituents that I have discussed this with.

25                   DIRECTOR SKILA HARRIS: Thank you.

1 MS. JULIE HARDIN: We're glad you  
2 don't have any patience.

3 DIRECTOR SKILA HARRIS: Pardon me?

4 MS. JULIE HARDIN: We're pleased that  
5 you don't have any patience.

6 DIRECTOR SKILA HARRIS: Yeah. Thank  
7 you. You're the only person who has ever said that  
8 to me, Julie.

9 MR. BRUCE SHUPP: Skila, speaking as  
10 someone who deals with this type of thing for a long  
11 time, I applaud that decision, too. I think two  
12 years of intense work by interested citizens is much  
13 better than a four-year carried out and burn out of  
14 your public. We're seeing that in some relicensing  
15 cases and things we're involved in right now, that  
16 you're burned out in the process before you get to  
17 the issues.

18 DIRECTOR SKILA HARRIS: Well, I must  
19 say that I respect what this is going to do to  
20 people who have full-time jobs at TVA who -- I mean,  
21 this is layered on top of what they are already  
22 doing, but I think that one of the things I also  
23 want to talk about is that this is going to be also  
24 different than the first study in another way. The  
25 other -- this is not particularly going to be

1 limited to -- oh, okay, anyway, I lost my train of  
2 thought there.

3 MS. KATE JACKSON: Sorry.

4 DIRECTOR SKILA HARRIS: Anyway, that  
5 is what we're doing. Austin?

6 MR. AUSTIN CARROLL: Well, I can't  
7 speak for, you know, the other power distributors or  
8 whatever, but just -- I know from me and my  
9 consumers, we appreciate a shorter study, and  
10 hopefully, that will help keep costs down because it  
11 will be borne by --

12 DIRECTOR SKILA HARRIS: No, they go  
13 up, Austin.

14 MR. AUSTIN CARROLL: -- the power  
15 consumers. I know you will have to bring in some  
16 consultants.

17 DIRECTOR SKILA HARRIS: Yeah.

18 MR. AUSTIN CARROLL: I guess my  
19 concern, when I heard Glenn talking about two years,  
20 you know, I just don't know how staff is going to do  
21 that within two years, but bringing in some outside  
22 resources I can see how that might be accomplished.  
23 So I would applaud that effort.

24 DIRECTOR SKILA HARRIS: Okay. Thank  
25 you. One of the things that we wanted to do is

1 that, you know, there may be somebody doing  
2 something or looking at these issues differently  
3 than TVA has, and if we can bring somebody in that  
4 has not been ground down by the dynamics of this  
5 process, then maybe we can have a fresh look at  
6 this. And we're open to those kinds of new ideas  
7 and new approaches that have been used in other  
8 areas. So I think that's another of the benefits of  
9 being able to have consultants come in and do this.

10 So any other comments? Yes, sir.

11 MR. JIMMY BARNETT: I would like to  
12 echo what Austin was talking about. We talked about  
13 at some length a discussion, Kate leading the  
14 discussion, I'm not trying to put Kate on the spot  
15 or anything, I'm trying to help her out really,  
16 talking about the tools -- the software type tools  
17 that you would need to do this with the whole river,  
18 and to do that in two years, I understand, is going  
19 to be a real push. So I support you and Glenn in  
20 your decision. And just remember, Kate will have to  
21 have a lot of help.

22 DIRECTOR SKILA HARRIS: Right. And  
23 this is -- and we appreciate Kate and her team  
24 coming to the forefront on this because we  
25 understand that this is difficult. Even when a

1 consultant comes in to help them with this, the  
2 truth of the matter is, they need information that  
3 TVA has. So we need to spend time bringing them up  
4 to speed, but we believe that the overall result  
5 will be better because, you know, this mix, the  
6 necessary mix and our expertise and other expertise  
7 will probably, we hope, bring a better quality  
8 result.

9 MR. AUSTIN CARROLL: We're talking  
10 about having a report finalized on the street ready  
11 to implement two years from October?

12 DIRECTOR SKILA HARRIS: Yeah.

13 MR. AUSTIN CARROLL: Sounds good.

14 DIRECTOR SKILA HARRIS: Maybe not  
15 October 1. Maybe we will save it for your birthday.  
16 When is that, Austin?

17 MR. AUSTIN CARROLL: I'm trying to  
18 forget them at my age.

19 DIRECTOR SKILA HARRIS: Now, when we  
20 start this, as we have obviously had plenty of  
21 discussions internally here and asked about, how are  
22 we really going to do this, we want -- there's some  
23 guidance that we want to look to this group for, and  
24 I guess -- I can't remember the appropriate name of  
25 the subcommittee.

1                   Is it the integrated river  
2 management?

3                   You may -- and this is -- Bruce, this  
4 is obviously your jurisdiction here, but I don't  
5 know how you-all would like to sort of help us in  
6 this early stage, whether it's the whole Council or  
7 whether you wanted to put it back to the integrated  
8 river management subcommittee, but, you know, there  
9 are issues about the value of the various benefits.  
10 There are questions about -- and we will provide  
11 you, Bruce, with sort of these specifics of what we  
12 would like for you to help us with as we begin this  
13 process.

14                   You know, what's the trade-offs, and  
15 these are things that you have already talked about,  
16 I'm sure, but maybe with this study in mind it  
17 would, you know, give you a little bit more focus.  
18 You know, what benefits would you be willing to do  
19 with less in order to get more of other benefits, I  
20 mean, those are trade-off questions and are there  
21 things that I think this group is uniquely qualified  
22 to give us guidance on.

23                   Any guidance that you might have on  
24 how you would make the difficult decisions that  
25 we're going to be faced with would be appreciated.

1 And we believe that all of these aspects, and we  
2 will provide you a list of questions, will be really  
3 an important part of this comprehensive reevaluation  
4 of TVA's policies.

5 I think Miles was first and then  
6 we'll come back to you.

7 MS. MILES MENNELL: I just have a  
8 concern that I would like to ask you about. In our  
9 organization we're interested in water supply and  
10 water supply issues and the fact that we can no  
11 longer take the water supply for granted in the  
12 Tennessee Valley.

13 And I don't know exactly where the  
14 appropriate place to insert that is, but certainly  
15 we're interested in our organization doing what we  
16 can to facilitate that dialogue to avoid water  
17 shortages, and obviously we have been doing that  
18 throughout the region, but we want to do what we can  
19 to be sure that we're all looking at that in a  
20 sensible and a practical and a pragmatic way and  
21 that would be something that we would want very much  
22 to have included in whatever study, wherever  
23 appropriate, to go forward. It's certainly an issue  
24 that we're very interested in addressing.

25 DIRECTOR SKILA HARRIS: Thank you.

1 And Kate, do you have a sense of that where the  
2 water supply --

3 MS. KATE JACKSON: Well, let me go  
4 back to one of the recommendations that was  
5 previously accepted to be able to respond  
6 specifically to that. The second recommendation in  
7 this sort of set of recommendations is a focus on  
8 the river system with respect to sustainable growth.

9 And Skila mentioned that we will  
10 start in '02 on this strategic plan for the river  
11 system, which will specifically address the issues  
12 of water supply. Our deliberations kind of separate  
13 integrated management, assuming there would always  
14 be enough water for sustainable growth management,  
15 with water supply issues.

16 One of the things over the last  
17 couple of years we have internally come to, it's not  
18 exactly clear where people are taking water out and  
19 where water either does or does not come back into  
20 the system, and so one of the things that we wanted  
21 to do is take a comprehensive look at the whole  
22 basin with respect to the water supply issues and  
23 have a better understanding, where are your permits,  
24 why are those permits not fully utilized, and what  
25 would the impact be on sustainable growth management

1 and the availability of the water in the long-term.  
2 If growth trends continued in the Valley, where  
3 would the pinch points happen that don't currently  
4 exist.

5                   Obviously, this is interrelated with  
6 the river operations study, but I think it's  
7 something that needs a special focus. So that's  
8 sort of the strategic plan with growth in mind.

9                   In particular, we'll gather a lot of  
10 that data, notwithstanding what happens in the  
11 operation study, because that looks at issues now in  
12 our ecosystem now, whereas, we need a long-term  
13 basin base growth perspective, and I think that's  
14 something slightly different than the rest of the  
15 river operation study, recognizing that if we can  
16 hold the reservoir up longer, the issues downstream  
17 become even more critical, but we don't have that  
18 data on growth trends to deal with that in a totally  
19 integrated package.

20                   DIRECTOR SKILA HARRIS: Now, was  
21 everybody clear on the difference between the  
22 strategic river plan and the operations study?

23                   MR. GREER TIDWELL: Skila, are you  
24 expecting anybody to really answer yes to that?  
25 That's going to develop over time.

1 MS. KATE JACKSON: Greer said that  
2 would develop over time, and that's true. We've  
3 just begun to recognize that we don't have all of  
4 the information and that information is something --  
5 and this is something to address, you know, whether  
6 in the finite study or not.

7 I think the operational study has to  
8 come with recommendations and it has to come out  
9 with some alternatives that we can implement,  
10 whereas, this longer term growth evaluation  
11 permitting guidance as we do intakes and outflows,  
12 all of that stuff, that's kind of an ongoing  
13 long-term management responsibility. They are  
14 linked about, absolutely they are linked.

15 DIRECTOR SKILA HARRIS: Well, they  
16 are, but one of the things that we have noticed is  
17 that people in the southeast are waking up to the  
18 reality that we may actually have a water supply  
19 problem and we have had -- talking about us being  
20 spoiled, I mean, we have had the luxury of an  
21 abundant water supply in this region.

22 One of the things that startled me so  
23 much is the recognition recently by the Governor of  
24 Georgia and the Governor of Kentucky and Governor of  
25 Tennessee, let's look at the impact of these

1 independent power producing plants on the water  
2 supply, and obviously other issues too, but what a  
3 wake-up call for our region to recognize that when  
4 some plant comes into your region, especially where  
5 you have ground water issues, that you could really  
6 have, as Miles is well aware, towns' water supplies  
7 are being jeopardized.

8                   So I think that we are starting  
9 conversations that we have never had before with  
10 people, and our water conference recently was a good  
11 example. And Miles will be focusing on water supply  
12 issues at her October meeting. So I think this is a  
13 new day and this is certainly something that TVA  
14 should be very much involved in. So it's a  
15 challenge for all of us. So that's -- those are the  
16 tracks that we're on on those two issues that are  
17 also interrelated.

18                   Stephen?

19                   MR. STEPHEN SMITH: One of the things  
20 the water quality subcommittee brought was this  
21 recommendation on the terminology of critical path,  
22 looking at -- as the studies is scoped and developed  
23 the water quality early so that it could -- I just  
24 wanted to make sure that that is incorporated into  
25 the Board's thinking and recognize that that was a

1 very high priority for the group that -- identified  
2 early and should -- should influence this study.

3 DIRECTOR SKILA HARRIS: We recognize  
4 that, but I appreciate you emphasizing it.

5 MR. BRUCE SHUPP: Going back to the  
6 role of the Council, as we engage in the integrated  
7 river management study, I've been giving that some  
8 thought, and I think I would like to have that  
9 discussion with Council members this afternoon when  
10 we go to the discussion period, so think about that.

11 I'm seeing it as a two-phase  
12 approach. There's the human approach, the human  
13 interaction, and the community interaction, if you  
14 want to call it that, that maybe we can play a major  
15 role in before the study -- the technical part of  
16 the study starts.

17 DIRECTOR SKILA HARRIS: Right.

18 MR. BRUCE SHUPP: And I think we can  
19 think about things like, should the Council serve as  
20 the stakeholder gathering point for information and  
21 decision process?

22 Should we have workshops to bring in  
23 the people with the interest in the lake levels,  
24 primary interest, and talk about that? What role do  
25 we work with the consultants as far as this decision

1 criteria, trade-off development?

2 Those are the things that you should  
3 be thinking about and we have to be thinking about  
4 and that I'd like to discuss this afternoon.

5 DIRECTOR SKILA HARRIS: Okay. Thank  
6 you, Bruce, that would be extraordinarily helpful.  
7 We feel like we have a group of experts here, new  
8 experts. Some of you--all are seasoned experts. I  
9 know, I was searching for that word.

10 MR. PHIL COMER: Old.

11 DIRECTOR SKILA HARRIS: No. No. No.  
12 No. No. That would be seasoned. But anyway, we  
13 really are -- want to reach out to you to help us  
14 define how we proceed on this, and we think that  
15 will be extraordinarily valuable.

16 If there's -- oh, I'm sorry. I was  
17 ignoring you.

18 MR. LEE BAKER: What kind of figure  
19 are we talking about? I'm sure we don't know what  
20 the numbers will look like, but put us in the  
21 ballpark? What's this study going to cost the  
22 ratepayers?

23 DIRECTOR SKILA HARRIS: It is  
24 obviously -- I would rather not put a figure out  
25 there in case people might be interested in knowing

1 how much we're willing to spend, but it's going to  
2 be several million dollars.

3 What did the last one cost?

4 DR. KATE JACKSON: About 4 and 1/2 to  
5 5,000,000.

6 DIRECTOR SKILA HARRIS: The last one  
7 cost 4 and 1/2 to 5. So, I mean, this is not cheap.  
8 Sorry, Lee, I didn't mean to ignore you.

9 MR. LEE BAKER: That's all right.

10 DIRECTOR SKILA HARRIS: Okay. Then  
11 we've basically covered these, but I really want to  
12 go over them a little bit more. You recommended  
13 that TVA incorporate public participation in studies  
14 to ensure their credibility and ad hoc committees,  
15 including members from the Council, be formed to  
16 help ensure such participation, we have discussed  
17 that. We accept that recommendation, and we  
18 certainly hope, as I have just said, that you-all  
19 will continue to play a role in the study effort.

20 You encouraged that while the  
21 comprehensive study of reservoir policy is being  
22 completed, TVA delay the target date for  
23 unrestricted drawdowns beyond August 1 beginning  
24 this fiscal year. As you well know, Glenn  
25 McCullough met with the subcommittee and explained

1 that we were not in the position to take that action  
2 this year. In lieu of that, we prayed constantly,  
3 it rained, and the net effect has been that the lake  
4 levels were not drawn down. The power of prayer  
5 remains a very important component in being a  
6 Director of the TVA. Now -- maybe you shouldn't put  
7 that in the minutes, or maybe you should, maybe you  
8 should underscore it.

9                   Now, one of the issues that I still  
10 have some uncertainty about and the time -- the one  
11 that I wanted to leave more opportunity to discuss  
12 today, and I think it's appropriate that one of the  
13 most complicated issues that has faced me since I  
14 came to the Board with regard to reservoir and  
15 management and river management, has to do with  
16 those pesky little aquatic weeds.

17                   Now, we're here today and I know that  
18 you-all went and visited the weeds yesterday. So I  
19 want to take up the recommendations that you  
20 provided with regard to those -- the aquatic plant  
21 management, and I want to have discussion about  
22 these because I think I certainly would benefit from  
23 more guidance from the Council on that.

24                   You recommend that TVA accept the  
25 leadership responsibility for resolving problems

1 with and disputes over aquatic plants within the  
2 Tennessee River system. You want TVA to take the  
3 lead in bringing stakeholders and technical experts  
4 together to discuss and define problems, voice  
5 concerns, define management plans, or design  
6 management plans and to develop funding strategies.

7                   Now, TVA accepts this recommendation.  
8 We hope that this is what we have certainly  
9 endeavored to do as part of our watershed team  
10 management and how we have included the stakeholders  
11 in the development of these plans.

12                   You also recommend that TVA work with  
13 federal, state, and local governments, and aquatic  
14 management -- aquatic plant management beneficiaries  
15 to obtain an equitable sharing of aquatic plant  
16 management costs and that such financial support be  
17 documented in written financial agreements to ensure  
18 program continuity.

19                   I want to talk a little bit about  
20 this. We have -- we believe that we do have --  
21 there is an appropriate role for TVA as a convenor  
22 of stakeholders, of experts, of people who have both  
23 personal and commercial interest in this issue, but  
24 when you-all start talking about the shared funding  
25 we probably have some -- there's some blanks in that

1 recommendation that I would appreciate some  
2 feedback.

3                   The issue of a written agreement and  
4 some formula for how we would share costs that would  
5 be stated in these written agreements, I need to be  
6 enlightened on discussions around that a little bit  
7 because I'm not quite getting how you would envision  
8 TVA proceeding in those areas.

9                   MR. BRUCE SHUPP: Let me start for  
10 the Council, and then I would like Jimmy to talk  
11 about the subcommittee deliberations. The  
12 subcommittee came forward with much more specific  
13 recommendations than the Council finally created.

14                   DIRECTOR SKILA HARRIS: Okay.

15                   MR. BRUCE SHUPP: And quite frankly,  
16 the Council could not agree. It was a 180 degree  
17 differences of opinion of who has the responsible  
18 role for funding this. So the recommendation comes  
19 out pretty vague in saying that we think that there  
20 should be written agreements so everybody knows  
21 who's going to be really responsible, but it's TVA's  
22 job to go out and negotiate those agreements with  
23 local governments, county governments, state  
24 agencies, whatever the case may be.

25                   So that's just turning the ball over

1 to you, as obviously it did, but there were good  
2 arguments for both of those 180 degree compass  
3 directions, you know, for all TVA responsibility.  
4 In fact, there's three strong positions, all TVA  
5 responsibility, all federal responsibility, or local  
6 shared responsibility, good arguments were made for  
7 all three.

8 Jimmy, do you want to elaborate?

9 MR. JIMMY BARNETT: As you can  
10 imagine, that was a hotly debated issue, not only  
11 within the Council but also within the subcommittee.  
12 Their interest that stakeholders, such as the power  
13 distributors, the ratepayers out there, we had a  
14 great problem with funding 100 percent of whatever  
15 weed control somebody might happen to want, just a  
16 blank check.

17 We talked with Senators about that in  
18 Alabama around this particular lake while I was in  
19 the Bass Pro Shop trying on new boots, but  
20 interestingly enough, as we talked about it,  
21 everybody felt that everybody had a stake in this  
22 kind of thing. And, yes, there was some  
23 responsibility of TVA to take the lead since they do  
24 manage the rivers, particularly in setting up the  
25 process and being a facilitator, if you will, we

1 thought that was not only appropriate, it was just  
2 something that really needed to be done by TVA.

3                   Now, the funding part of it, it has  
4 been suggested by various entities, I will put it  
5 that way, that one way that we can perhaps obtain  
6 some federal funding, not on a non-power program  
7 block, but perhaps on a specific thing, for an  
8 example, weed control.

9                   It's an invasive species. The  
10 argument's been advanced that since TVA manages the  
11 rivers, it's their total responsibility to make it  
12 weed free, invasive weed free, not all weed free,  
13 Bruce, from a fishing standpoint, but to control the  
14 problems that are created.

15                   There's also the feeling on here that  
16 the local stakeholders should have some  
17 responsibility in front of their homes and  
18 subdivisions and golf courses, and that sort of  
19 thing, how much should the general public fund to  
20 allow Jimmy Barnett to have a good view of the river  
21 from my home? Luckily, I do not have a weed  
22 problem, but that's beside the point, other people  
23 do.

24                   So we really, as Bruce said, threw  
25 the ball back to TVA, but we think that all of these

1 particular areas should be explored as far as  
2 funding is concerned, not just from the power  
3 distributors, not just from the local governments,  
4 and not just from the federal, but all of them.

5                   No one wants to pay a cost, but a  
6 definition of equity, I guess, is in the mind of the  
7 beholder, mine will be different from the other 19  
8 Council members, but I like the idea of -- and we go  
9 back to this word appropriate again. What is the  
10 appropriate role that the federal government should  
11 pay, come forth with the some funds? What is the  
12 appropriate role for the stakeholders? Who are the  
13 stakeholders? Those things are out there and we're  
14 throwing it back to y'all to come back and, you  
15 know, have some more discussion about it. We,  
16 frankly, did not have a complete answer, that's my  
17 comment anyway. If any of the other subcommittee  
18 members would like to make a comment, I would invite  
19 them to do so.

20                   DIRECTOR SKILA HARRIS: Thank you.

21                   MR. BRUCE SHUPP: Skila, there's  
22 nobody in the country, no agency, no state  
23 government has come up with a good solution for  
24 aquatic plant management. Right now it's in a state  
25 of real crisis -- from our view in the recreation

1 business, it's in a state of crisis across the  
2 country.

3                   The thing you have already agreed to,  
4 to take the lead, is a big step. That's probably  
5 the most important step in the country is somebody  
6 taking responsibility for defining the problem and  
7 working toward a solution.

8                   The funding issue, if this was a  
9 Corps of Engineers link, it would either be nothing  
10 done or the Corps would be spending taxpayers' money  
11 to solve the problem, that's one way to look at the  
12 federal role in this thing.

13                   On the other hand, if it was a  
14 private utility, in many cases the private utility  
15 is doing all the weed control in the lake. And in  
16 some states, a very few states, but in a few states  
17 there are state agency leadership working with  
18 private utilities, with government agencies and  
19 state agencies to fund weed control. So there's no  
20 easy example across the country. There's no easy  
21 way to do it. So it literally is back in TVA's  
22 court.

23                   The one thing I would point out  
24 though is that there's a big difference in how you  
25 negotiate with locals on weed control when it cost a

1 \$1,000,000 or \$1,500,000 versus if it costs \$50,000.  
2 The willingness to pay and the ability to pay for  
3 local communities for the different scope programs  
4 change a lot when the magnitude gets to be a million  
5 bucks. So those are the -- I think those are where  
6 we had some problems, and you have examples of both  
7 of those in the system right now.

8 DIRECTOR SKILA HARRIS: Any other  
9 comments?

10 MR. GREER TIDWELL: Skila, I'd make a  
11 comment, after spending yesterday afternoon with  
12 Joel and David of your staff, the approach they have  
13 taken here in Gunterville for local community  
14 information and sort of an openness in terms of how  
15 they're doing it, getting the eradication issue off  
16 the table, it is a management plan, trying to get  
17 people focused on that aspect, certainly in one  
18 afternoon of being aware of it sounded right on  
19 track with what the -- what I heard out of the  
20 Council, wanting to get TVA's leadership position  
21 established for stakeholders there.

22 DIRECTOR SKILA HARRIS: One of the  
23 dilemmas that I feel like I face is that there  
24 are -- there's a benefit to having a consistent  
25 policy. Right now TVA does not have a consistent

1 policy. When you have a consistent policy, it's  
2 difficult to fully engage stakeholders around one  
3 reservoir.

4                   So one of the things that maybe  
5 you-all can help me with a little bit is how do we  
6 balance that -- the benefit of consistency with --  
7 against the benefit of having a tailored solution  
8 for each reservoir?

9                   One of the concerns that I have is  
10 that we are seeing this problem grow literally in  
11 more reservoirs. You know, it is just something  
12 that is -- you know, it used to be just  
13 Gunterville. Now it's Nickajack. It's  
14 Chickamauga. I think that we're beginning to see,  
15 if I am correct, in other reservoirs some  
16 indication.

17                   So what I'm battling is which has  
18 more merit, to be able to say, for future use this  
19 is TVA's policy toward funding for aquatic weed  
20 management across the board versus this customized  
21 reservoir by reservoir.

22                   What my fear is, because of the  
23 current situation where, I mean, let's just be  
24 frank, we are paying here where we're sharing costs  
25 in other reservoirs. One reason, Greer, that it's

1 going so well here is because we're paying. So that  
2 is -- that's one of the dilemmas that I am wrestling  
3 with, and I would appreciate -- Al, you're looking  
4 intense here. I mean, what you suggest has the most  
5 merit between a comprehensive policy versus  
6 customized policy that are inconsistent actually.

7 Yes?

8 DR. PAUL TEAGUE: I am noted for  
9 throwing horseshoes into the ring, but I was  
10 astounded yesterday at the cost. When you consider  
11 \$900 an acre per year for control, and if people  
12 will give that some thought, and the ratepayers are  
13 going to have to back that, quote, control, let's  
14 think also about the eradication as well as the  
15 growth.

16 If it's Mr. Bass and Mr. Duck Hunter  
17 and Mr. Whoever, then go back to our land management  
18 program and say, if you expect the ratepayers to  
19 keep good duck hunting, bass fishing or whatever  
20 only up to the barge, multiply the acres that are  
21 involved and multiply it annually at \$900 an acre,  
22 half the land here in Decatur County is not worth  
23 \$900 an acre, then we have got to give some thought  
24 to a long-term solution, and that's like a doctor  
25 treating the symptoms rather than treating the

1 disease.

2 MR. BRUCE SHUPP: I would like to  
3 speak to that. It's a good idea, Paul, except it  
4 won't work. There's technically no way to eradicate  
5 right now. So while eradication looks -- even if it  
6 costs a lot more, if you can eradicate and start all  
7 over again with native plants, that would be the way  
8 all the ecologists would like to go, but it's not  
9 feasible at this point.

10 I would like to point out one thing  
11 they are doing in Sante Cooper. South Carolina is  
12 one of the states where the state leadership is in  
13 weed management. They made a decision, which as a  
14 recreationist we don't like yet, but it's another  
15 way to approach this, it's a way I think would hurt  
16 Guntersville greatly, and I think the local  
17 committee thinks so too, but it's -- they have gone  
18 to a temporary eradication idea where they overstock  
19 the system -- they have 50,000 acres of weeds. We  
20 have 15,000 here at Guntersville. They overstocked  
21 the system with grass carp, plant eating fish, and  
22 in about two years -- and there's a cost of that,  
23 that's a couple of million dollars too, in about two  
24 years the fish have not controlled the vegetation,  
25 they have eliminated it, eliminated it.

1                   MR. ALL MANN:  You're saying all  
2  vegetation, right?

3                   MR. BRUCE SHUPP:  They, they eat  
4  everything.  They eat the good stuff and the bad  
5  stuff, they eat everything.  This changes, of  
6  course, the ecology in the system temporarily for a  
7  couple of years until it recovers.  It comes back,  
8  you know, they don't keep it there forever.

9                   It pulses, they take it down and then  
10 it's okay for a year, you don't get clumps of stuff  
11 going through the power plants, but you also get a  
12 decline in fishing use.  And if that's important in  
13 the area in the economy, which it is in this system,  
14 then you have that loss.

15                   So you have the savings in control  
16 and a loss in economic impact, and that isn't the  
17 perfect system either, and they know it and they are  
18 still working on it, but they have cut down on the  
19 use of chemicals with that and increased the  
20 biological control.  So there's just no perfect  
21 system, no perfect system.

22                   DIRECTOR SKILA HARRIS:  Stephen?

23                   DR. STEPHEN SMITH:  Skila, one of the  
24 things that came up --

25                   DIRECTOR SKILA HARRIS:  Hold on just

1 a second. Thank you.

2 DR. STEPHEN SMITH: One of the things  
3 at the subcommittee level that I know we pondered  
4 and discussed, and I think it was even discussed at  
5 the full committee level too, was as you're looking  
6 for a uniform policy whether TVA should bear the  
7 full costs or whether there should be a local  
8 component, there are a couple of things to bear in  
9 mind, one referenced back to an earlier conversation  
10 we had about developing support for renewed interest  
11 by our legislature -- federal legislative  
12 representatives to reengage in the discussion about  
13 federal funding.

14 It seems to me that if you keep a  
15 portion, and I will keep a portion as not well  
16 defined, but a portion of local responsibility  
17 financially, it provides an incentive for them to be  
18 vocal and engaging with their elected  
19 representatives at the federal level about the  
20 potential role for a federal support of dealing with  
21 this.

22 The other thing is that one of the  
23 issues that, I think, tends to exacerbate the weed  
24 situation is nutrient loading, and the more that you  
25 can keep people, again, engaged in recognizing that

1 there is a certain level of pain associated with the  
2 weeds, the more they potentially become advocates  
3 for other TVA policies to help control nutrient  
4 loading, whether it be, you know, the maintenance of  
5 riparian zones or things like that.

6                   So I think that if you -- in  
7 developing a comprehensive policy, if TVA does step  
8 in and sort of bear the whole responsibility, it may  
9 be somewhat of distinctive for some other necessary  
10 things that I think would benefit the whole region.

11                   So I -- you know, personally I think  
12 there is a need for a uniform policy about some  
13 participation in the bearing of financial costs with  
14 the local interests. Now, what that is and what's  
15 the proper percentage, I think, is obviously open  
16 for debate, but there are other benefits that come  
17 from --

18                   DIRECTOR SKILA HARRIS: Do we have --  
19 one of the things that has really interested me in  
20 this area is -- and I don't know, there may be a  
21 national aquatic weed conference every year that  
22 I've just missed. Is there?

23                   MR. BRUCE SHUPP: There's an Aquatic  
24 Plant Management Society, and they have annual  
25 meetings, yeah.

1                   DIRECTOR SKILA HARRIS: Well,  
2 typically they don't let me in societies, but maybe  
3 they will make an exception. Anyway, one of the  
4 things that fascinates me is what the research is --  
5 what research is being done. I have always felt  
6 like that this nutrient loading is -- do we know how  
7 much of a contributor that is?

8                   MR. BRUCE SHUPP: I think -- let me  
9 go back to your annual meetings or your -- that's a  
10 role this Council could provide, by the way. We  
11 could help you set up technical workshops and bring  
12 people in, but I think one of the things that you  
13 quickly learn is because we're dealing with exotic  
14 weeds, like milfoil and hydrilla, that if we stop  
15 the -- cut the nutrient loading in half, that we  
16 would still have Hydrilla in Guntersville for a  
17 long, long time. It's just a weed that can grow in  
18 the system. So while, yes, nutrient loading is  
19 helping in some situations, the invasion of exotics  
20 is what's causing us the problem.

21                   DIRECTOR SKILA HARRIS: But I think  
22 that -- but I think that if you take a holistic  
23 approach, we also -- there are also other problems  
24 created by nutrient loading that just for the  
25 overall health of the river system, that that is an

1 issue.

2                   Also, I mean, one of my greatest  
3 fears is that this is going to continue and it's  
4 going to spread to others. Maybe, maybe --  
5 certainly we have had optimum growing conditions for  
6 the last three summers, and that's obviously  
7 contributed to it.

8                   So, you know, I believe that any  
9 effort to make any -- any effort to contribute to  
10 the reduction of this problem, no matter what it is,  
11 has value, especially when it's with other benefits,  
12 that may be one of the things that we can do.

13                   And what -- in this area, in  
14 particular, I wanted to get the benefit of this  
15 conversation and go back and Glenn and I will  
16 actually talk through this and maybe we can come up  
17 with some other things having to do with workshops  
18 or other opportunities, making sure that we are  
19 fully aware of all of the research that's going on.

20                   Go right ahead, Bruce.

21                   MR. BRUCE SHUPP: One thought. Is  
22 David Webb here today? David, are you here? No,  
23 he's not here. Dave Dexter is here, right? Nope.

24                   You do have good staff, and together  
25 with the engineering staff and the biological staff,

1 it would be possible to take a look at the main stem  
2 system, and given the growth characteristics of  
3 Hydrilla, which is our monster plant right now, they  
4 could probably estimate worst case scenario  
5 throughout the system on the main stem. That would  
6 give you at least a point of how bad this could get.

7                   Now, if you have got some other  
8 exotic, you know, you could -- it would change, but  
9 that would be one point, how bad could this get if  
10 we're spending \$1,000,0000 or \$2,000,000 now, what  
11 could be the worst case, then you would know whether  
12 it's worth going through an agonizing process of  
13 negotiations and a search for the ideal funding  
14 mechanism. I would recommend that. That's going to  
15 be -- take some social work, too, because it's going  
16 to say worst case means how much shoreline that's  
17 developed would be impacted.

18                   DIRECTOR SKILA HARRIS: Okay. Thank  
19 you for that suggestions. Yes, Greer?

20                   MR. GREER TIDWELL: Yes, Skila. One  
21 of the foundations I was laying when I bragged on  
22 the Guntersville public participation process is  
23 that it seems that lays the foundation for me for  
24 opening that discussion in this community.

25                   And since it's this Council's

1 recommendation to the Board to push in that  
2 direction as you proceed to take on management  
3 approaches at other lakes, to lay that in as part of  
4 the foundation, but we're going to be doing this in  
5 this type of way for the next two or three years  
6 fully funded, but guess what, folks, after that,  
7 after you've all had a chance to see how the system  
8 works in the community, we're going to be looking to  
9 you to start picking up some of the bill. Those  
10 aren't easy discussions. Nobody around this table  
11 thinks they would be easy discussions, but that's  
12 the directions.

13                   DIRECTOR SKILA HARRIS: Okay. Thank  
14 you. I am going to move on to -- this has been very  
15 helpful to me, by the way. Thank you.

16                   You also recommended, and we have  
17 basically covered this, that the planning team for  
18 any aquatic plant management plan be comprised of  
19 the range of stakeholders from within the watershed  
20 and the plan clearly describes the problems and the  
21 defined goals, objective strategies and evaluation  
22 techniques.

23                   We accept this recommendation as a  
24 confirmation of our existing policy of including all  
25 relevant stakeholder groups in aquatic plant

1 management planning efforts and our current methods  
2 for documenting management plans.

3           It doesn't quite address the issue of  
4 an overarching policy versus individual plans for  
5 each reservoir, but I think that maybe -- and I'm  
6 only -- I'm only saying this as a guess right now,  
7 but we may not be to the point that we can make that  
8 decision between an overarching policy and  
9 individual, we just may not be there yet, but I  
10 don't know.

11           You also recommend that annual goals  
12 and performance reports be provided to the media by  
13 TVA and that the original stakeholder planning group  
14 be converted into an advisory group to monitor  
15 performance and update the management plan as  
16 needed.

17           On a conceptual level, we accept this  
18 recommendation that aquatic management plan goals be  
19 established and that performance be reported. What  
20 we plan to do based on this recommendation is that  
21 each year, prior to the beginning of aquatic plant  
22 growing season, TVA will work with the individual  
23 reservoir stakeholder planning groups to establish a  
24 plan for that area and for how it will be managed  
25 during that season. And then after the growing

1 season, TVA will report back to the planning group  
2 on the success of the plan and the objectives.

3                   Now, with regard to your suggestion  
4 that these be converted to advisory groups, as you  
5 well are aware, there are requirements related to  
6 being a formal advisory group. There are real  
7 benefits to that in terms of the formality of the  
8 process, the fact that, you know, you give public  
9 notice to your meetings, that you have a court  
10 reporter, you know, there are real benefits to that,  
11 what I suggest is that there are also some financial  
12 burdens to that. There are some -- it imposes some  
13 lack of spontaneity to that.

14                   What I think that Glenn and probably  
15 would propose is to continue it in a forum of the  
16 stakeholder group but make sure that we do give  
17 adequate notice of the meetings and really comply  
18 with the spirit without having to trigger the  
19 requirements that create a more burdensome,  
20 basically administrative process. And if there are  
21 comments on that, I would appreciate that.

22                   MR. BRUCE SHUPP: I think that we  
23 chose the wrong word. We used the trigger word  
24 advisory when I think we meant monitoring. Group,  
25 don't you? I think that's all we meant. I don't

1 think we -- I think your approach is fine.

2 DIRECTOR SKILA HARRIS: Okay.

3 Because it does for us, being a Federal agency, not  
4 that we don't love this process, but it does -- it  
5 does, it creates -- it is more expensive. It is a  
6 more burdensome process when you do trigger the  
7 Federal Advisory Committee Act. And Stephen know  
8 that I know this well, since that's how I used to  
9 make my living.

10 So, anyway, I guess in summary on the  
11 aquatic plant issues, we basically agree with the  
12 message that you-all are sending to us in your  
13 recommendation. What we do need in this group of  
14 recommendations, more than any other group of  
15 recommendations, we need to go back, absorb what  
16 your messages are here and really figure out what --  
17 how we should proceed in this area.

18 What I want to know and sort of to  
19 draw this to an end here -- these guys never thought  
20 I was going to end by 10:00.

21 MR. BRUCE SHUPP: We're impressed.

22 DIRECTOR SKILA HARRIS: They never  
23 thought I would. They were going, she doesn't know  
24 what she's doing.

25 One of the most important things to

1 Glenn and to me is that we are understanding what  
2 you're saying to us, that we clearly have absorbed  
3 the meaning of your recommendations both in letter  
4 and in spirit, that we have not missed the essence  
5 of what your guidance is.

6                   And one of the things that I wanted  
7 to do was to sit here and have this conversation out  
8 of respect for what you have done, the time you have  
9 committed to this, and it has been extremely  
10 valuable to us.

11                   It's very important to have people  
12 who have walked in your shoes for 18 months to sit  
13 around and be able to talk with them and to know  
14 that somebody else is wringing their hands over  
15 aquatic weed management the same way you have been  
16 for almost two years now.

17                   So that is -- that was our intent  
18 today to have that opportunity to make sure that we  
19 are understanding what you're saying and also to  
20 give us an opportunity, as Glenn did last night, to  
21 express our gratitude not only to the Council but  
22 those of you who have served on the subcommittees.  
23 It's really added a great deal of value to our  
24 deliberative process.

25                   And I am not even going to ask a show

1 of hands of how many of you, both on the  
2 subcommittees and on the Council, actually have been  
3 shocked by the time commitment that this has  
4 required. Again, I know that time is the most  
5 valuable thing that you have, and our gratitude and  
6 our appreciation is very deep. And once again, a  
7 reminder, you aren't finished yet.

8 Any comments or are we on the right  
9 track? Yes, Al?

10 MR. AL MANN: One thing that keeps  
11 coming up, and it's the same thing that comes up in  
12 every recommendation, is the word funding.

13 DIRECTOR SKILA HARRIS: Yes.

14 MR. AL MANN: And the TVA says we  
15 cannot go back to Congress and ask for money. The  
16 ratepayers don't want it on their backs or the  
17 utility companies feel the ratepayers don't want it  
18 on their backs.

19 So where is the money going to come  
20 from?

21 I mean, there's no answer. I mean,  
22 Congress has to appropriate, you know, some of this  
23 funding because it is their job and it is their duty  
24 in most cases of the things you're talking about and  
25 you will have to ask for it. I mean, I don't

1 understand.

2                   DIRECTOR SKILA HARRIS: Well, we  
3 have -- we continue to commit funds to our  
4 obligations as the steward of the lands and the  
5 water resources in the Tennessee Valley, TVA  
6 continues to do that. I mean, we're in the process  
7 of doing our 2002 budget, trust me --

8                   MR. AL MANN: But that is power  
9 funds, right? I mean, that is money coming from --  
10 that is revenue coming from -- selling electricity,  
11 is it not?

12                   DIRECTOR SKILA HARRIS: Well, not  
13 all. We do have other sources of revenue. Also, a  
14 lot of what we do in our river management efforts  
15 support the fact that our integrated management of  
16 the river really does support and create an  
17 efficiency in our power generation system that  
18 definitely benefits the ratepayers of the Tennessee  
19 Valley.

20                   MR. AL MANN: Then the ratepayers  
21 should be told this so they understand.

22                   DIRECTOR SKILA HARRIS: Well -- and  
23 we -- and one of the things that Jimmy pointed out  
24 is that people -- I mean, you're going to get me on  
25 my soapbox now and I only have three more minutes

1 here, but one of the things, a person who may never  
2 go and visit a recreational facility of the  
3 Tennessee Valley is responsible for benefits when  
4 they buy their electricity, because if they are a  
5 residential user, they get the hydro preference.  
6 If -- they also benefit from the fact that hydro  
7 generation is a tremendously valuable generation  
8 asset.

9                   They also benefit from the fact that  
10 we have the ability to provide cooling to our power  
11 plants through our river system. They actually may  
12 have a job where materials that are delivered to  
13 their plant are transported via the Tennessee River  
14 or the products that they buy are lower cost because  
15 they come to a port through the Tennessee River.  
16 There are an abundance of benefits.

17                   I agree with you, Al, we need to do a  
18 better job of explaining to all of the ratepayers of  
19 the Tennessee Valley the benefit that they derive  
20 from the fact that the Tennessee River is here and  
21 how TVA manages it as an integrated system, I  
22 absolutely agree with you.

23                   We have -- you know, we aren't just a  
24 power company. We're an economic development  
25 agency. We're a power company and we're also a

1 resource manager. So we -- we continue to make  
2 financial commitments to this, and I think that the  
3 ratepayers do benefit.

4                   Now, what I think -- Ann's  
5 terminology that she pointed out, the question is,  
6 when do they unduly, when are they unduly burdened  
7 by these responsibilities, and I guess that one of  
8 the key words to all of this, and the Council  
9 probably has a great appreciation for this is  
10 balance, we have to balance these things. And  
11 achieving balance takes wisdom and information and  
12 actually some patience, which that is -- that is the  
13 job that I think Glenn and I have, and it's a job  
14 that you-all have helped us with tremendously in  
15 this area but --

16                   MR. AL MANN: So right now you don't  
17 feel that the ratepayers are overburdened?

18                   DIRECTOR SKILA HARRIS: Right now  
19 with the level of funding that we have dedicated to  
20 the support of resource management, I don't think  
21 they are.

22                   MR. AL MANN: I agree with you.

23                   DIRECTOR SKILA HARRIS: It's always a  
24 challenge though.

25                   MR. AL MANN: But you understand,

1 this is what we hear on the Council is that we can't  
2 put this on the back of the ratepayers.

3                   DIRECTOR SKILA HARRIS: And I -- but  
4 that is part of the balance that we have to achieve  
5 and I -- once again, I think it goes to the word  
6 unduly. When does it -- when does it become -- and  
7 it goes to the issue of are our rates competitive  
8 and that -- so that is part of this balance that  
9 we're trying to achieve to accomplish all of what we  
10 need to accomplish in these areas and responsibility  
11 of economic development, power generation, and  
12 resource management, pay down the debt, make our  
13 employees and retirees happy and run this business,  
14 that's all.

15                   MR. AL MANN: It's a big business.

16                   DIRECTOR SKILA HARRIS: But thank  
17 you, I appreciate your sensitivity to what we're  
18 trying to accomplish.

19                   MR. BRUCE SHUPP: Any other comments  
20 for Skila on any of the three issues?

21                   MR. AUSTIN CARROLL: I have just one.  
22 Back on the integrated river management, we  
23 suggested or we recommended there that -- and it  
24 wasn't clear to me, Director Harris, that we take a  
25 critical path approach on the -- and look at water

1 quality first in that study, was that something that  
2 was accepted?

3 DIRECTOR SKILA HARRIS: Yes,  
4 absolutely, we accepted that recommendation as is.

5 MR. AUSTIN CARROLL: So that could  
6 maybe help shorten the study and keep the cost down,  
7 if that is the most critical factor, and would kind  
8 of dictate how you can do some other things as far  
9 as the management of the river system is concerned?

10 DIRECTOR SKILA HARRIS: Right. I  
11 think that it can provide some early guidance if we  
12 start looking at water quality early on, but I think  
13 that we're -- this is envisioned as a comprehensive  
14 study, but I think in terms of early guidance I  
15 think you're absolutely right.

16 MR. BRUCE SHUPP: Any other  
17 questions? I want to thank you for the superb job,  
18 and I echo your reaction that this is a very  
19 dedicated group of people that gave a lot of time.  
20 I can say this, if we had known how seriously you  
21 and Glenn were going to take these recommendations  
22 before we started, we might have worked even harder.  
23 So we're very impressed. I'm very impressed with  
24 the amount of deliberation you're giving this and  
25 the way you have chosen to interact with us on this

1 response, I think that was excellent, and we're  
2 looking forward to your final decisions.

3 DIRECTOR SKILA HARRIS: Thank you.

4 MR. BRUCE SHUPP: Thank you very  
5 much. What I would like to do now, we have a little  
6 bit of time before the break, and I would like to  
7 ask the audience, are there any local people here  
8 that would want to comment on the aquatic plant  
9 management issue, because what I would like to do if  
10 you'd like to make a statement, instead of doing it  
11 this afternoon in the public session, you can do it  
12 now and then you can go home or you're welcome to  
13 stay, but you have the opportunity.

14 How many people here would like to  
15 say anything about plant management? None. Okay.  
16 Then what we will do is we'll break now and  
17 reconvene at 10:30. Thank you.

18 (Brief recess.)

19 MR. BRUCE SHUPP: On your agenda, the  
20 10:30 time frame, you see that Austin Carroll is  
21 going to report on the July 24th and 25th trip to  
22 Washington by the legislative working group and you  
23 don't see on there that we're also going to have a  
24 report by the ad hoc group that was put together by  
25 the integrated river management committee that met

1 August 20th with TVA staff and Ike Zeringue.

2                   And Roger Bedford is the chair of  
3 that committee, but Roger was called to a special  
4 session of the Alabama legislature, he gives his  
5 regrets that he can't be here, and reporting in his  
6 place will be Phil Comer, but first let's start out  
7 with Austin reporting about the trip to Washington.

8                   MR. AUSTIN CARROLL: Thank you,  
9 Mr. Chairman. This is the second trip that the  
10 government relations task force has made to  
11 Washington. The first trip, we went up there to  
12 visit with the Tennessee Valley Region Congressional  
13 Representatives to let them know what the Council  
14 was doing, to build a rapport with them, to make  
15 ourselves available as a resource to them, and those  
16 sorts of things, and to let them know that we would  
17 be having some recommendations and how things were  
18 going and so forth, which they were very interested  
19 in.

20                   While we were there we met with  
21 Representative John Duncan, John Duncan's primary  
22 legislative staff person by the name of David  
23 Baloff, and David -- and, of course, Representative  
24 Duncan is a Chair of the House Oversight Committee  
25 for TVA, that's the house and water resources and

1 environment subcommittee.

2                   David recommended while we were there  
3 that we come back for another visit to visit with  
4 the -- to visit with the staff for the subcommittee  
5 for the house resources -- house water resources and  
6 environment subcommittee and the other committees of  
7 Congress that were concerned with TVA.

8                   These staff people play a very  
9 important role in making policy and developing  
10 legislation that might affect TVA and the Tennessee  
11 Valley. So he felt like it was important that we  
12 not only attempt to build a rapport with the  
13 congressional staff but also with the staffers for  
14 the subcommittee.

15                   So we did go back and met with Susan  
16 Bodine on the house of water resources and  
17 environment subcommittee, along with David Baloff,  
18 and a other of couple individuals. We met with the  
19 staff for the senate committee on environment and  
20 public works and on the -- we met with the Democrat  
21 staff person, and then we met with the Republican  
22 staff person.

23                   And I wasn't very familiar with these  
24 staff people for the different committees, but they  
25 have -- it's quite an extensive staff for the --

1 just the senate committee on environment and public  
2 works. What did they tell us, they had about 65  
3 people or something that was just the staff for that  
4 subcommittee, and these were the managers of those  
5 staffs that we met with. And they have a Republican  
6 contingent that is part of the staff and they have a  
7 Democratic contingent that is part of the staff. So  
8 we met with both sides.

9                   Anyway, the meetings went very well.  
10 I think we accomplished our mission. They are aware  
11 or more aware of the Council now and what the  
12 Council is doing. They welcomed our visits.  
13 They -- we talked about the different  
14 recommendations or draft recommendations we were  
15 making to TVA, and they seemed to think that was --  
16 very much on target with what they would like to  
17 see. So we felt like it was a good visit.

18                   While we were there we also had an  
19 opportunity to visit with Congressman Bob Clements'  
20 staff, Caroline Neilson, and with Senator Fred  
21 Thompson's staff, Libby Wood, and just updated them  
22 again on where we were with Council activities and  
23 got to hear from them about, you know, what they  
24 thought about the future of legislative efforts and  
25 TVA. So I thought it was a very good meeting.

1 MILES went with us. Elaine Patterson  
2 went with us. And Stephen went with us. Were you  
3 there both days or did you make it?

4 MR. STEPHEN SMITH: I couldn't make  
5 it up for this one.

6 MR. AUSTIN CARROLL: Well, Miles  
7 thought you made it, but I didn't see you. Anyway,  
8 he was -- Steve did make it for the first meeting  
9 the first time we went up there, and that might have  
10 been what we were thinking.

11 Ann Wright went along with us as a  
12 facilitator to help set up the meetings. We very  
13 much appreciate TVA setting up those meetings for  
14 us, but when we went in to talk to the different  
15 staff people, TVA did not got go with us. So we  
16 could take very candidly about the different issues  
17 and whatever.

18 MILES, did you want to add anything?

19 MS. MILES MENNELL: No, thank you.

20 MS. JULIE HARDIN: Were you there,  
21 Miles?

22 MS. MILES MENNELL: Yes. Thank you.

23 MR. PHIL COMER: Stephen disappeared.

24 MS. MILES MENNELL: Austin does that  
25 all the time, he puts words in my mouth.

1                   MR. BRUCE SHUPP: Any other comments  
2 or questions for Austin?

3                   MS. MILES MENNELL: And Stephen, you  
4 were missed.

5                   MS. JULIE HARDIN: I just appreciate  
6 you representing all of us. Thank you.

7                   MR. BRUCE SHUPP: Yes, thank you,  
8 Austin. I forgot to mention before we started this  
9 session that those of you in the audience that want  
10 to speak this afternoon in the public session from  
11 1:00 to 2:00, if you haven't registered at the table  
12 where you came in, please do so so we can manage  
13 time in that hour period.

14                   Phil, tell us about your meeting with  
15 the TVA technical staff and Ike Zeringue.

16                   MR. PHIL COMER: Okay. In the first  
17 place, this meeting grew out of the July 19th  
18 meeting that Chairman McCullough had called of the  
19 integrated river management subcommittee to inform  
20 us why he and Director Skila Harris had decided not  
21 to agree to the recommendation of delaying the  
22 August 1 unrestricted drawdown by some time period.

23                   And the president of TVA, Mr. Ike  
24 Zeringue, was at that meeting, and toward the end an  
25 interchange of comments occurred that resulted in

1 his suggesting that we have a subcommittee task  
2 force meeting later on, which occurred on August the  
3 20th, a week ago this Monday, to present a  
4 proposal-suggestion, whatever you want to call it,  
5 from a Douglas Lake Group that I am identified with,  
6 which we did.

7                   Representing the integrated river  
8 management subcommittee was Roger Bedford, Jack  
9 Marcellis representing Chattanooga with an interest  
10 in preventing flooding, and W. C. Nelson, Bill  
11 Forsythe, and myself.

12                   TVA was represented, as I said, not  
13 by Mr. Zeringue, who had really caused the meeting  
14 to come about, but he had other conflicts in his  
15 schedule, but he did show up at the very end of the  
16 meeting so that we had a two-minute opportunity to  
17 talk with him about it. TVA was represented by Gary  
18 Mauldin, Chris Ungate, who was the overall manager  
19 of the 1990 study, and Morgan Goranflo.

20                   I had as a guest Mr. Glen Bibbins,  
21 who is now president of the Landowners and Users of  
22 Douglas, better known as LOUD, who made a 14 minute  
23 power point presentation basically advocating two  
24 things, one, delay the unrestricted drawdown of the  
25 lakes from August 1 until October 1, but secondly,

1 and probably more importantly to this particular  
2 meeting of August 20th, to propose that all the  
3 lakes -- the winter drawdowns be only half as much  
4 as is current practice and this -- the winter  
5 minimum lake levels have not been changed since 1971  
6 and have apparently not been studied since that  
7 time. And his proposal, with my strong support, was  
8 that this simply be included as part of the study  
9 that had been earlier recommended but that this  
10 particular thing also be included.

11 To oversimplify Mr. Bibbins' proposal  
12 for this, he gave factual data which had been  
13 obtained from TVA on Douglas Lake only because that  
14 was the only one that we have data to use to study,  
15 but he made it very clear, and I make it very clear  
16 now, that this is not being advocated as a special  
17 thing to be considered for Douglas Lake. We believe  
18 that what is true of Douglas Lake would be true of  
19 certainly the 13 tributary lakes, and to some  
20 degree, all nine of the mainstream lakes.

21 The upshot or the end of the meeting,  
22 no specific conclusions were really arrived at, nor  
23 did we want any. All we were asking was that this  
24 be included as part of the study that Director  
25 Harris said has been agreed to this morning, and it

1 is my understanding that that will be included as  
2 part of the study but that Mr. Zeringue and Gary  
3 Mauldin has said they probably are going to do some  
4 preliminary work on that if it is not too involved  
5 or too time-consuming, that if it can be done  
6 between now and our October meeting, that Gary  
7 Mauldin would give an interim report on that, unless  
8 he finds it too time-consuming. So that was not a  
9 firm commitment on the part of Gary Mauldin, but  
10 unless --

11 MR. BILL FORSYTH: Phil, you left out  
12 the part -- the significant part about the less  
13 drawdown would create a great deal more power.

14 MR. PHIL COMER: Yes, yes, that's  
15 right. The whole punch line -- thank you very much.  
16 The whole punch line of Mr. Bibbins' point is that  
17 certainly in the case of Douglas Lake, to drop the  
18 lake only -- which is now dropped 50 feet in the  
19 wintertime minimum but to drop that only half that  
20 amount would generate 20 percent more hydroelectric  
21 power per year, and we firmly believe, without in  
22 any way jeopardizing the flood risk of Chattanooga.

23 Now, when we say the same on all 13  
24 tributary lakes and so forth, obviously we don't  
25 mean that literally, but more or less it should be

1 relooked at since it hasn't been changed since 1971.  
2 Mr. Bibbins' ballpark figure believes that for the  
3 whole system to do this would generate an additional  
4 50 to \$60,000,000 of hydropower each year without  
5 seriously risking flooding of Chattanooga.

6 MR. BRUCE SHUPP: So we can keep the  
7 lake levels up all winter and pay for the aquatic  
8 plant management all in the same --

9 MR. PHIL COMER: No, not keep the  
10 lake levels up all year, that's certainly not  
11 possible nor has it been suggested.

12 MR. BRUCE SHUPP: Any questions for  
13 Phil?

14 MR. PHIL COMER: Thank you, Bill,  
15 very much.

16 MR. STEPHEN SMITH: Bruce, I just  
17 wanted to just get a little better sense of this  
18 follow-up. I mean, if indeed Mr. Bibbins'  
19 information shows a 20 percent -- a potential of  
20 20 percent increase in hydro on Douglas and others,  
21 you know, that's -- that's a very significant  
22 increase in hydro output, and it has both, I think,  
23 significant financial implications, and from our  
24 respect, it has very significant environmental  
25 implications because you would be getting a

1 non-polluting, in theory, resource.

2                   So I am very interested to see if --  
3 at the October meeting if there could be some  
4 preliminary feedback from TVA about the validity or  
5 what are some of the questions or how TVA is going  
6 to approach responding to that, because it certainly  
7 is an intriguing -- an intriguing discussion, and  
8 I'm just curious if we can get some feedback.

9                   MR. BRUCE SHUPP: Kate, have you  
10 spoken to staff about whether that's feasible or  
11 not?

12                   MS. KATE JACKSON: And I don't think  
13 we know that yet. One of the things, the staff has  
14 been doing other things on sort of a graphic basis.  
15 So what we're trying to do is figure out how much  
16 time it would take to do it, but obviously if it has  
17 that significant a potential positive impact, as  
18 Skila said, we are impatient to examine that. So we  
19 will -- probably can have some initial feedback, but  
20 we are also concerned recognizing that there are  
21 potential environmental issues associated with that.

22                   MR. STEPHEN SMITH: I guess that's  
23 the thing that I'm curious about is, even if it's  
24 not a comprehensive analysis of it, if there is at  
25 least an outline of, you know, what are going to be

1 some of the issues here, because this is -- I mean,  
2 again, I think if the numbers are even in the  
3 ballpark it to me is potentially very significant  
4 and should be -- I mean, I would like to elevate it  
5 as a priority to understand that better.

6 DR. KATE JACKSON: We could certainly  
7 commit to talking more about it. I cannot commit to  
8 presenting results or even preliminary results.

9 MR. STEPHEN SMITH: Okay. So we can  
10 have on the agenda a discussion item to flesh out a  
11 little bit more because not all of us were --

12 MS. KATE JACKSON: And I think the  
13 other thing would be is to have a discussion of how  
14 examining this up front has an implication for both  
15 the ongoing study activities, which you heard Skila  
16 commit to today, and second, the desire of the  
17 Council to do the water quality as critical path. I  
18 mean, those are -- it's really hard to do everything  
19 preliminarily. So we need to work hard on that.

20 MR. PHIL COMER: And I want to make  
21 it clear that neither Mr. Bibbins nor I asked that  
22 it be moved up in terms of priority. We just asked  
23 that it be included in the big study. It was really  
24 Mr. Zeringue who himself expressed some desire to --  
25 if it could generate another \$50,000,000, he wanted

1 to know about it sooner, and now you Steve, but we  
2 did not ask for it to be moved up on the priority  
3 scale.

4 DR. PAUL TEAGUE: I think it would be  
5 appropriate if Phil can give us a 30 second bite,  
6 because he discussed this with Al and I how this is  
7 so. Not being a mathematician, not being very  
8 bright in this issue, our feeling was, well, if you  
9 run that water through, you produce more power, the  
10 lower you have got it down means that you had  
11 produced more power, but if you can give us -- I  
12 think it's appropriate for the ones that are not  
13 engineering inclined to try to understand.

14 MR. BRUCE SHUPP: Try to do it in 60  
15 seconds.

16 DR. PAUL TEAGUE: No, I said 30  
17 seconds.

18 MR. PHIL COMER: No. 1, I am not  
19 engineering inclined either. This is why Mr.  
20 Bibbins, who is a mathematician, made the  
21 presentation and has done all of the work on this.  
22 I just work with him.

23 It's all wrapped up in hydrostatic  
24 head. And just in the case of Douglas, there are  
25 two new generators that have been installed of the

1 four units at Douglas, and the two new generators at  
2 the normal summer pool level of 992 produced 46  
3 megawatts, at 940 they produced 20 megawatts each,  
4 at 970 they produced 37 megawatts, which is  
5 86 percent more than the current minimum level,  
6 that's the effect of hydrostatic head in the case of  
7 Douglas Dam.

8                   Each dam is different though. Each  
9 dam is different, believe me. South Holston doesn't  
10 have near the effect that it does on Douglas. So  
11 that's why each one has to be studied, but just that  
12 25 foot difference on Douglas makes an incredible  
13 difference in terms of hydrostatic head and what  
14 that does in terms of generating electricity with  
15 the same of amount of water.

16                   DR. KATE JACKSON: If I could address  
17 it. Think of the water behind the dam as every drop  
18 of water pushes the turbine blades, but if there's a  
19 whole lot of water up there, then there's a whole  
20 lot of pressure. So there is sort of a  
21 multiplicative effect of having more pressure up  
22 there. So not only is there a lot of water but it's  
23 squishing harder on those turbine blades so you get  
24 a little more power. The efficient operating  
25 position on that turbine gives you a little more

1 output.

2 DR. PAUL TEAGUE: That was a good  
3 explanation, because when Phil explained it to Al  
4 and I, both of us looked at each other and said, how  
5 is that so? It looks like the more water that came  
6 through the more power that you would generate, and  
7 then he explained it from what Mr. Bibbins said the  
8 same way you did and it made some sense, and I  
9 thought it appropriate that the rest of the  
10 committee knew about it and the --

11 MR. PHIL COMER: Archimedes, I  
12 believe, is the one who first came up with this.  
13 Kate, you're the physicist. Archimedes is the one  
14 who first proved this as a law a long time ago.  
15 It's one of the immutable laws of physics.

16 MR. GREER TIDWELL: You can tell Kate  
17 is the physicist because she used the word  
18 squishing.

19 I want to second what Steve said  
20 about getting this on the agenda in October. The  
21 bottom line is, if it's bunk, it ought to be pretty  
22 quickly identified as bunk and but we can go on, but  
23 if there's some validity to it, the issue is beyond  
24 lake level in terms of new generation of power. New  
25 generating capacity is awfully important, and we

1 ought to keep it on the agenda.

2 MR. BRUCE SHUPP: Well, we will try  
3 to get Gary Mauldin and Archimedes on the agenda for  
4 October. It ought to be really interesting.

5 MS. JULIE HARDIN: Bruce, would it  
6 help at all that we try to get consensus that all of  
7 us are aware of where Greer's coming from and where  
8 Stephen's coming from and we'd all like some kind of  
9 an update in a structured way, although not  
10 complete, at the October 24th/25th meeting on this  
11 issue.

12 MR. BRUCE SHUPP: Yep. We're on the  
13 record with that. Is that --

14 MS. JULIE HARDIN: That's what I  
15 would like to suggest.

16 MR. BRUCE SHUPP: Lee?

17 MR. LEE BAKER: Yeah, I certainly  
18 would like to hear the answer from TVA. I can  
19 assure you that the concept of head pressure is not  
20 a new idea just being surfaced. So I'm quite  
21 confident personally that TVA and its hydraulists,  
22 hydraulic engineers, and the dams they have operated  
23 certainly have factored in and know what head  
24 pressure does.

25 I had posed the question when this

1 thing first surfaced, it's like it's a new idea, and  
2 it's not a new idea. Head pressure has been there  
3 and that's a part of generation, but it's not the  
4 only thing. If we didn't have to have head pressure  
5 we would be generating energy on the Mississippi  
6 River, and maybe we do in some places.

7 MR. BRUCE SHUPP: Paul, are you up  
8 for another shot or is that Phil?

9 MR. PHIL COMER: I just wanted to say  
10 that neither Mr. Bibbins nor I have ever made any  
11 claim, Lee, that this was any kind of a new idea,  
12 but the TVA people have admitted that they have not  
13 really, really looked at winter levels in -- Morgan  
14 Goranflo said 50 years. I think it was 1971, to be  
15 exact. No one has claimed it was a new idea.

16 MR. BRUCE SHUPP: Okay. Moving off  
17 of this one last chance. Okay. Move on to the  
18 public lands committee report on two issues, the  
19 roof issue in the campgrounds and the right-of-way  
20 vegetative management. Ann Coulter will be handling  
21 both.

22 Ann?

23 MS. ANN COULTER: Thank you,  
24 Mr. Chairman. I would like to talk first about the  
25 right-of-way maintenance and management issue. This

1 issue was brought to us at the last Council meeting,  
2 as you will remember, as a part of our discussion as  
3 a Council of our more general public lands  
4 management recommendations.

5                   And as it was brought to us, it was a  
6 fairly limited issue, and as we learned about it and  
7 began to discuss it we didn't see any reason to  
8 broaden it as an issue. It was limited to, and we  
9 kept it limited to, TVA practices with regard to  
10 maintaining TVA owned or leased transmission line  
11 rights-of-way. So we did not address any management  
12 or vegetative management policies relative to  
13 general TVA owned public lands or to lands that are  
14 managed or maintained by utility companies.

15                   We met as a subcommittee on July 25th  
16 in Nashville, and that was Paul Teague, Michelle  
17 Myers, Bill Shuff, and myself. Greer Tidwell joined  
18 us. Shannon McKinney joined us over the telephone.  
19 And Julie and Karl have also reviewed the  
20 recommendations since that time. Mike Butler, with  
21 the Tennessee Conservation League was also present  
22 representing Marty Marina.

23                   And before that time I had talked  
24 with some people who were referred to me by other  
25 Council members, and that included a Davidson County

1 property owner who has a transmission line that TVA  
2 leases for maintenance on his property who actually  
3 brought suit against TVA for their maintenance of  
4 right-of-way, a particular incident. It was later  
5 settled out of court at the expense of TVA and the  
6 subcontractor. Largely this work -- well, I guess  
7 exclusively this work on TVA transmission line  
8 rights-of-way is done by private subcontractors  
9 under contract to TVA.

10 I also talked with Axel Ringe, I  
11 think, a water quality subcommittee member, and with  
12 Ann Rochelle, who is with the Tennessee Department  
13 of Environment and Conservation in their division of  
14 water pollution control.

15 We also had presentations by Tom  
16 Latallic with TVA and comments by Claude Lewis with  
17 respect to TVA practices and policies in the field  
18 on maintaining and managing vegetation under these  
19 transmission lines.

20 And you have the recommendation in  
21 your packet. The issue basically revolved around  
22 cutting trees and other undergrowth under the  
23 transmission lines that violated water quality laws  
24 because of where and how the cutting was done.  
25 Cutting is only one of the ways that vegetation is

1 managed. No issues came to our attention, other  
2 than those created by the actual cutting of the  
3 vegetation.

4                   And you will see that we have a -- we  
5 have three recommendations. I will tell you that  
6 basically the violations of water quality laws and  
7 the complaint by the property owner occurred in late  
8 1990, early 1991. It involved some violations that  
9 were brought to TVA's attention by the State of  
10 Tennessee, which TVA responded to in detail.

11                   And subsequent to those issues, TVA  
12 did hold a meeting and a training session with their  
13 subcontractors to review with them the policies and  
14 practices in place and help convince them of the  
15 seriousness of following those policies and  
16 procedures, as well as put some provisions in their  
17 contracts with the subcontractors that would give  
18 them some leverage in stopping work with those  
19 subcontractors if they were found to violate those  
20 policies and procedures.

21                   So there was an attempt by TVA, as  
22 these complaints were brought to their attention,  
23 that they realized they had a problem and they have  
24 proceeded -- they proceeded to deal with it in that  
25 fashion.

1                   Our recommendations are that TVA  
2     should make more effort to contact property owners  
3     whose land is to be cleared. There is some attempt  
4     made it, it is not -- we didn't feel that it was a  
5     vigorous enough attempt to contact property owners  
6     whose property is about to be cleared so that  
7     potential problems with those property owners could  
8     more likely be worked out on the front end, and that  
9     TVA should ensure that contractors follow  
10    appropriate policies and have information about land  
11    to be cleared that's adequate to prevent violation  
12    of the state and federal laws, that TVA should take  
13    greater responsibility for ensuring that  
14    relationships with property owners reflect TVA's  
15    attempt to be cooperative and responsive.

16                   Whereas, TVA has the legal right to  
17    clear these rights-of-way, that's not -- the  
18    subcommittee didn't feel like that was all that  
19    needed to be done, that although they had the legal  
20    right, they also had an obligation to do it in a  
21    customer friendly fashion and to problem solve  
22    whenever possible.

23                   Secondly, that whenever possible TVA  
24    should create or participate in innovative  
25    approaches and partnerships with other units of

1 government or private agencies who have an interest  
2 in natural methods for maintaining vegetative cover  
3 for purposes such as recreation and wildlife  
4 conservation.

5                   For example, this was one of many  
6 examples that we talked about that day in Nashville,  
7 a state park with transmission lines may agree to  
8 maintain the vegetative cover at the state park's  
9 expense rather than at TVA's expense in order to  
10 provide natural habitat, for example, so that TVA  
11 wouldn't have to clear the land on a regular basis.  
12 So we would hope that where those opportunities may  
13 exist that they be explored.

14                   The third recommendation has to do  
15 with customer service or has to do with something  
16 that we weren't aware of before we began learning  
17 about this issue; and that is, that TVA has done  
18 some really fine work with regard to cataloging  
19 natural ways of controlling the vegetation.

20                   There are native species of shrubs  
21 and low growing trees, that once established,  
22 virtually require no cutting, no herbicides, and no  
23 maintenance. To establish those would be, of  
24 course, a greater expense on the front end but would  
25 greatly reduce the cost of maintaining and managing

1 those rights-of-way in the future.

2                   This, we think, is quite user  
3 friendly. The book is about that thick. It's full  
4 color. I'm sure you can obtain one if you needed  
5 one.

6                   And we would like to see TVA pursue  
7 this kind of an option with a little more energy,  
8 that people be educated about that potential, and  
9 that possibly TVA look at some innovative ways of  
10 promoting that kind of a solution to help to reduce  
11 the maintenance cost on the back end, as well as  
12 provide habitat, less soil erosion, and food for  
13 wildlife.

14                   So the third recommendation is that  
15 they do that and that they set specific goals to  
16 increase the amount of right-of-way that's planted  
17 in this sustainable cover and implement methods of  
18 meeting those goals.

19                   I would like to point out that all of  
20 these recommendations are consistent with our  
21 subcommittee's more general recommendations about  
22 public lands management, specifically that water  
23 quality is the No. 1 consideration. It's consistent  
24 with our recommendation that creative approaches are  
25 critical to the long-term effective management of

1 TVA's public lands and it's consistent with our  
2 recommendation that TVA should build in the capacity  
3 to change, particularly as it relates to customer  
4 service.

5 MR. BRUCE SHUPP: Council, questions?

6 MR. AL MANN: I have one question  
7 then. Nos. 2 and 3 are fine, but the wording on No.  
8 1, TVA should make more effort to contract -- to  
9 contact property owners, by law are they required to  
10 contact the property owner before they start  
11 clearing, I don't know, or should this read, prior  
12 to clearing, you know, the right-of-way they must  
13 contact the property owner?

14 MS. ANN COULTER: I don't think it's  
15 required by law. Our sense was that problems that  
16 tend to crop up with property owners whose land has  
17 been cleared could possibly be -- a number of those  
18 could be alleviated if that contact were made.

19 MR. AL MANN: But should you make it  
20 stronger than what you're saying here, is my  
21 question? I mean, should make more effort, I mean,  
22 I could look up and say, well, I tried but I  
23 couldn't get ahold of the guy. I don't know.

24 MS. ANN COULTER: I would like to  
25 hear from other subcommittee members. I'd be open

1 to that. I realize that's not a simple thing to do.  
2 We know nothing -- once you get into this management  
3 system, it's a simple thing to do, but I do think it  
4 bears some additional effort and energy.

5 DR. PAUL TEAGUE: Al, we didn't feel  
6 that TVA had an obligation by law and by contract.  
7 We put that in there in support and in conjunction  
8 with our previous land management, and it's to make  
9 it more customer friendly -- PR basically is what  
10 I'm saying, is what it amounted to.

11 MR. BRUCE SHUPP: Did you put yours  
12 down, Lee?

13 MR. LEE BAKER: I think I want to  
14 talk about the third paragraph, so I'll let this one  
15 die down first.

16 MR. BRUCE SHUPP: Steve?

17 MR. STEPHEN SMITH: Well, my comment  
18 isn't in reference to No. 1, it's in reference --  
19 it's generally in reference to the whole thing.

20 MR. BRUCE SHUPP: Any more comments  
21 on No. 1? Austin?

22 MR. AUSTIN CARROLL: Well, I wouldn't  
23 favor the language must personally. I guess -- you  
24 say clearing of right-of-way, I'm sorry, I guess I  
25 will jump in on No. 1. Clearing of right-of-way, we

1 distinguish it in the business -- in the utility  
2 business the original and then what we call  
3 reclearing where you have to go back periodically.

4 Do you distinguish here?

5 MS. ANN COULTER: No.

6 MR. LEE BAKER: Because typically  
7 what happens on the original clearing, you have  
8 negotiated a right-of-way and they know exactly what  
9 you're supposed to do, but on the reclearing it's  
10 sold and resold and resold and you get somebody  
11 coming in here from Florida or up in Michigan, yeah,  
12 God forbid, and, you know, they don't want you to  
13 cut anything, but they are the first ones to call up  
14 and give you a ration of stuff when their lights go  
15 out. So it's very important that those  
16 right-of-ways be maintained, and it's going to be  
17 more critical in the future because the transmission  
18 constraints are going to be a big, big, big issue.

19 MS. ANN COULTER: Reclearing seemed  
20 to be the source of the majority of the -- there's  
21 simply more of that, a good deal more of that, than  
22 original clearing going on.

23 MR. BRUCE SHUPP: Austin?

24 MR. AUSTIN CARROLL: A little bit  
25 along the lines of what Lee said, right-of-way is a

1 catch 22. I mean, you're damned if you do and  
2 you're damned if you don't, and it's very difficult  
3 to get ahold of each one of the property owners  
4 every time you have to go out there and reclear for  
5 a transmission line, because like the property  
6 owners are continually changing.

7                   Sometimes it's the tenant of the  
8 property. They are leasing or renting the property  
9 for agriculture or for, you know, a place to live or  
10 whatever, and they are the ones that really get --  
11 they are the ones that get upset.

12                   And then too, some of the property  
13 you're talking about might be -- you know, you might  
14 go through several acres and one property owner, and  
15 then you get into situations and the closer you get  
16 to urban areas where -- I mean, you may run into 100  
17 property owners a mile or something, and it's just  
18 very difficult.

19                   And I'm empathize with TVA in trying  
20 to contact property owners. We have the same  
21 problems just on a local level at our municipal  
22 electric system. So, you know, I would hesitate to  
23 put must in there, it's a difficult task, and it can  
24 drive up costs just trying to do that.

25                   MR. BRUCE SHUPP: Any more discussion

1 on No. 1 on the contact issue?

2 MR. W. C. NELSON: Some of the  
3 problems occur when the reclearing of the  
4 right-of-way is taking place and they start cutting  
5 trees outside of the right-of-way. There are trees  
6 that are located outside of the right-of-way that  
7 have grown since the initial clearing, and they  
8 enter the property and start cutting trees outside  
9 of the right-of-way and property owners get very  
10 upset.

11 So in cases where trees are being  
12 removed outside of the right-of-way, because they  
13 are called danger trees, I think the property owners  
14 should be contacted every time, and that doesn't  
15 happen. You may think you own the property up to  
16 the power line right-of-way and all of a sudden they  
17 are out there cutting your trees down. So there's  
18 been a lot of hurt feelings about that.

19 MS. ANN COULTER: Mr. Chairman, I'm  
20 sorry, did I interrupt you? Were you finished? I  
21 jumped in there and I heard you still talking. Were  
22 you finished with your remarks?

23 MR. W. C. NELSON: Yes.

24 MS. ANN COULTER: Okay. I thought  
25 maybe I interrupted you. Sorry.

1 MR. W. C. NELSON: No.

2 MS. ANN COULTER: I think this is a  
3 very good discussion, but I may suggest that we hold  
4 that for the discussion period to get things  
5 clarified, because we're already a little late on  
6 the agenda and I've got another policy to go  
7 through.

8 MR. BRUCE SHUPP: We're going into  
9 philosophy, so we will hold that for this afternoon,  
10 which is where we put that in the program. So we  
11 better move on to the issue on the campground roofs.

12 MS. ANN COULTER: Thank you,  
13 Mr. Chairman.

14 MR. LEE BAKER: Will there be an  
15 opportunity later to address the wording on item 3?

16 MS. ANN COULTER: Yes, there's a  
17 whole section on the agenda for discussion.

18 MR. LEE BAKER: I can wait.

19 MS. ANN COULTER: On the second  
20 recommendation, which has to do with the campground  
21 issues that arose at our last meeting, particularly  
22 with regard to Fall Creek Campground and the  
23 requirement and TVA's recently negotiated lease with  
24 that operator, that roofs, porches, and other  
25 appurtenant structures be removed at the seasonal

1 campsites by a deadline of, I think, this past  
2 August 1st, and TVA held that deadline while our  
3 subcommittee looked at that issue and came back with  
4 a recommendation.

5                   We asked TVA for additional  
6 information on these issues before we met in July,  
7 and that included copies of leases with operators.  
8 It included policies and practices and procedures  
9 relative to campgrounds, campsites, information  
10 about how many campsites there were, who owned them,  
11 the magnitude of the potential problem, and so  
12 forth, and we received that information.

13                   We deliberated about this issue as  
14 well in Nashville on July 25th, and basically I will  
15 have to say that by the time we met the TVA folks  
16 had done their own thinking and problem solving on  
17 this issue and made a recommendation to us, which is  
18 exactly as you have it in front of you today. It  
19 didn't require any further changes on our part.  
20 They had done basically what good problem solving  
21 consists of when you're apprised of a problem.

22                   The recommendations are -- you also  
23 have these in your packet. We recognized too as we  
24 got into this issue that this is not a huge number  
25 of campsites or campgrounds. So it's one of those

1 issues, I think, that lends itself to more at the  
2 local level sort of close-to-the-problem management  
3 that a much more -- than a much larger set of  
4 situations would lend itself to, and I'm sure TVA  
5 was aware of that as they determined what their  
6 recommended policy would be going forward.

7                   So our recommendations are that TVA  
8 continue operating under its existing procedural  
9 guidelines pertaining to the development and  
10 operation of commercial campgrounds on TVA retained  
11 lands but that in applying these guidelines they  
12 should remain sufficiently flexible to ensure that  
13 both the commercial campground operators, rental  
14 clients are afforded ample opportunity to bring  
15 themselves into compliance.

16                   And that's largely speaking of the  
17 regulations that deal with the number of sites that  
18 can be held as seasonal sites, realizing that to  
19 provide the variety of experiences to make  
20 campgrounds viable, it's appropriate that a certain  
21 number of sites be rented on a seasonal basis and  
22 that a certain number of sites be available on a  
23 day-to-day basis.

24                   The second recommendation is that  
25 it's particularly applicable for those situations

1 where commercial operators have allowed the  
2 construction of porches, decks, roofs, and other  
3 appurtenant structures in association with  
4 seasonally rented campsites.

5                   We believe that TVA should negotiate  
6 with the individual campground operators, which,  
7 again, was their suggestion as they brought it to us  
8 in July, where these structures occur, to insure  
9 that such structures is removed as attrition or  
10 turnover occurs in those seasonal sites.

11                   If TVA and the commercial operators  
12 agree that porches, decks, roofs, or other types of  
13 appurtenances would be allowed, then TVA should  
14 provide guidance in terms of what types of  
15 structures it will continue to approve.

16                   The porches, et cetera, now in place,  
17 should be allowed to stay until such time as the  
18 seasonal renters no longer express any future  
19 interest in renting those sites or if a structure  
20 should become some kind of a hazard due to poor  
21 design or lack of maintenance.

22                   Also, TVA should work with campground  
23 operators in revising existing leases, such as the  
24 one at Fall Creek Campground, licenses and easements  
25 to ensure that in the future any and all such

1 structures will be the property of the campground,  
2 therefore, the campground's responsibility once the  
3 seasonal renters no longer use that campsite.

4 I have, since this policy was  
5 drafted, received a comment from a member of the  
6 public who has followed this issue closely and has  
7 requested that under bulletin point No. 4, which  
8 starts with the porches, et cetera, that because  
9 everywhere else we have listed porches, decks,  
10 roofs, and other types of appurtenances everywhere  
11 else, that we also include that there. I'm sure --  
12 I know that was our intent, so I don't have any  
13 problem including all of that wording on that  
14 bulletin point.

15 I would also like to point out that  
16 these recommendations are also consistent with the  
17 more broad public lands recommendations that were  
18 discussed this morning, particularly ones with  
19 regard to the recommendation that TVA public lands  
20 are a public good and should be managed with that  
21 idea in mind.

22 Also, that a balance set of  
23 recreational experiences be provided and also the  
24 recommendation that TVA should build in the capacity  
25 to change, particularly with regard to customer

1 service, which obviously was very much taken to  
2 heart from the time this issue was brought to us at  
3 the last Council meeting to the time our  
4 subcommittee met about it on July 25th.

5 MR. BRUCE SHUPP: Before I go to  
6 questions, I've got to make a comment on this. I  
7 think this is just a beautiful testimony to the  
8 value of an advisory group working with an agency  
9 like TVA and it's even -- it's a testimony to our  
10 system of government where the public came in and  
11 made a reasonable presentation, very polite, very  
12 professional to an advisory group. The advisory  
13 group worked with the agency and made something good  
14 come out of this, and I want to congratulate  
15 everybody on this process. I think it's a real  
16 reasonable solution. I'll open it up to questions.  
17 Paul?

18 DR. PAUL TEAGUE: As a member of this  
19 committee, I personally want to thank TVA for their  
20 flexibility, for their open-mindedness and also  
21 their efficiency in an appropriate time frame. My  
22 hat's off to you.

23 MR. BRUCE SHUPP: Greer?

24 MR. GREER TIDWELL: Thanks, Bruce. I  
25 want to echo that, but since he's a member of the

1 Board of the Tennessee Conservation League, I want  
2 to make it just a tiny bit more personnel. Ralph  
3 Jordan, who is the person who kind of carried the  
4 water on this and came and made the presentation  
5 and, gosh, let's clone him a couple dozen times and  
6 get him out there working on some of these other  
7 issues too. He's the same kind of person we saw in  
8 David and Joel here yesterday that focused on the  
9 public customer focus. It was good.

10 DR. PAUL TEAGUE: I would like to add  
11 one other thing to what Bruce said. Is  
12 Mr. Arrington still here? Would he stand up? This  
13 gentleman is the one that presented this to us, and  
14 he did it in a very efficient, professional way, the  
15 way complaints should be presented to TVA, and we  
16 would like to thank you, Mr. Arrington.

17 MR. ALLAN ARRINGTON: Thank you very  
18 much.

19 MR. BRUCE SHUPP: Do you still want  
20 to speak to us this afternoon?

21 MR. ALLAN ARRINGTON: I don't think  
22 so. The main thing I wanted to tell the committee  
23 is how much we appreciate all the work y'all have  
24 done with the TVA employees and have followed  
25 through and been the contact. We appreciate that

1 very much.

2 MR. BRUCE SHUPP: Thank you. Good  
3 job from the committee. Anything else?

4 All right. Moving to the navigation  
5 subcommittee. Jimmy, you have got three  
6 recommendations to give us and -- pardon me. Pardon  
7 me. Pardon me. Pardon me.

8 DR. PAUL TEAGUE: Hey, do we have to  
9 vote on accepting this report?

10 MR. BRUCE SHUPP: This afternoon.

11 MS. MILES MENNELL: Just say yes. I  
12 am presenting the navigation infrastructure  
13 subcommittee today for Elaine Patterson, who is the  
14 chair of our committee. Elaine had to be elsewhere  
15 during this meeting and couldn't be with us.

16 Our subcommittee mission simply was,  
17 No. 1, to advise TVA in performing its mission to  
18 develop and maintain a safe and efficient navigable  
19 waterway from Paducah to Knoxville, included --  
20 including related navigable tributaries, and to  
21 develop recommendations for consideration by the  
22 Regional Resource Stewardship Council that would  
23 help ensure the structural integrity and economic  
24 efficiency of the Tennessee River navigation system  
25 consistent with TVA's responsibilities to manage an

1 integrated multipurpose reservoir system.

2                   Our committee members include, as I  
3 said, Elaine Patterson, who is our chair, me, Miles  
4 Mennell, Al Mann, and Ann Coulter. Our non-Council  
5 members were Jan Jones and Bill Kinzeler. Our TVA  
6 advisor was Gary Brock, and we very much appreciate  
7 Gary's input and assistance to us.

8                   The objectives that we, as a  
9 committee, identified for our infrastructure  
10 subcommittee included becoming conversant with  
11 navigation planning and operational issues on the  
12 Tennessee River navigation system, developing and  
13 articulating a position on the lock addition project  
14 at Kentucky Dam, developing and articulating the  
15 position on the maintenance of the Chickamauga lock  
16 and the need for a new lock.

17                   We also reviewed operations of the  
18 main river reservoirs and identified impacts on the  
19 navigation industry and proposed operating  
20 alternatives for consideration by the Council where  
21 appropriate was another one of our objectives.

22                   We reviewed waterway management  
23 policies with respect to navigation on the lower  
24 Tennessee, Cumberland, and Ohio River systems, in  
25 other words, the lower 21 miles of the Tennessee

1 River, in that general vicinity, and other  
2 navigation infrastructure issues.

3                   Our first meeting was in May. We met  
4 my teleconference. We had a series of meetings  
5 which culminated this past July 17th when we met  
6 again by teleconference to review our  
7 recommendations and to begin to talk about how we  
8 wanted to present them to you. And all of our  
9 members, prior to this meeting, have had an  
10 opportunity to review the content also of our power  
11 point presentation, I believe all of you have a copy  
12 of that in front of you.

13                   We met twice by teleconference, and  
14 then in July, a year ago, we met in Knoxville to do  
15 our charter development and review. We had a  
16 preliminary briefing of the river system and we  
17 began to initiate development of our draft  
18 recommendations.

19                   In November Tom Vorholt, who's here  
20 with us today, talked to us and gave us the  
21 commercial towing perspective about navigation and  
22 navigation issues. We met then in Chattanooga. Our  
23 guest at that meeting was Congressman Zach Wamp who  
24 talked to us about Chickamauga lock. Congressman  
25 Wamp, who is from the Chattanooga area, has been

1 sort of the spearhead and leader, along with Senator  
2 Fred Thompson's staff and Senator Frist, but mainly  
3 Senator Thompson's staff, and in keeping this issue  
4 in the forefront before Congress and the  
5 Administration, the need for a new lock.

6                   In fact, yesterday I was in  
7 Chattanooga for Congressman Wamp's annual  
8 Chickamauga lock forum where he presents -- keeps  
9 this issue -- presents it again before the public  
10 and the media. We had a terrific turnout and a lot  
11 of issues were raised. Also, Ted Nelson was at that  
12 meeting to talk to us more specifically about TVA  
13 river navigation.

14                   In the interim then between that  
15 meeting and March of that spring, we had a  
16 conference call to evaluate a variety of issues and  
17 to see where we needed to go next. In March what we  
18 determined was that we really needed to get broader  
19 perspectives from the U.S. Corps of Engineers, as  
20 well as TVA.

21                   In May we met again in Knoxville and  
22 Tom Vorholt talked to us again. We also talked  
23 about commercial towing -- the commercial towing  
24 perspective and river depths, et cetera, et cetera,  
25 bringing these issues to our attention, helping us

1 to identify concerns of the various stakeholders  
2 throughout the Valley. We talked about main river  
3 operations and navigation on the Tennessee River.  
4 Morgan Goranflo talked to us about that, as did Ted  
5 Nelson. And then we, again, reviewed and edited our  
6 draft recommendations, culminating again in our  
7 teleconference on the 17th and the presentation we  
8 have today.

9                   In the context of developing our  
10 recommendations, we identified first what the TVA  
11 Act had to say to us about TVA's navigation mission.  
12 The TVA Act specifically charges TVA with improving  
13 the navigability and providing for flood control of  
14 the Tennessee River.

15                   It goes on to say that TVA shall have  
16 the power to construct such dams, reservoirs on the  
17 Tennessee River and as its tributaries, and will  
18 provide a 9 foot channel in said river and maintain  
19 a water supply for the same from Knoxville to its  
20 mouth and will best serve to promote navigation on  
21 the Tennessee River and its tributaries. Again,  
22 this is the context for which we will draw our  
23 recommendations.

24                   TVA is responsible, as you know, for  
25 managing an 800 mile waterway that carries over

1 50,000,000 tons of freight annually serving the  
2 transportation needs of the region and the nation.  
3 The Tennessee River is an integral part of the U.S.  
4 inland waterway system and is the fourth busiest  
5 waterway in the nation.

6                   We have a graphic we're going to put  
7 up now that will show you some cargo equivalences.  
8 The cargo of one barge equals 15 railcars or the  
9 cargo of 60 trucks. The reason we put this graphic  
10 up here is to just show you more clearly what we  
11 view as the tremendous importance in terms of  
12 economics and in terms of efficiencies and  
13 importance of the Tennessee River as a navigational  
14 channel and in terms of serving our industries and  
15 our communities, both upstream and downstream.

16                   The traditional TVA navigation  
17 responsibilities have included building basic  
18 infrastructure, maintaining and upgrading  
19 infrastructures, stimulating private development of  
20 waterway support facilities, a good example of that  
21 is the Mallard Fox Creek Terminal in Decatur,  
22 Alabama, and promoting optimum use of the waterway.

23                   I have listed here -- or we have  
24 listed here the major program activities of TVA. I  
25 am not going to go through all of them. You have

1 them before you. They are significant and they are  
2 enormous and they are very diverse, from operations  
3 and the maintenance to the locks, to navigation,  
4 additions and improvements, planning studies,  
5 economic analysis, regulatory and internal  
6 coordination, economic development, and on and on  
7 and on. Those are things that we looked at in great  
8 detail.

9                   We also discussed in great detail,  
10 especially as we got the perspective from both TVA  
11 and the Corps on the various responsibilities of  
12 these various entities for the inland waterway  
13 system. The Corps is responsible for building,  
14 operating, and maintaining locks, dams, and channels  
15 on a 12,000 mile system.

16                   TVA manages an 800 miles segment of  
17 the navigation system. The Coastguard, just to  
18 bring this back to the forefront of your  
19 information, installs and maintains navigation aids  
20 on the main channel. Then there's the private  
21 sector, which is another partner in all of this,  
22 which develops terminals, ports, and industrial  
23 plants, and operates shipping lines.

24                   In 1962 there was a Memorandum of  
25 Agreement that was struck between the TVA and the

1 U.S. Army Corps of Engineers. That agreement stated  
2 that TVA has primary responsibility for budgeting  
3 the construction work of a capital account nature,  
4 and this includes locks, channels, and associated  
5 facilities. TVA, on the other hand, is responsible  
6 for supplying power for lock operations. The Corps  
7 has primary responsibility for budgeting and  
8 performing work of an operational and maintenance  
9 nature. This includes maintenance drudging.

10                   The differences here are so very  
11 important in terms not only of the river system but  
12 of the integrated river management of it and of the  
13 locks, especially the Chickamauga lock and Kentucky  
14 lock projects. And I would just parenthetically say  
15 here and commend TVA and the Corps of Engineers for  
16 their very professional and cooperative alliance  
17 that they have struck, and they work very well  
18 together.

19                   TVA's navigation assets we discovered  
20 or knew or had reiterated to us in our fact finding  
21 include 14 locks at 10 dams, 800 miles, again, of  
22 commercially navigable channel, lock workshop and  
23 maintenance building and associated facilities,  
24 navigation workboat and barge, the Sideview, 2,500  
25 navigation aids, including buoys, markers, et

1 cetera, and navigation warehouse with associated  
2 facilities.

3                   You will note on the next graphic the  
4 total tonnage on the Tennessee River. You will see  
5 that it has continued to grow. It's leveled off  
6 somewhat in the last couple of years, but it still  
7 continues to grow.

8                   The commodity traffic shown here, I  
9 think, is also very interesting. The largest  
10 commodity that's transported, of course, is coal and  
11 coke, followed by aggregates, but then also included  
12 in that commodity traffic are grains, iron and  
13 steel, chemicals, petroleum, ores and minerals. So  
14 it's a very diverse grouping of commodities.

15                   The lockages are given in this chart.  
16 Chickamauga, you will notice, has a tremendous  
17 recreational amount of traffic going through. A lot  
18 of that has to do with the Vol Navy again and with  
19 the recreational boaters that are going through the  
20 Chickamauga lock.

21                   What we identified then were the  
22 benefits that we thought navigation on the Tennessee  
23 River provided and how important the river was to  
24 all of us throughout the Tennessee Valley, to all of  
25 the stakeholders. Those benefits included -- it

1 said -- it says navigation on the river saves  
2 shippers and consumers \$480 million a year in  
3 transportation costs each year, provides low-cost  
4 shipping alternative for 20 million tons of coal to  
5 TVA fossil plants, helping keep electricity cost  
6 rates low, provides passage for 20,000 recreational  
7 boats each year, removes the equivalent of 2,000,000  
8 truckloads from the region's highways and rails,  
9 reducing environmental pollution road, damage, and  
10 public safety hazards.

11                   The key issues that we, as a  
12 subcommittee, identified were as follows: The  
13 navigation system is aging. The average age of the  
14 locks is over 50 years. The planned life of a lock  
15 is 50 years. Maintenance costs are rising  
16 commensurate with age. The Kentucky lock  
17 specifically is too small and inefficient to handle  
18 current and projected traffic. Delays are  
19 increasing causing shipping costs to rise.

20                   Chickamauga lock, again specifically,  
21 has a structural problem termed "concrete growth"  
22 which will cause it to be closed sometime after  
23 2010. Actually, the projections are that it will be  
24 closed by 2010.

25                   This brings me then to our

1 recommendations, given the things that we looked at  
2 as a group, the key issues we identified, the  
3 concerns that were brought to us and that we raised  
4 among ourselves. Our subcommittee concludes that to  
5 maintain and build navigation assets for the  
6 Tennessee Valley for the good of the region and  
7 nation, it is imperative that an integrated river  
8 system be maintained at the highest level of  
9 effectiveness.

10                   The subcommittee further concludes  
11 that TVA, in accordance with its original core  
12 mission, has done and should continue to do an  
13 efficient and creditable job of managing its water  
14 resource and navigation functions.

15                   Therefore, the subcommittee makes the  
16 following recommendations to the Regional Resource  
17 Stewardship Council: TVA continue its integrated  
18 management of the Tennessee River system. The  
19 navigation infrastructure be maintained and improved  
20 in order to continue operations at optimal levels.  
21 The system is in jeopardy due to the need of a  
22 replacement lock at Chickamauga Dam. Replacement is  
23 a priority. TVA fully supports the lock addition at  
24 Kentucky Dam. TVA takes the leadership role in  
25 seeking federal funds to maintain and improve the

1 Tennessee River system. Necessary funding be  
2 provided in an equitable and timely manner. TVA  
3 continue its strategic partnerships with other  
4 federal agencies to ensure continuity of operation  
5 and maintenance of the Tennessee River system and  
6 explore additional funding opportunities. The  
7 economic costs and benefits of an enhanced minimum  
8 navigation channel depth be evaluated. This should  
9 be part of any comprehensive analysis of operational  
10 changes to the multipurpose river system.

11 Summarizing, TVA needs to adequately  
12 fund navigation. TVA should seek federal funding  
13 for navigation. We concur that a comprehensive  
14 system-wide reevaluation be conducted.

15 MR. BRUCE SHUPP: Thank you,  
16 Committee, for that good piece of work, great  
17 graphics, good presentation.

18 What I would like to do, if you  
19 concur, Miles, and if the Council members concur, is  
20 postpone discussion on this until the session this  
21 afternoon where we have plenty of time to do it and  
22 give it the time that it deserves and move on with  
23 Jimmy's presentation and get into lunch as quickly  
24 as possible so we can keep the afternoon on  
25 schedule.

1                   So, Jimmy, if you would, please. Is  
2 that all right with everybody? Any objections to  
3 that?

4                   MR. JIMMY BARNETT: Thank you,  
5 Mr. Chairman. First of all, I would like to  
6 recognize publicly the members of the committee, and  
7 I was handed this by our TVA rep, John, and it says,  
8 Jimmy Barnett, Sheffield Utilities. So in case  
9 y'all didn't know, I'm from Sheffield Utilities.  
10 Stephen Smith is on there, The Southern Alliance for  
11 Clean Energy. Elaine Patterson from the Olen Corp.  
12 Bruce here from B.A.S.S. Steve Alexander with the  
13 U.S. Fish & Wildlife Service. Larry Bowers with the  
14 Tennessee Conservatory League. Paul Davis with the  
15 Tennessee Department of Environment and  
16 Conservation. Brad McLane from the Alabama River  
17 Alliance. John Poole from the Alabama Department of  
18 Environmental Management. Axel Ringe from the  
19 Tennessee Clean Water Network. Frank Russell from  
20 the Occidental Chemicals. Susan Weber, U.S. Army.  
21 Tim Weisenberger from Dupont. Tom Welborn from EPA  
22 Region 4.

23                   So you can see we had a rather  
24 diverse group that we -- and we worked very well  
25 together, exceedingly well I thought. I am very

1 proud of everybody and their participation on this  
2 committee, subcommittee.

3                   We have three additional  
4 recommendations to bring to you. These were  
5 actually not too hard for us to develop since they  
6 almost developed themselves.

7                   The first one is a recommendation on  
8 the watershed improvement process. To give you a  
9 little background on this one, the water quality in  
10 any stream, river, or reservoir is a direct and  
11 cumulative result of the various biological,  
12 chemical, and physical inputs derived from the  
13 watersheds feeding into those water bodies. Making  
14 improvements to the water quality of the Tennessee  
15 River, its reservoirs and tributaries is best  
16 accomplished by actions directed toward changing  
17 conditions and practices in the source watersheds to  
18 reduce the flow of pollutants into the streams and  
19 reservoirs. At the same time it is recognized that  
20 water quality improvement is a long-term process and  
21 significant progress does not happen in the short  
22 term.

23                   TVA began its Clean Water Initiative  
24 in 1992, building partnerships with community  
25 residents, businesses, and government agencies to

1 promote watershed protection. The program is  
2 carried out by TVA's twelve watershed teams, each of  
3 which has responsibility for specific hydrologic  
4 units throughout the Tennessee River Watershed. The  
5 teams work with and support community coalitions to  
6 institute agricultural and urban-management  
7 practices that reduce water pollution; treat eroded  
8 land and stabilize streambanks; plant vegetation and  
9 install structures intended to improve aquatic  
10 habitat; and collect waste and litter from  
11 streambanks and shore.

12                   The issue in this case is that some  
13 concerns have been expressed about the future  
14 effectiveness of the watershed team program given  
15 its projected flat or declining level of funding.

16                   So the recommendation of our  
17 subcommittee, which is the water quality  
18 subcommittee, is that the water quality subcommittee  
19 recognizes the valuable resource TVA has developed  
20 with its watershed teams in bringing their expertise  
21 to bear on solving water quality issues in the  
22 Tennessee Valley. The watershed team program should  
23 be continued and strengthened by integrating its  
24 activities with TVA's sustainable economic  
25 development initiative and using its experience to

1 highlight economic trends that may adversely affect  
2 water quality. The program should also be  
3 integrated with the states' water quality planning  
4 processes, using that integration to build on  
5 others' expertise, experience, and efforts.

6 Mr. Chairman, do you want me to go  
7 ahead with all three?

8 MR. BRUCE SHUPP: Yes.

9 MR. JIMMY BARNETT: The second one is  
10 water quality monitoring. A little background on  
11 it, TVA performs water quality monitoring to derive  
12 assessments related to the ecological health of  
13 streams, rivers, and tailwaters, and to human use of  
14 streams and reservoirs. To that end, 31 reservoirs  
15 are monitored for physical, chemical, and biological  
16 indicators of reservoir condition on an every other  
17 year cycle. Over 900 stream sites are monitored on  
18 a five-year cycle using biota as indicators of  
19 stream condition, and 18 sites on major tributaries  
20 are monitored on a two-year cycle using water  
21 quality indicators and biota. In addition,  
22 monitoring of dissolved oxygen and temperature,  
23 tailwater biota, zebra mussel populations, and  
24 sampling for radiological analysis is conducted in  
25 support of river operations and fossil and nuclear

1 facilities.

2                   Finally, bacteriological monitoring  
3 at recreational areas, fish tissue studies, sport  
4 fishing information, data provision for public and  
5 industrial water supplies, and mosquito monitoring  
6 are conducted to protect the public health.  
7 Information is shared with state agencies,  
8 stakeholders, partners, and customers.

9                   Our recommendation is that the water  
10 quality subcommittee recognizes the invaluable  
11 nature of the work done by TVA. That work early on  
12 by the agency formed the basis of the world's  
13 understanding of reservoirs, not just here. The  
14 work should be continued and should be integrated  
15 into other water quality and natural resource  
16 monitoring efforts.

17                   More specifically, TVA's monitoring  
18 efforts should be coordinated as much as possible  
19 with state watershed assessment cycles, the data  
20 should be managed in the national water quality  
21 database, and the results of TVA's assessments  
22 should be compared with state-adopted water quality  
23 standards and coordinated with state and other  
24 federal agencies. The level of TVA's efforts are  
25 considered to be currently adequate, and should in

1 the future be coordinated with the capabilities and  
2 levels of efforts of the states and other federal  
3 agencies.

4                   Our third recommendation deals with  
5 the reservoir releases improvement program. A  
6 little background to that, back in '91 TVA took  
7 action to address the two most widespread and  
8 environmentally-limiting conditions in the Tennessee  
9 River system: Low levels of dissolved oxygen and  
10 intermittent riverbed dry-out in areas below dams.  
11 TVA initiated a five-year, \$44 million program to  
12 improve dissolved oxygen levels below 16 TVA dams  
13 and adopted new year-round minimum flow requirements  
14 for tributary and mainstream dams.

15                   Because conditions are different at  
16 each dam, TVA developed a wide range of  
17 state-of-the-art technologies to meet TVA aeration  
18 and flow targets: Oxygen injection, surface water  
19 pumps, aerating weirs, compressed air, and turbine  
20 venting systems are used to add oxygen.  
21 Re-regulation weirs, turbine pulsing, and small  
22 hydropower units (which operate when the main units  
23 are shut off) are used to sustain minimum flows.  
24 These changes have improved conditions for aquatic  
25 life in over 300 miles of river. Studies show a

1 significant improvement in the number and diversity  
2 of aquatic life in many tailwater areas, as well as  
3 a dramatic increase in tailwater fishing and local  
4 economic benefits.

5                   So our recommendation is this: To  
6 maintain the gains achieved by the Reservoir  
7 Releases Improvement (RRI) program by continuing to  
8 support the operation, maintenance, and enhancement  
9 of the water quality improvements to meet tailwater  
10 commitments and designated uses.

11                   Mr. Chairman, that's our  
12 recommendations.

13                   MR. BRUCE SHUPP: Thank you, Jimmy.  
14 Any objections to an early adjournment for lunch?  
15 Hearing none, we're adjourned.

16                   MR. AUSTIN CARROLL: The IRM  
17 subcommittee will not meet.

18                   MR. BRUCE SHUPP: Pardon me?

19                   MR. AUSTIN CARROLL: The IRM  
20 subcommittee will not meet.

21                   MR. BRUCE SHUPP: Oh, I'm sorry, you  
22 wanted me to announce that. The integrated river  
23 management subcommittee was planning to meet during  
24 lunchtime, they will not do that because there will  
25 be enough discussion this afternoon of that subject.

1 And I'll also announce, again, anybody that's going  
2 to speak this afternoon, please register at the  
3 table.

4 Thank you.

5 (Lunch recess.)

6 MR. BRUCE SHUPP: Okay. Here we go.  
7 We're now moving into the public comment period, and  
8 we're going to take them the way they were received.  
9 I would like to ask the presenters to come up to the  
10 podium so that we can make sure that we get you on  
11 the record through the microphone system and also  
12 that we can all see you.

13 I would like you to take about -- all  
14 of you to take about six minutes, no more, for your  
15 presentation, and then we will have time for  
16 discussion from the Council and interaction with you  
17 and with the Council.

18 So I would like to start with  
19 Mr. Kevin Colburn, please.

20 MR. KEVIN COLBURN: Hello. My name  
21 is Kevin Colburn. I work for American Whitewater.  
22 We're a nonprofit organization that looks out for  
23 interest of whitewater rivers. I am here to talk to  
24 you today about the Ocoee River in Tennessee,  
25 specifically the upper Ocoee River.

1                   About six years ago we got the  
2   Olympics on the Ocoee River, and here we are six  
3   years later and there's not going to be any more  
4   water on the upper Ocoee River for events.

5                   In this six years we have had many  
6   events, free-style, slalom, and this year in  
7   September we're going to have the World Slalom  
8   Championships. This is a world class place clearly.

9                   Some interesting things about the  
10  releases on the upper Ocoee and why this should be  
11  an issue we should all address. Recreational  
12  releases take the same amount of water as power  
13  generation. So the effects on lake levels are nil.  
14  Cost to the ratepayers, it's about 200th's of a cent  
15  per release. The ratepayers are not severely  
16  affected by the releases on the upper Ocoee.

17                  TVA incurs a cost of about \$6,500 per  
18  release for every recreational release on the upper  
19  Ocoee. The forestry numbers indicate the regional  
20  economy receives about \$210,000 per release. So  
21  it's about 30 to 1 ratio on your investment when TVA  
22  provides free water into the upper Ocoee.

23                  What makes the situation unique  
24  nationwide for us as American Whitewater and for the  
25  region is several different things. One is TVA's

1 Charter is to provide economic development in the  
2 region. Clearly a 30 to 1 return on your investment  
3 indicates that water on the upper Ocoee is a very  
4 good investment.

5                   The second thing that makes it unique  
6 is that, as far as I'm concerned, as far as I know,  
7 the Ocoee River is the only place in the country  
8 where recreationalists pay for water. This is  
9 because apparently the cost of recovery that I'm  
10 hearing a lot about. The problem with that is that  
11 the water is public trust. It's not like the land.  
12 The public owns the water. So it's every place.  
13 The water should be shared.

14                   And in private dams this is done  
15 through FERC where non-power generated users are  
16 given equal consideration. So it's up to this group  
17 and up to TVA to wisely and adequately manage the  
18 resource and acknowledge the public should have  
19 access to some of this water.

20                   So what I would like to ask for you  
21 guys to consider is take this on as a group and also  
22 take it to TVA and suggest that the ten free days of  
23 water that were given over the last six years by TVA  
24 for events, I would like to see it be reinstated.

25                   We received a letter last year that

1 said, thanks for the great events you guys held on  
2 the upper Ocoee, they were a wonderful success, and  
3 we will no longer be supplying these ten free days  
4 of water. They were free and we think they should  
5 continue to be free simply because whitewater -- no  
6 one person makes a lot of money from whitewater,  
7 certainly not me, but no one really does. So to tax  
8 any one person for this, a fee for water is really  
9 unreasonable. Whitewater distributes money  
10 throughout the economy and it's basically tourism.

11 I would also like you to keep an open  
12 mind and to hear more about this and to learn about  
13 the issue. Especially I would like you to attend  
14 the World Slalom Championships in September. If you  
15 could go to the Ocoee and see it, it will be  
16 amazing. Talk to people with the forest service.  
17 Talk to boaters. Talk to people in restaurants.

18 That's what I have been doing for two  
19 weeks, I have been going around and talking to  
20 outfitters and talking to restaurants, owners, and  
21 pretty much everyone in the entire basin thinks the  
22 water in the upper Ocoee is a very good thing for  
23 their business.

24 I took a letter around and got people  
25 to sign it and I would like to give this to you

1 guys. I only have one copy, I'm sorry. Pretty much  
2 it's a simple letter and it says, the water on the  
3 upper Ocoee is a very good thing for business. I  
4 got 32 people to sign it, they are all business  
5 owners and managers.

6                   The more important thing is that no  
7 one didn't sign it. Every one I took it to thought  
8 of me as a steward for their economy. They were  
9 excited. They gave me free cups of coffee. This is  
10 what they should be doing for you. You should be  
11 the stewards of the region and you should get the  
12 warm, fuzzy feeling I got from dealing with the  
13 local people.

14                   So please consider bringing it up at  
15 your next meeting to restore the ten free days in  
16 the upper Ocoee River in Tennessee. And with that,  
17 I would like to close, and if anyone has any  
18 questions, fire away.

19                   MR. BRUCE SHUPP: Questions?

20                   MR. AUSTIN CARROLL: So there's other  
21 releases besides the ten free days, but there's ten  
22 free days that TVA was providing for some events or  
23 whatever?

24                   MR. KEVIN COLBURN: That's correct.  
25 There's 20 days a year that are bought by the

1 outfitters.

2 MR. AUSTIN CARROLL: Twenty?

3 MR. KEVIN COLBURN: That's a whole  
4 other issue, but also those days will consistently  
5 will be reduced, oh, probably over the years because  
6 even outfitters can't afford to make money. They  
7 can't run operations there and make money under the  
8 current operation. I don't speak for the  
9 outfitters, but just the general consensus is it's  
10 not going to last, those 20 days.

11 MR. LEE BAKER: Kevin, thanks for  
12 coming. I just want to be sure I made my notes  
13 right. Did you say that there was a \$6,500 cost per  
14 release?

15 MR. KEVIN COLBURN: Yes.

16 MR. LEE BAKER: And also, did you say  
17 that it was \$230,000 benefit per release?

18 MR. KEVIN COLBURN: \$210,000 to the  
19 regional economy.

20 MR. LEE BAKER: Where does that  
21 number come from?

22 MR. KEVIN COLBURN: That comes from  
23 the original Forest Service EIS on how much each  
24 person that came to run the river would supply to  
25 the regional economy, and then we base that off of

1 sort of the number of people that are able to paddle  
2 it per day. So that's not just events, that's all  
3 of the releases. Events likely bring in much more  
4 because the spectator use is so high.

5 MR. LEE BAKER: But you were saying  
6 if I -- did I understand you to say that you say  
7 \$210,000 value per release?

8 MR. KEVIN COLBURN: Yes, to the  
9 regional economy, that's correct.

10 MR. LEE BAKER: Thank you.

11 MR. BRUCE SHUPP: I would like to ask  
12 you a question, Kevin.

13 MR. KEVIN COLBURN: Sure.

14 MR. BRUCE SHUPP: Why were the ten  
15 releases curtailed?

16 MR. KEVIN COLBURN: There was no  
17 reason given. It simply said -- the letter that we  
18 received said, thanks for the great success, there  
19 will be no more water.

20 MR. BRUCE SHUPP: Would anybody from  
21 TVA like to answer that?

22 MS. KATE JACKSON: This is the issue  
23 on the upper most part of the Ocoee, which was the  
24 Olympic venue. The request from the local community  
25 as we did stakeholder relationships over the years

1 was that the outfitters particularly and the  
2 paddlers wanted an opportunity to establish  
3 businesses on the upper Ocoee and do it in a  
4 self-sustaining way so that they could have, you  
5 know, paddlers go -- outfitters go either the  
6 whole -- float the whole reach of the Ocoee or just  
7 that upper portion, but they also impressed upon TVA  
8 and the local community that they would need some  
9 period of time to establish the business because it  
10 was a different business than they currently had  
11 already established on the lower Ocoee.

12                   What they negotiated with us was to  
13 have some subsidy of the business over some period  
14 of time so that they could do the marketing and they  
15 could establish, you know, a following of customers  
16 that would enable them to have a self-sustaining  
17 business, and then over some period of time we would  
18 reduce the impact on the power program by lessening  
19 the number of the days and eventually going to  
20 wholly self-supporting on that upper Ocoee, that was  
21 the original plan.

22                   MR. KEVIN COLBURN: And as I said,  
23 that's the only place in the country where water is  
24 paid for. So it's a very unique situation. What  
25 we're asking for actually is just the event water.

1 Next year we would love to have the Ocoee Rodeo as  
2 we have had for 17 or 18 years there and also the  
3 National Freestyle Championships, and that's not  
4 possible. So this is above and beyond that.

5 MR. STEPHEN SMITH: Bruce, I have a  
6 quick -- it's actually more of a question to the  
7 subcommittee. Did we not communicate at one time,  
8 I'm just curious, about how the -- there was -- one  
9 of the subcommittees or the full committee was  
10 actually going to delve into this issue. For some  
11 reason I thought that recreation was going to be  
12 picked up.

13 MS. ANN COULTER: This issue came up  
14 several meetings ago, I think maybe even a year ago,  
15 and I think it was determined that because of the  
16 complexity of the issues that was an integrated  
17 river management subject. So we have not dealt with  
18 that in public lands for that reason.

19 MR. BRUCE SHUPP: That's my  
20 recollection, too.

21 MR. STEPHEN SMITH: So the IRM -- I  
22 mean, can we -- I know that obviously there's been  
23 some other issues that dominated the IRM, but it  
24 just seems to me that -- I was actually invited down  
25 and spoke to the members of the -- both the

1 outfitting community and also the American  
2 Whitewater community awhile back, and I think it's  
3 important that we actually do diligence to this  
4 issue and take a look at it. I would actually like  
5 to recommend that we come up with a process by which  
6 a subcommittee actually takes some time to look at  
7 this.

8 MR. BRUCE SHUPP: What I was going to  
9 do, Steve, in the interest of time, is hold this  
10 over to the Council discussion period that we're  
11 going to have on our future and on the other issues  
12 that we're going to evaluate and discuss it there so  
13 we can let the other people in this hour session get  
14 their --

15 MR. STEPHEN SMITH: Right. Okay. I  
16 just wanted to make sure we don't lose the topic.

17 MR. KEVIN COLBURN: Thank you for the  
18 opportunity to speak, and I'll offer any help that I  
19 can be. Here's some brochures on the --

20 MR. BRUCE SHUPP: And we will be  
21 talking about it later this afternoon, if you want  
22 to stay and listen.

23 Brian Kucera from Guntersville. Am I  
24 mispronouncing that? Nobody here. Going, going,  
25 gone.

1                   Cliff Griggs from Friends of  
2 Tennessee River.

3                   MR. CLIFF GRIGGS: I'm actually  
4 representing myself here rather than the Friends of  
5 the Tennessee River. I need to respond first,  
6 during your discussions this morning there was a  
7 comment about nuclear physics or something of that  
8 nature, and I like all of you, but I don't think I'd  
9 want to see you working with subtonic particles.

10                  My wife is a psychics teacher. I'm a  
11 nature and wildlife photographer who spends a lot of  
12 time on Gunter'sville Reservoir. I'm here because of  
13 a quote from Vincent Van Gogh, "I'm a passionate  
14 creature destined to do a number of more less stupid  
15 things, which later on I will have more than less to  
16 regret, but the thing is to derive advantage from my  
17 passion by all means at my disposal." For instance,  
18 it's a necessity to me to be always learning  
19 something, and I think that here I have learned a  
20 lot today.

21                  I'm impressed by Ms. Harris' comments  
22 here in response to this Council. Stewardship,  
23 that's a major responsibility. Considering the  
24 diversity of people in the Council, from Dr. Smith  
25 and Bruce Shupp to Ms. Patterson of the Olen

1 Corporation, I'm surprised you have reached  
2 consensus on much of anything. We here in Alabama  
3 have a special place in our hearts for Olen, who  
4 left continuing legacy on Indian Creek on Wheeler  
5 Reservoir.

6                   You have toured Guntersville  
7 Reservoir and seen the weeds here. You have  
8 addressed issues of water quality somewhat.  
9 Mr. Shupp said this morning that nutrient loading is  
10 not a significant part of the weed problem. Now,  
11 since weeds are mostly exotic, I disagree with that  
12 most heartedly.

13                   Guntersville Reservoir was reported  
14 near atrophic years ago. Guntersville is a very  
15 shallow reservoir with a high thermal load in the  
16 summer. It's surrounded by intensive chicken  
17 farming and ever increasing development, both  
18 industrial and residential, all leading to further  
19 pollution and nutrient loading. Anyone who has  
20 raised a garden knows how fertilizer works.

21                   TVA also plays a major role here in  
22 allowing more marinas, more industrial development.  
23 Look at the coves surrounding the yacht club and  
24 surrounding the marinas here, that's where most of  
25 the weeds are located, and that's because for years

1 we didn't have any pump-out stations. People lived  
2 aboard the boats and people that spent the weekends  
3 on these boats have bathrooms. If you go to the  
4 yacht club on the weekends and you even see suds,  
5 they've got washer and dryer units on these things,  
6 and those places are the ones that are being covered  
7 with weeds.

8                   You mentioned this morning how  
9 ratepayers are being forced to pay the cost of weed  
10 control, even though all ratepayers don't have the  
11 benefit of the stream side. Ratepayers are paying  
12 to control weeds in many cases so that people in  
13 Birmingham and other areas can come up here and get  
14 their yachts out of the marinas on weekends through  
15 the weeds.

16                   My drinking water, as well as that of  
17 a quarter of four million population of Alabama,  
18 North Alabama, and countless others from other  
19 states are directly impacted by nutrient loading.  
20 The higher levels of organic material require more  
21 and more chlorine for purification.

22                   This, in turn, leads to higher levels  
23 of cancer causing trihalomethanes that are not  
24 filtered out of the water. There's eight of them in  
25 the water filtration process. It comes from surface

1 organic material and surface water.

2                   As water wells all over the region  
3 are being polluted by agricultural chemicals and  
4 industrial pollutants, towns and cities are more and  
5 more dependent on the river for drinking water, and  
6 the cost of purifying and testing that water are  
7 going higher and higher.

8                   State environmental agencies, for  
9 whatever reason, are often ineffective in dealing  
10 with nutrient loading, and apparently TVA is also.  
11 In many northern states around their drinking water  
12 reservoirs you see fences. They are protected.  
13 Signs along the highway that says no salt can be  
14 applied to the highway, that is so they can prevent  
15 pollution in their drinking water.

16                   Here we continue to develop the  
17 shorelines. We allow and encourage industrial  
18 development along the reservoirs, and then spray  
19 poisons into our drinking water to deal with the  
20 weeds. Where does it stop? When will it stop?

21                   I realize this is a very complex  
22 issue dealing with many governmental entities, but  
23 TVA can and should take the lead in trying to arrest  
24 the heavier and heavier burden our river is forced  
25 to carry. This has been pointed out by the

1 riverkeepers, this river is not just water anymore,  
2 and that's all.

3                   If you have any questions, I will  
4 answer them gladly.

5                   MR. BRUCE SHUPP: Questions?

6                   MR. STEPHEN SMITH: Bruce, I have a  
7 question. Cliff, on the issue about the loading,  
8 two things, one, I think you had mentioned to me  
9 before about an incident in Huntsville where there  
10 was an algae bloom. Can you share that?

11                   MR. CLIFF GRIGGS: Right. Huntsville  
12 gets their drinking water -- or their drinking water  
13 intake is just below Guntersville Dam, not very  
14 below there. In June of this year they had an algae  
15 bloom in that area and the excretion from that  
16 bacteria produced a foul flavor in the drinking  
17 water for a major portion of Huntsville. That foul  
18 flavor, of course, was cut down because Huntsville  
19 still has some wells that they use to mix with the  
20 water, as does the City of Arab. We use part of  
21 a -- we have a well that provides 40 percent of the  
22 drinking water, but the other levels of the  
23 trihalomethanes are even higher in Huntsville than  
24 they are in Arab.

25                   This is becoming a problem that it's

1 not just that. Whenever you look out here on these  
2 hillsides and you see all of these new houses that  
3 are going up, I can look from this deck out here and  
4 see four or five places where the hillside is coming  
5 down. And all of that goes into that, the houses  
6 are being built right along the lakeshore, there's  
7 no sewer that runs to those houses. It's to a  
8 septic tank. And since the houses are not much  
9 above the water level, the septic tanks obviously  
10 have to be much lower than that. So when you have a  
11 heavy rain, which we have a lot of here in North  
12 Alabama, when we get it, it tends to be heavy, that  
13 septic tank is going right into the lake.

14                   Years ago TVA came up with a  
15 shoreline development plan that would have required  
16 a riparian zone of 50 to 100 feet. Whenever people  
17 started complaining, TVA caved and that never  
18 happened. We have farm animals that are still down  
19 into the water that you can find anywhere you want  
20 to.

21                   When you have huge concentrated  
22 farming operations, those things -- that manure,  
23 according to Auburn University, can't possibly be  
24 absorbed into the soil. It is running off into the  
25 creeks and the streams that feed this lake, and

1 that's where a major portion of your weed control  
2 problems are.

3                   You get out here with one of these  
4 pickers or mowers -- you know, they call these  
5 things that are cutting these weeds harvesters. At  
6 one point when they first proposed the idea down  
7 here, it was a harvester. It was pulling a barge  
8 behind it and this mower was clipping the weeds and  
9 pulling it out and putting it on to a barge. They  
10 are not doing that now. They are leaving those  
11 things in.

12                   I think somebody told me there was  
13 one of them that still uses a barge to get it out of  
14 the lake, but it spreads it. As much time as I  
15 spend on that lake, it looks like a duck pond. The  
16 water is very similar to Big Springs Park over in  
17 Huntsville with all the ducks. It's not very clean  
18 and then we flush it downstream.

19                   Any more questions?

20                   MR. BRUCE SHUPP: Any other  
21 questions?

22                   DR. PAUL TEAGUE: Excuse me. I seem  
23 to have missed something. What are you asking for?

24                   MR. CLIFF GRIGGS: I'm asking for  
25 more concentration on the nutrient loading. I'm

1 asking for a tightening of the 26(A) Regulations.  
2 I'm asking for less development along the  
3 shorelines. I'm asking that whenever TVA grants or  
4 gives property to somebody like the City of  
5 Gunterville that those industries be required to  
6 have zero discharge. It's well within the  
7 possibilities.

8                   If you own a little car wash out here  
9 in Scant City or Grassy or any of these little  
10 communities, under the state aid laws, you can have  
11 a deep well injection, which I don't necessarily  
12 agree with, but it's a whole lot better than putting  
13 it into the drinking water of all of these different  
14 cities. And it's going -- it's a problem that is  
15 only going to get worse.

16                   The City of Arab is now investigating  
17 putting in a semi-permeable membrane to use to  
18 purify their drinking water so they don't have to  
19 use the chlorine, and that may be one answer at some  
20 point.

21                   Another point, the fisherman,  
22 Gunterville derives a great deal of their tourist  
23 money from fishermen, people coming down here. In  
24 the last two weeks when I have been putting in and  
25 taking out, I have been watching them pull these big

1 boats out of the water because these water weeds are  
2 being sucked up into the cooling system and burning  
3 the motors up. And when people are dragging boats  
4 from someplace in Tennessee or Texas to come in here  
5 and fish and their motors are being destroyed, it  
6 doesn't matter if there's 200 fish per acre, they  
7 will be going to be real happy about it.

8 MR. BRUCE SHUPP: I think most of  
9 your points that you asked for, in response to  
10 Paul's question, will be taken up or discussed  
11 during various planning phases that TVA is going  
12 through. So I think you can be assured that either  
13 the Council or TVA or both will be addressing them.

14 MR. CLIFF GRIGGS: TVA, I think, is  
15 the only agency that has the broad overall ability  
16 to do that, and they do grant those permits, along  
17 the Corps of Engineers, and that has a lot to do  
18 with it.

19 MR. BRUCE SHUPP: Thank you very  
20 much. Next is Jean-Ann Moon from Gunterville with  
21 the Marshall County Retired and Senior Volunteer  
22 Program.

23 MS. JEAN-ANN MOON: Thank you, sir.  
24 I wanted to come -- this is our hometown and this is  
25 our home county, and I just wanted to come and let

1 the stewardship committee know how much we  
2 appreciate what TVA does. We have a water  
3 monitoring program here. We have about 80  
4 volunteers that are active at any one time. We  
5 monitor 18 -- we have 18 teams who monitor three  
6 streams each here in Marshall County that flow into  
7 the five major embayments into the lake.

8                   We just wanted to let you know how  
9 much we appreciate TVA supporting the citizen  
10 monitoring program, and these citizens bring in  
11 about 3,000 pieces of data every year to TVA for --  
12 to give them some more resources to know what's  
13 going on in the tributaries that feed into the lake,  
14 and in the lake itself we're doing some profiling.

15                   And you guys, I just wanted to give  
16 you one other little kudo that y'all are interested  
17 in knowing what's going on at the grassroots level,  
18 and I think that's the beauty of this stewardship  
19 committee, that you're concerned about local issues.  
20 And one of the things that has come out of our  
21 monitoring program that you would be interested in  
22 is even though we're retired and a senior volunteer  
23 program, we have monitors that are all ages.

24                   Our first year with the monitoring  
25 program we helped one young man, who was a high

1 school senior, get a scholarship to college because  
2 of his -- TVA's commitment to give us the tools in  
3 order to run our monitoring program.

4                   And then this year we have a college  
5 young man, who is a member of our monitoring  
6 program, to get a Legacy Scholarship, an  
7 environmental scholarship to go on with his last two  
8 years of college.

9                   So I think sometimes you don't know  
10 the bounty of what some small donation to a  
11 monitoring program can make in the lives of  
12 individuals, and I want to thank you for it. And  
13 I'm asking that you continue to fund monitoring  
14 programs. Thank you.

15                   MR. BRUCE SHUPP: Thank you. Any  
16 questions? We can get her back.

17                   MS. JEAN-ANN MOON: Oh, I can come  
18 back.

19                   MR. BRUCE SHUPP: Thank you very  
20 much. We appreciate the compliment.

21                   Next is Axel Ringe, who is a member  
22 of the water quality subcommittee. He'd like to  
23 talk to us about right-of-way management,  
24 discussions of -- which we didn't discuss ourselves  
25 yet.

1                   MR. AXEL RINGE: I felt compelled to  
2 speak for a few minutes here since Ann took my name  
3 in vein earlier this morning. We did have a fairly  
4 lengthy telephone conversation last month about this  
5 issue, and I wanted to just bring up my reaction to  
6 the subcommittee's recommendations and make some  
7 further comments.

8                   One thing that I thought should be  
9 mentioned is that of the 230,000 acres of easements,  
10 approximately 120,000 of those acres run through  
11 naturally forested land. The issue at hand is not  
12 so much the easements that run through agricultural  
13 or residential or urban land but the easements that  
14 run through the forested lands.

15                   And what this recommendation does not  
16 really bring out is the primary effect of these.  
17 This current policy of right-of-way clearing is to  
18 create and further the fragmentation of forested  
19 habitat in the Tennessee Valley. Fragmentation of  
20 natural habitat is a growing global problem because  
21 many species of animals and plants are not capable  
22 of bridging those gaps between fragments of habitat  
23 that are left. This reduces the viability of  
24 populations that exist in those fragments.

25                   I would have liked to have seen the

1 recommendation focus more on this and other  
2 environmental impacts of current right-of-way  
3 clearing and maintenance policies rather than on  
4 customer complaints because I feel that that is a  
5 more overall important issue.

6 I would also like to mention that one  
7 of the benefits of having TVA alter their policies  
8 of right-of-way maintenance to allow the maintenance  
9 of habitat is that they could provide a leadership  
10 example to the 158 distributors that they serve who  
11 also maintain significant acreages in right-of-way  
12 easements that they also generally maintain by  
13 mechanical clearing and/or herbicide use.

14 I don't know the figure for the  
15 acreages involved, but given the size of the  
16 Tennessee Valley region and its customer base, I'm  
17 sure that that figure is significant. If both TVA  
18 and the distributor community were to adopt a more  
19 natural way of maintaining these right-of-way  
20 easements, the benefits to the ecology of the  
21 southeast would be immeasurable.

22 Thank you.

23 MR. BRUCE SHUPP: Questions for Axel?

24 Yes, sir.

25 MR. AL MANN: Explain a little more

1 about what you mean by fragmented habitat.

2 MR. AXEL RINGE: This goes back to a  
3 phenomenon that was first noticed back in the 1960's  
4 called island biogeography wherein it was noticed  
5 that islands of habitat, and they were initially  
6 focused on oceanic islands because those are very  
7 clear-cut examples of a piece of habitat that is  
8 isolated from other pieces of habitat, that larger  
9 islands contained more species than smaller islands,  
10 not necessarily more numbers of individuals but more  
11 species. When you isolate a given piece of habitat,  
12 you increase the rate of extinction -- of local  
13 extinction of species that inhabit that particular  
14 piece of habitat.

15 Roads, easements, agricultural  
16 fields, urban development, all of these are  
17 contributors to the fragmentation of habitat. A lot  
18 of organisms, as I said, are not capable of crossing  
19 cleared strips of land.

20 I'll give you one example, the oven  
21 bird, which is a small migratory songbird that lives  
22 on the forest floor, will not voluntarily cross a  
23 cleared strip of land as wide as a TVA right-of-way.  
24 That results in a decrease in its ability to  
25 reproduce with other individuals of its species that

1 may inhabit other fragments. That ultimately  
2 reduces its viability as a species to survive.

3 Is that good enough?

4 MR. AL MANN: Can you name 10 or 15  
5 more or is it just that one species?

6 MR. AXEL RINGE: There are more. I  
7 can't name them off the top of my head.

8 MR. BRUCE SHUPP: Other questions?

9 MR. LEE BAKER: Yes. Thanks for your  
10 comments and being here. Would you explain a little  
11 bit more what you're suggesting in the natural  
12 way of right-of-way management? Give me some  
13 concept of what that looks like.

14 MR. AXEL RINGE: The natural forest  
15 structure consists of tall trees that form a closed  
16 canopy with their -- as their leaves and branches  
17 interlace with neighboring trees. This reduces  
18 light levels and heavily influences the ability of  
19 other plants to establish and grow beneath them.

20 The concept behind using low growing  
21 shrubs and trees, of which there are -- there's a  
22 fairly lengthy list of the ones that are native to  
23 this region, is to reproduce that canopy structure  
24 at a level low enough that it does not interfere  
25 with the transmission lines.

1                   By so doing, you limit the ability of  
2 tall growing trees to establish themselves in that  
3 area, and at the same time, you are reproducing, to  
4 a greater or lesser extent, the environmental  
5 conditions that were originally on the forest floor  
6 in that area.

7                   When you clear cut a forest, not only  
8 do you remove the trees but you increase soil  
9 temperatures, you decrease soil moisture. There are  
10 great many physical and environmental effects that  
11 are a direct and indirect result of removing that  
12 tree canopy.

13                   MR. LEE BAKER: So you're suggesting  
14 replacing it with a shorter growing shrub or tree,  
15 is that what you're saying?

16                   MR. AXEL RINGE: Yes, I am.

17                   MR. LEE BAKER: Thanks.

18                   MR. BRUCE SHUPP: I think we will be  
19 discussing a lot of these ideas when we get into the  
20 discussion of Ann's recommendation.

21                   MR. AXEL RINGE: I think so, yes. I  
22 wanted to bring it up now because I will not  
23 obviously be participating in those discussions this  
24 afternoon, since I'm only a subcommittee member.

25                   MR. BRUCE SHUPP: You can pass us

1 notes.

2 MR. AXEL RINGE: That's right.

3 MR. BRUCE SHUPP: Axel, thank you  
4 very much.

5 The last speaker is Judy Miller from  
6 Lake Guntersville Stakeholders Group and Marshall  
7 County Legislative Office. This is the second time  
8 Judy has spoken to the Council. She was with us at  
9 one of our previous meetings.

10 MS. JUDY MILLER: Thank you. It's  
11 good to see you-all again. If you'll allow me to  
12 wear two hats today, first of all, on behalf of the  
13 Marshall County Legislative Delegation, I want to  
14 welcome you to Marshall County and tell you how much  
15 we appreciate you coming here to hold your meeting.

16 Our legislature was called into  
17 special session yesterday, so obviously they could  
18 not be here to speak with you personally, but  
19 Senator Mitchum and Representatives McDaniel and  
20 McGoughlin all three asked me to convey to you how  
21 much they appreciate not only the Council but TVA  
22 and your cooperation in the many issues that are  
23 important to our area.

24 Now, as Chairman of the Lake  
25 Guntersville Stakeholders Group, I want to thank you

1 for recognizing the problems associated with aquatic  
2 vegetation and the attention that I know you-all  
3 have given to it over the past year. As Bruce  
4 mentioned, I have met with you a couple of times. I  
5 have met with the water quality subcommittee. So I  
6 know how hard you-all have worked on this particular  
7 subject.

8 I hope that some of you had the  
9 opportunity to see some of it firsthand yesterday.  
10 There's nothing like seeing it for yourself to  
11 really know, you know, what it encompasses. We need  
12 to ask for your support as you make recommendations  
13 to the Board that will continue the very successful  
14 program underway on the Gunter'sville Reservoir.

15 I want to stop right here and tell  
16 you, first of all, I know that TVA is the power of  
17 the public good and sometimes serving the public is  
18 a very thankless job, but the TVA staff right here  
19 in Gunter'sville is the best, they are the very best,  
20 absolutely. They are good to work with. We  
21 appreciate them. I am in contact with them every  
22 single week, and they have just been super and we  
23 appreciate that.

24 The plan being implemented has been  
25 very satisfactory again this summer. It's good

1 management. It's the responsible thing to do. The  
2 public expects it, and a lot of blood, sweat, and  
3 tears has gone into overcoming all of the  
4 controversies that surrounded it. We are asking  
5 that TVA continue to fund and to implement this  
6 important program.

7                   Now, I was surprised just a couple of  
8 weeks ago when I opened up the local newspaper and  
9 read a letter to the editor from a local fishing  
10 guide. I want to share that with you-all just  
11 because I know you're aware of the many  
12 controversies that we have had, and I want to take  
13 just a second to read just a couple of his comments.

14                   He says, "The current grass  
15 management plan on Lake Guntersville may not be  
16 perfect in some people's view but it has proven so  
17 far to be beneficial to the fishery and it has still  
18 left us plenty of room to play. Limited control and  
19 good management should remain the target goal, as  
20 well as continuing to search for safer and more  
21 efficient methods of control. We in North Alabama  
22 are setting an example. We have demonstrated that  
23 groups of people can search for compromise in order  
24 to achieve balance. If we can keep balance in mind  
25 and we all remain involved in the management

1 process, the future of our natural resources and  
2 tourism in North Alabama is looking up.

3 Thank you very much.

4 MR. BRUCE SHUPP: Questions?

5 MR. AL MANN: Do you agree with this  
6 letter?

7 MS. JUDY MILLER: Do I agree with  
8 who?

9 MR. AL MANN: Do you agree with this  
10 letter?

11 MS. JUDY MILLER: This letter,  
12 absolutely. This is from a fishing guide, and, you  
13 know, he is just reinforcing what our stakeholders'  
14 group has been saying, is that we have brought all  
15 of the different fractions together, we have reached  
16 a good compromise, a good management plan, and, yes,  
17 I applaud his letter.

18 MR. BRUCE SHUPP: Judy, thank you.

19 MS. JUDY MILLER: Thank you.

20 MR. BRUCE SHUPP: All right. We're a  
21 little ahead of schedule. I will ask one time,  
22 anybody else in the audience that would like to say  
23 anything that hasn't registered, I'll just give you  
24 the opportunity. Okay. Thank you.

25 We're a little ahead of schedule.

1 Let's move forward with the deliberation of the  
2 policy recommendations by the Council. This will be  
3 chaired by our facilitator. And we had talked about  
4 order, and let me bounce our ideas off the Council  
5 to see if this order agrees with you.

6 I'm sensing that the water quality  
7 recommendations, the three that Jimmy put forward,  
8 will have probably the most limited discussion. I  
9 don't think there's anything controversial or earth  
10 shattering in there.

11 I'm putting the -- there's going to  
12 be discussion about the public lands committee  
13 recommendations, but I think the most discussion  
14 will probably be navigation. So I would like to put  
15 navigation last, put water quality first, and public  
16 lands in the middle.

17 How does that sound to everybody? Is  
18 that a plan? That's it. All right. We will go  
19 forward with the discussion on water quality issues,  
20 and Dave Wahus will leads us.

21 MR. DAVE WAHUS: Is my microphone on?  
22 The first recommendation we will discuss is water  
23 quality monitoring, and we'll open the floor up for  
24 any discussion. If you concur we'll have a  
25 discussion and then we'll try to come to some

1 consensus, making any modifications, additions,  
2 deletions to the recommendation, and then try to  
3 come to a consensus to decide what you want to do,  
4 if you want to support the recommendation. I'll  
5 give you an opportunity to review it and look at it  
6 for a moment.

7 Jimmy?

8 MR. JIMMY BARNETT: As a comment, I  
9 don't believe that's the latest recommendation  
10 that's up there.

11 MR. BRUCE SHUPP: They modified it,  
12 Dave.

13 MR. DAVE WAHUS: I beg your pardon.

14 MR. BRUCE SHUPP: The only way we  
15 figured that out so quick is there was a  
16 parenthetical word in there that we knew was out, so  
17 everybody saw it instantly.

18 MR. DAVE WAHUS: Can you read that?

19 MR. LEE BAKER: Is that the one that  
20 said No. 2?

21 MR. DAVE WAHUS: Sir?

22 MR. LEE BAKER: Is that No. 2?

23 MR. DAVE WAHUS: Yes, that's the one  
24 on monitoring. This one has to do with water  
25 quality monitoring.

1 MR. AL MANN: I have got a question.

2 MR. DAVE WAHUS: Yes, sir.

3 MR. AL MANN: What is meant by state  
4 watershed assessment cycle?

5 MR. DAVE WAHUS: Some member of the  
6 group.

7 MR. TOM WELBORN: The states are  
8 going through a process where they have a basin  
9 approach where they go to each basin and do an  
10 assessment, both Alabama and all the states in the  
11 Southeast do that. It's based on a five-year cycle  
12 that they go to the watershed.

13 MS. KATE JACKSON: Excuse me. You  
14 need to get to the microphone and state your name.

15 MR. TOM WELBORN: My name is Tom  
16 Welborn. I'm from EPA. All of our states in the  
17 southeast have a rotating basin approach where they  
18 go to each basin within the state. There's  
19 typically five basins that are looked at. They do  
20 this on a five-year cycle. They do an assessment of  
21 water quality within each basin and then they go to  
22 the next one.

23 MR. AL MANN: The states do this?

24 MR. TOM WELBORN: The states do this.

25 MR. AL MANN: Okay.

1                   MR. DAVE WAHUS: Any other questions,  
2 discussion? Do I hear a consensus to adopt this  
3 recommendation and send it forward to TVA?

4                   DR. PAUL TEAGUE: I so move.

5                   MR. DAVE WAHUS: Do I hear a second?

6                   MS. JULIE HARDIN: I second.

7                   MR. DAVE WAHUS: Any further  
8 discussion? Any objections? Hearing none, then,  
9 Mr. Chairman, we will send this one -- give this to  
10 the Chairman to send to TVA.

11                   The next recommendation has to do  
12 with water improvement or -- yeah, watershed  
13 improvement process. I will give you an opportunity  
14 to take a look at that. If I'm in your way so that  
15 can't see, let me know.

16                   Do we have any questions, any  
17 comments?

18                   MR. AL MANN: I have a question.

19                   MR. DAVE WAHUS: Yes, sir.

20                   MR. AL MANN: Under the term issue,  
21 you speak of the watershed team program giving its  
22 projected flat or declining level of funding, does  
23 this projection still hold?

24                   MS. KATE JACKSON: Let me address  
25 that. One of the guidelines that through all of TVA

1 has, and you heard the attention when Director  
2 Harris spoke of it this morning, is to look for  
3 efficiencies in all of our programs to have --

4 MR. AL MANN: Look for what?

5 MS. KATE JACKSON: Look for  
6 efficiencies in all of our programs that will allow  
7 us to do all of the things that we need to do to  
8 serve the multiple stakeholders and customers that  
9 we have while we pay the debt down, while we improve  
10 the ability of our fossil units not to pollute,  
11 while we increase capacity and make capacity  
12 additions and all the capital requirements in the  
13 system. To be able do that requires a goal of  
14 having all of our operations and maintenance budgets  
15 be flat or declining in the future. That is not  
16 true of the watershed program only. It is true of  
17 every O&M budget in TVA.

18 MR. AL MANN: So it's not true here?

19 MS. KATE JACKSON: It's true here.  
20 It's true in every single program. I don't want  
21 anybody to think that we are targeting the watershed  
22 program. The goal for all of TVA is to constantly  
23 find efficiencies and productivity improvement that  
24 allow us to meet our requirements under all of our  
25 financial planning to pay down the debt.

1                   MR. AL MANN: But costs are going up  
2 in doing all of these things, correct?

3                   MS. KATE JACKSON: That's why you  
4 look for efficiencies, look to do it better, reduce  
5 your overhead costs, find partnerships so that you  
6 can leverage every dollar that you spend in  
7 watershed improvement activities, for example, local  
8 communities participating in shoreline erosion  
9 reduction so that you can multiply the benefit of  
10 the technical expertise of TVA while you meet all of  
11 these goals.

12                  MR. AL MANN: Is it working?

13                  MS. KATE JACKSON: Yes.

14                  MR. AL MANN: Okay.

15                  MR. STEPHEN SMITH: Al, one of the  
16 things that I think is important to highlight in  
17 here is that there is this statement about wanting  
18 to find a way to integrate other activities at TVA  
19 so that you don't have one program within TVA  
20 advocating for a certain type of development that is  
21 running counter to some of initiatives of water  
22 quality or whatever.

23                         So there could be ways of -- in your  
24 allowing for certain development or whatever that  
25 could be better integrated with the water quality

1 piece of it, that would be a way to gain  
2 efficiencies. And I think one of the things we're  
3 trying to highlight in there is trying to make sure  
4 that you don't have two -- a goal going in one  
5 direction that's actually adversely impacting  
6 another.

7                   And if we could codify that, so to  
8 speak, so that some of the economic development  
9 activities are not happening in a way that degrade  
10 water quality, to me that's one of the ways that you  
11 could make a gain without necessarily increasing  
12 costs.

13                   MR. AL MANN: Do you feel it's being  
14 funded properly today?

15                   DR. STEPHEN SMITH: No. I mean, I  
16 think it could be improved. I think -- but as was  
17 pointed out, there are pressures all the way across  
18 the board. I think one of the things we want to  
19 highlight is that, you know, there's a point at  
20 which you begin to cut through the muscle and then  
21 into the bone.

22                   Obviously everybody is supportive of  
23 cutting the fat out of certain programs, but there  
24 is a point at which you begin to actually undermine  
25 for ability of a program to be effective.

1                   I think we're trying to indicate here  
2   that there should be some backstop that you stop as  
3   you try to continuously go for efficiencies that you  
4   don't cut into the bone that actually supports the  
5   fundamental part of the program.

6                   MR. AL MANN: Okay.

7                   MR. DAVE WAHUS: Any other questions  
8   or comments?

9                   DR. PAUL TEAGUE: So move.

10                  MR. DAVE WAHUS: A move that you  
11   accept this recommendation, do I hear a second? Do  
12   I hear a second? Do I hear a second?

13                  MS. ANN COULTER: Second.

14                  MR. DAVE WAHUS: Do I hear any  
15   objections to sending -- giving it to the Chairman  
16   to send it to TVA? Hearing none, I assume all the  
17   rest -- so you have your second recommendation.

18                  The third recommendation from the  
19   water quality subcommittee is a recommendation to  
20   maintain gains achieved by the Reservoir Releases  
21   Improvement Program by continuing to support the  
22   operation, maintenance, and enhancement of the water  
23   quality improvements to meet tailwater commitments  
24   and designated uses.

25                  Is there any discussion, any

1 questions, any comments on this issue?

2 MR. AL MANN: I have a question.

3 MR. DAVE WAHUS: Yes, sir.

4 MR. AL MANN: In the background  
5 section of this recommendation, it says, TVA  
6 initiated a five-year \$44 million program. Did this  
7 start in 1991? Is that when this program started?

8 MS. KATE JACKSON: Yes.

9 MR. AL MANN: Okay. So what is this  
10 program costing today?

11 MS. KATE JACKSON: I can't answer  
12 that. There may be somebody in the audience who can  
13 speak to the O&M cost.

14 MR. AL MANN: Because, you know, all  
15 of these things that they are doing require  
16 maintenance, right?

17 DR. KATE JACKSON: Yes, absolutely.  
18 The reason though -- let me speak to why we did this  
19 program. It was part of the Lake Improvement Plan.

20 MR. AL MANN: I mean, I'm all for it.  
21 I'm not speaking against it.

22 DR. KATE JACKSON: Let me address the  
23 issue. As you hold those reservoirs up longer,  
24 more -- I am going to use another physics technical  
25 term, Greer, more of the dissolved oxygen gets

1 squished out. And because of that, there are  
2 habitat issues when you release that water  
3 downstream below the dam. So this program was  
4 instituted to improve about 300 miles of those  
5 tailwaters below those projects.

6                   And those are the capital costs.  
7 There are ongoing O&M costs, including maintaining  
8 the pumps and the lines but also buying either --  
9 buying oxygen typically. However, it is also to  
10 make sure that we are -- we comply with the state  
11 water quality requirements. It's not a -- it's not  
12 just a voluntary thing that we do to be nice to the  
13 fish.

14                   MR. AL MANN: Do you anticipate any  
15 more capital costs in this program?

16                   DR. KATE JACKSON: As -- I mean,  
17 there are systems that we improve occasionally, and  
18 so there may at some point be, you know, pump  
19 replacement, switching out diffuser lines, that kind  
20 of thing.

21                   And in addition, as we move forward  
22 with whatever river study we examine, if one of the  
23 alternatives is to keep that reservoir system up  
24 longer, we will require potentially some -- maybe  
25 more intensive dissolved oxygen in reservoir release

1 activities because as you -- once you get so there's  
2 no oxygen, you go into an anaerobic situation and  
3 there are water quality issues potentially that we  
4 need to examine as we move forward. So there may be  
5 significantly more, although, we don't know the  
6 answer to that, Al.

7 MR. AL MANN: I'm not criticizing the  
8 program. I'm wondering if you're doing enough. I  
9 mean, maybe there should be more done.

10 DR. KATE JACKSON: And I think as the  
11 reservoir study moves forward, that's one of the  
12 questions that I know the water quality subcommittee  
13 has begun to address.

14 MR. DAVE WAHUS: Thank you. Did that  
15 satisfy your question?

16 MR. AL MANN: Yes.

17 MR. DAVE WAHUS: Any other questions  
18 or comments? Any changes or modifications to this  
19 recommendation? Okay. What do you want to do?

20 MR. AUSTIN CARROLL: Send it. I will  
21 consent.

22 MR. DAVE WAHUS: You will consent.  
23 Do I hear any objection to sending it to Bruce to  
24 send to TVA. Hearing no objections, we will go with  
25 it.

1                   Now we will go to public lands and  
2 we'll go to the rights-of-way and vegetative  
3 management first. Give me a minute to figure out  
4 how to place this.

5                   This morning there was a discussion  
6 on each of the three paragraphs. If there are  
7 general comments, let's discuss those, and then  
8 we'll go to each paragraph and see if there are any  
9 comments or modifications.

10                  Stephen?

11                  MR. STEPHEN SMITH: Well, I guess in  
12 the -- I wanted to -- I was going to bring this up  
13 this morning, but this is the most appropriate time.

14                  I wonder if there's some way that we  
15 can more definitively encourage TVA to look at doing  
16 the natural vegetation and modeling it, implementing  
17 it where appropriate.

18                  It seems to me that in Nos. 2 and 3  
19 there's -- the subcommittee is moving in that  
20 direction, but I guess I would be looking for  
21 language that is a little bit more definitive.

22                  And Kate, help me. I think that in a  
23 previous discussion there was some indication that  
24 TVA might actually be engaging in the next year in  
25 looking at some of this in a more concrete -- is

1 that something you can share?

2 MS. KATE JACKSON: Sorry.

3 MR. STEPHEN SMITH: What we're  
4 talking about is we're talking about the  
5 right-of-way issue and using natural vegetative  
6 cover and looking at other ways -- some of the  
7 things that Axel mentioned, some of the things we  
8 have talked about generally in another context.

9 And what -- my general comment is  
10 that this recommendation seems to hit all around  
11 that, but I guess it's not strong enough for me to  
12 provide direction that TVA move in a more definitive  
13 pattern or fashion, and I think I am correct that  
14 there is some work that is either being proposed for  
15 the next year or is ongoing in this direction, other  
16 than just the manual where TVA is actually going to  
17 model some of this.

18 MS. KATE JACKSON: Well, one of the  
19 things that was raised -- are you talking as a  
20 result of the Green Group exhibition?

21 MR. STEPHEN SMITH: Yeah.

22 MS. KATE JACKSON: One of the things  
23 that TVA does is, on sort of the power side, meet  
24 with high level executives in TVA and provide  
25 environmental constituencies an opportunity to talk

1 with those decision-makers and be able to  
2 communicate the issues that the environmental  
3 constituencies are very concerned about so that the  
4 executives inside TVA have an opportunity to have a  
5 better understanding of those things that the  
6 environmental community are concerned about.

7                   One of the things that was raised at  
8 our last meeting was transmission projects in  
9 general, recognizing that as we move into a  
10 deregulated environment there are going to be more  
11 transmission lines built so that you can transport  
12 the product. So that's one piece of the discussion  
13 that we had.

14                   In addition, the right-of-way issue  
15 came up. Axel attended the meeting and spoke  
16 similar to the comments he made today and suggested  
17 that we look at some of the work that the Electric  
18 Power Research Institute and others have done on  
19 ways to either partner creatively or use indigenous  
20 plants to manage those right-of-ways in a less  
21 invasive and less, you know, repetitive way.

22                   And TVA has done some work and has  
23 this -- the notebook. Although, we don't have as a  
24 policy that landowners should use those indigenous  
25 species to have either an innervacious (phonetic)

1 cover or more diverse woody species cover.

2                   One of the things that I committed to  
3 do is to fund an R&D project that would let us  
4 better evaluate the costs and benefits, maintenance  
5 costs and benefits, environmental benefits from  
6 pushing that indigenous species use and potentially  
7 even include a pilot project. So that's a little  
8 piece.

9                   Is that what you meant?

10                  DR. STEPHEN SMITH: That's part of  
11 it. I guess part of what I'm getting at is I guess  
12 I would like to see if there's some way to encourage  
13 a stronger recommendation to more definitively move  
14 in that direction or to at least get it going.

15                  This seems kind of fuzzy to me, I  
16 guess, is what I'm saying. And I think that if  
17 there are opportunities out there, again, I think  
18 it's one of those things where it may -- you may  
19 make a little investment up front, but in the long  
20 run you may end up saving money.

21                  Is there a way to encourage that more  
22 strongly, that's my general comment. I have a  
23 couple of specific comments on wording, but that's  
24 sort of the general comment.

25                  MR. DAVE WAHUS: We have a couple of

1 other general comments here. Lee?

2 MR. LEE BAKER: Yes. In fact, I  
3 would have to oppose stronger wording. I do favor  
4 the concept of what Kate refers to as far as looking  
5 at the economic value and the benefit as it relates  
6 to right-of-way, maintaining, reclearing or  
7 maintenance, and environmental, I'm not oblivious to  
8 that either, but I would remind the Council that  
9 it's not just an issue of the vegetation growing up  
10 and contacting the power line and creating an  
11 outage.

12 Things will happen. You have to go  
13 to the structures. You have to maintain them. You  
14 have to work on them. And in the case of outages,  
15 ice storms, and the likes of that, you have got to  
16 pull conductor back down through that right-of-way  
17 and get it back up, and I can tell you that it would  
18 be a huge problem with a lot of trees type and  
19 shrubbery type stuff on the ground in the way.

20 So I favor looking at what its value  
21 is, but what I underlined in that sentence is it  
22 could dramatically reduce and it could reduce  
23 complaints, and then we jump to the last thing, so  
24 let's go ahead and implement the goals and all of  
25 that kind of stuff, I am not in favor of

1 implementing goals and even harder, more stringent  
2 language based on could technology.

3 I think it merits looking at. I  
4 think, you know, some language that suggests or  
5 encourage the economic evaluation of its  
6 effectiveness in all aspects but not to mandate or  
7 recommend goals based on what someone else thinks  
8 could occur. And it's not just trees in the  
9 conductor, it's maintaining that line up and down  
10 that right-of-way.

11 MR. DAVE WAHUS: Greer and then  
12 Austin.

13 MR. GREER TIDWELL: I think when the  
14 subcommittee was working on that kind of language,  
15 quite frankly, I think what we really tried to do is  
16 hit right there on the point where we've got  
17 something going that we can oversee and manage on  
18 this important issue, to address these concerns that  
19 you have got access to the poles and the lines, and  
20 yet, to get something on paper so we can essentially  
21 watch over TVA's shoulders and see whether or not  
22 they are meeting some goals that they set and put  
23 out in public as opposed to kind of get it out of  
24 the pilot stage a little bit, get it in something we  
25 can help manage and watch over the shoulder of, and

1 that's why we went from the -- it looks like it's  
2 the right way to go, let's go ahead and get it to  
3 the point where we're setting some specific goals on  
4 it. Those goals would be linked to the cost benefit  
5 analysis, and then we have got something to watch  
6 over and see whether it's working or not.

7                   Now it seems a little bit fuzzy in  
8 terms of how progressive TVA is going forward with  
9 natural vegetation and non-mechanical and  
10 non-herbicide application control.

11                   MR. DAVE WAHUS: Austin and then Ann  
12 and then Bruce.

13                   MR. AUSTIN CARROLL: I have a problem  
14 with setting a goal to jump off the cliff in the  
15 water before I know how deep the water is. I don't  
16 have a problem with TVA doing a pilot project.  
17 There may have already been, you know, some projects  
18 done around the country, but I don't think we have  
19 enough information to advocate that TVA set goals  
20 for those things.

21                   Another point that I wanted to bring  
22 up, I know there are certain species of birds and  
23 animals that may be adversely impacted, you know,  
24 by, you know, right-of-way reclearing and that kind  
25 of thing, but on the other hand rights-of-way don't

1 stayed cleared very long. I mean, it usually comes  
2 back the next year at some level of growth, and  
3 there are certain species that do well in transition  
4 areas and in grassy areas and in places like and  
5 that don't do well under a forced canopy.

6 MR. STEPHEN SMITH: You know that  
7 there's no shortage of that early succession  
8 habitat. Whereas, contiguous habitat there is a  
9 growing shortage of. So I don't think that those  
10 species are nearly as in peril.

11 MR. AUSTIN CARROLL: Well, I don't  
12 know. Anyway, there are certain plants and birds  
13 that do well in that kind of environment, as well as  
14 under a forced canopy.

15 MR. DAVE WAHUS: Ann?

16 MS. ANN COULTER: Well, I appreciate  
17 Lee's concern. It's also my impression that at any  
18 one time all of those rights-of-way are in some  
19 level of regrowth. So it's not as if, with the  
20 existing policies, you have a free and clear and  
21 unobstructed access to the transmission lines. I  
22 think that's a point very well taken and not one  
23 that we discussed in any depth.

24 I believe what we're suggesting,  
25 having delved no further into the intricacies of the

1 pluses and minuses of the vegetative management  
2 practice or the sustainable practices that we talked  
3 about, they did seem to hold a good bit of promise.  
4 It seems to be something that on the surface makes a  
5 lot of sense. There is a certain amount of  
6 knowledge and research available on all sides that  
7 could be gathered and looked at.

8                   We felt optimistic enough to ask that  
9 TVA set a goal but not so sure of ourselves that we  
10 set that goal for them. That's why we felt that, as  
11 Greer mentioned, a full fleshing out of the costs,  
12 the benefits, it was very attractive to us that  
13 something natural could be done that had the promise  
14 of in the future reducing maintenance costs, and  
15 thereby, the other things that go along with  
16 maintenance issues, such as customer complaints and  
17 so forth.

18                   So that's why we did suggest that a  
19 specific goal setting process was warranted, but we  
20 didn't want to set that goal specifically for TVA,  
21 having no more expertise at our resources at that  
22 time than we had.

23                   MR. DAVE WAHUS: Thank you, Ann.

24                   Bruce?

25                   MR. BRUCE SHUPP: This goes away from

1 the ecological discussions of various types of  
2 natural plants, but in Southern California I noticed  
3 had in the suburban areas right-of-ways were leased  
4 to horticultural operations. And it not only was a  
5 very attractive alternative, but as far as access,  
6 they put a road right down the middle. And I  
7 imagine that's a requirement of the lease that  
8 there's a road down the middle and crops on both  
9 sides, and it looks like a money-making deal, as  
10 well as a practical way to manage the right-of-way.

11 Has TVA ever considered that piece of  
12 a lease for agriculture or horticulture purposes?

13 MS. KATE JACKSON: We do some  
14 agricultural leases underneath the lines, but I  
15 don't think for horticulture -- not to my knowledge  
16 for horticulture.

17 MR. DAVE WAHUS: Lee?

18 MR. LEE BAKER: Just one last  
19 comment. To me it's an economic issue, you know. I  
20 don't think you have got to encourage TVA or anybody  
21 else that reclears and maintains rights-of-ways to  
22 be open-minded and try to find new ways and better  
23 ways to do business, and I know, you know, we're  
24 always looking.

25 So if the economic justification is

1 there, if the wisdom of that decision is there, I  
2 don't favor setting a goal for them. I think the  
3 economics will set the goal. If we have a landowner  
4 that says, well, if you will take a bulldozer and  
5 get all the stumps down I will be glad to keep it  
6 bush-hogged. Well, it costs us more to push the  
7 stumps down, but we're smart enough to figure out  
8 that if he's going to keep bush-hogged, we don't  
9 have to come back there every three years.

10 So, you know, those decisions are  
11 made routinely. I can assure you, I have no doubt  
12 in my mind that they are making those decisions and  
13 looking for absolute best way, and sometimes you do  
14 spend a little more money on the front end. I am  
15 not opposed to that, but I am opposed to setting a  
16 goal or suggesting that they have a goal. I think  
17 the economy does that, the economics of it does  
18 that.

19 MR. DAVE WAHUS: Paul?

20 DR. PAUL TEAGUE: Lee hit upon what  
21 we were trying to recommend, be open-minded, do what  
22 we can within practicality. To satisfy Steve, the  
23 only thing I could see we could do is change  
24 whenever possible TVA should to whenever possible  
25 TVA shall, and I don't think it's our place to tell

1 TVA they shall do this, and all we're doing is  
2 recommend they should give it consideration.

3 MR. DAVE WAHUS: Any other comments?

4 MR. AL MANN: I kind of agree with  
5 Lee, I think it's an economic issue, it has to be.  
6 I mean, I see your point on clear-cutting the strip,  
7 but you have to have it for the line to go through,  
8 I mean, it's just the way it is. I see your point.

9 DR. STEPHEN SMITH: Well, I don't  
10 know that it is just that way. I think that, again,  
11 what we're -- and generally the recommendation goes  
12 there, you know, there's this sort of recurring  
13 theme that we know exactly how to do everything and,  
14 you know, we have got it figured out, so just trust  
15 us and we're going to go forward.

16 There's not a better way to do a  
17 mousetrap, you know, Effries has done 15 years of  
18 research on some of this stuff, shouldn't we  
19 thinking about looking at it if there are some other  
20 ways to do it, and I think that's really what we're  
21 trying to do.

22 What I was trying to do is probably  
23 get more of a -- you know, like I say, a pilot  
24 project or something like that that's definitive,  
25 sort of what Greer was saying, get some momentum

1 going in this direction, because contrary to some of  
2 the comments made earlier, you know, just because  
3 we're doing it one way today doesn't mean we can't  
4 do it a better way tomorrow.

5                   And it's not just about economics. I  
6 mean, when you have got, you know, 200,000 acres  
7 that hasn't an ecological impact, too. So what  
8 we're trying to do is find a way that you can move  
9 forward with some of these things, explore some of  
10 these things, and let TVA model it, and then  
11 hopefully the distributors will be open-minded where  
12 they can look at it too for those of their  
13 right-of-ways.

14                   But this is not a mandate to the  
15 distributors, this is an encouragement by TVA to  
16 provide some leadership, model some of these things,  
17 try to minimize the environmental footprint  
18 associated with the power lines.

19                   And I guess what we're trying to  
20 do -- what I am trying to understand here, can we  
21 get something that encourages TVA to do -- maybe  
22 talk about a pilot project or something along that  
23 line, I think that would be very helpful.

24                   The other general comment I would  
25 have is that I don't think that the No. 1 reason to

1 do this is to reduce complaints. That might be the  
2 focus from a power distributor to only worry about  
3 the complaints, but there are other reasons why you  
4 would want, you know, to do this and recommend  
5 management practices that have other erosion control  
6 and to decrease the use of herbicides, stewardship  
7 reasons. So there are a number of different reasons  
8 why you would take a look at this.

9 MR. DAVE WAHUS: Thank you, Steve.  
10 Lee?

11 MR. LEE BAKER: Yeah. Contrary to  
12 Stephen's belief, we're not still doing things the  
13 way we did 50 years ago. We do look at new  
14 innovation and we are capable of embracing new  
15 innovation.

16 We do, however, have to, and I insist  
17 that anybody in this business looks very closely at  
18 the economies of how do you do. So we're not doing  
19 it the same way we did it 50 years ago.

20 MR. DAVE WAHUS: Thank you. Any  
21 others? Austin?

22 MR. AUSTIN CARROLL: I would echo  
23 that, too. I mean, we have a trade free program.  
24 We have a large trade program. If we're going to  
25 have to trim around some lines and if the property

1 owner doesn't agree, we will take that tree down and  
2 we will come back and replace it with a low-headed  
3 tree like a dogwood or something that won't grow up  
4 in the line, which is a little similar to what  
5 you're talking about here.

6                   However, I am not familiar with  
7 methods that do that like on a transmission  
8 right-of-way to the extent that it would keep down  
9 the growth, that would take lots of trees out there,  
10 and I'm not familiar with those projects.

11                   I would go along with advocating that  
12 TVA do some sort of a pilot project so that we can  
13 all -- you know, we can take a look at it and/or TVA  
14 can evaluate it and take a look at it and possibly  
15 the distributors should take a look at it, but I --  
16 this is -- what we're saying there sounds a little  
17 broad to me. It's almost like, you know, they have  
18 got to look at the whole system for doing that all  
19 at once, you know, that's the impression I get by  
20 reading that rather than just saying a pilot project  
21 or something. If we want to say a pilot project, I  
22 will go along with that, because I think that's a  
23 good idea to look at and evaluate.

24                   Has TVA done any of those kinds of  
25 things?

1 MS. KATE JACKSON: I can't answer  
2 that.

3 MR. AUSTIN CARROLL: I'm not aware of  
4 any.

5 MS. KATE JACKSON: I mean, the study  
6 we did, the brochure that Ann spoke of on those  
7 indigenous species, and we used to have many  
8 partnerships with local landowners to help maintain  
9 right-of-ways. We don't do that so much anymore.  
10 That's why this is kind of an interesting  
11 recommendation.

12 And I think, you know, if you go back  
13 to the discussion that it's just about economics,  
14 one of the opportunities in doing some research and  
15 doing a pilot study is you have to figure out what  
16 the economics are of doing it a different way,  
17 because I don't think we have the answer to that.

18 MR. DAVE WAHUS: It appears to me  
19 that most of your comments have been focused at the  
20 third paragraph. So could we just look at the first  
21 paragraph for a moment, and does anyone have any  
22 specific comments on the first paragraph or changes?

23 MR. STEPHEN SMITH: I would like to  
24 see that we broaden the -- you know, it says -- the  
25 underlying motivation and justification is not to

1 just reduce the number of complaints of the property  
2 owners. I think there are other reasons, as I  
3 mentioned earlier, and I would like to see them  
4 included in that.

5 MR. DAVE WAHUS: Where are you  
6 talking? Please help me.

7 MR. STEPHEN SMITH: Second paragraph.

8 MR. DAVE WAHUS: Here?

9 MR. STEPHEN SMITH: It says, to  
10 reduce the number of complaints of property owners  
11 who have, and my sense is that that is a benefit of  
12 exploring this, but to decrease erosion, to decrease  
13 the use of herbicides, and, you know, to come up  
14 with a more sustainable broader --

15 MR. DAVE WAHUS: Broader reason?

16 DR. STEPHEN SMITH: Right. I think  
17 you want to have -- I think you want to have several  
18 there. That does necessarily need to be the primary  
19 motivation. It reads that way, and I'm not sure  
20 that's it.

21 MR. DAVE WAHUS: So you're talking  
22 about reducing erosion?

23 DR. STEPHEN SMITH: I don't know. I  
24 don't know whether it makes more sense to step back  
25 and try to wordsmith this. Do we want to wordsmith

1 this as a group or can we agree to that in concept  
2 and then let us sort of refine the language?

3 MR. DAVE WAHUS: Ann.

4 MS. ANN COULTER: I think our  
5 subcommittee would be acceptable to that. In  
6 actuality, as you read on through points 1, 2 and 3  
7 you can tell that we wound -- we started with a  
8 concern based on customer complaint, and by the time  
9 we finished the set of recommendations we had  
10 addressed or we had realized that there were a  
11 series of other things that should be dealt with.

12 MR. STEPHEN SMITH: If we could just  
13 capture that, that would be good.

14 MR. DAVE WAHUS: Austin, do you have  
15 a comment, and then Bruce?

16 MR. AUSTIN CARROLL: No.

17 MR. BRUCE SHUPP: Steve, I just  
18 wondered if we couldn't say something really generic  
19 like, by minimizing the negative ecological impacts,  
20 something that generic, and that would eliminate all  
21 the need for listing?

22 MR. STEPHEN SMITH: I am comfortable  
23 with that. I just think it's beyond just property  
24 owner complaints.

25 MR. BRUCE SHUPP: Ann, could you live

1 with that?

2 MS. ANN COULTER: Yes, I could. I  
3 need to ask other members of the subcommittee.

4 MR. GREER TIDWELL: The subcommittee  
5 was also focused very specifically on --

6 DR. PAUL TEAGUE: We were charged  
7 with --

8 MR. GREER TIDWELL: -- public  
9 customer relationship.

10 MR. DAVE WAHUS: Would you speak into  
11 your mic, please?

12 MR. GREER TIDWELL: I think we need  
13 to make sure that -- and if we're starting to list  
14 these, we can do it, but with the subcommittee, and  
15 I personally think it's important, we were looking  
16 at the economics and it was a real driver on us  
17 thinking that this was a direction we could go in,  
18 and also on improving customer relations.

19 The landowner population out there is  
20 changing. There's more of those folks from Michigan  
21 and Florida moving here, and they have got a  
22 different perspective on how you ought to manage  
23 land, those of us that grew up in this area.

24 MR. STEPHEN SMITH: And I'm not  
25 suggesting eliminate it, I'm just saying add to it.

1 I'm not trying to displace that as an importance,  
2 because I think as part of what we talked about  
3 earlier about TVA's general more responsiveness, I  
4 think this is consistent with that, so we don't  
5 know -- we're not suggesting that you become  
6 oblivious to the concerns of property owners.

7 MR. DAVE WAHUS: Do I hear a  
8 consensus that -- Paul? I'm sorry.

9 DR. PAUL TEAGUE: No. 1, we were  
10 charged with the responsibility of one thing when  
11 this was given to our committee, customer  
12 complaints. We enlarged on this already. We took  
13 it on ourselves to enlarge that. Now we keep going  
14 and we're getting basically into micromanaging, and  
15 I don't think that's appropriate for us.

16 MR. DAVE WAHUS: Greer, did you have  
17 a comment?

18 MR. GREER TIDWELL: No.

19 MR. DAVE WAHUS: Al?

20 MR. AL MANN: I have a question,  
21 Paul. Were there a lot of customer complaints on  
22 17,000 miles of transmission lines? I mean, to what  
23 extent?

24 DR. PAUL TEAGUE: We were charged  
25 over one complaint is why it was originally brought

1 to our committee. Ann received two or three more  
2 additional ones after that, but this was taken over  
3 one specific complaint.

4 MR. AL MANN: Okay.

5 MR. STEPHEN SMITH: Al, that's not a  
6 very valid way of trying to determine the level of  
7 complaints by just, you know, sort of a very  
8 cursory, you know, survey of a few people.

9 I mean, my sense is that this is an  
10 issue -- and maybe the folks from TVA can respond on  
11 this, but my sense is that this is an issue that  
12 they receive regular interactions with their  
13 customers. It's not one or two or three people in  
14 17,000 miles. I don't think that's an adequate way  
15 of counting.

16 MR. DAVE WAHUS: Any comments? Ann,  
17 your committee then will reword -- take the  
18 responsibility to reword that issue?

19 MS. ANN COULTER: Well, if Bruce's  
20 suggestion is not acceptable to the members of the  
21 subcommittee, I would suggest we would so as not to  
22 spend any more time on this, but I think the  
23 suggestion as I heard from Bruce would be to word it  
24 as, to reduce the number of complaints by property  
25 owners who have TVA transmission line easements and

1 to minimize negative ecological impacts.

2 MR. DAVE WAHUS: Okay.

3 MS. ANN COULTER: That's acceptable  
4 to me, but if that's not acceptable to the other  
5 subcommittee members, then we may want to have  
6 another conversation about it.

7 MR. DAVE WAHUS: Is that change, as  
8 Ann just read, is that unacceptable to anyone?

9 MR. LEE BAKER: Say it again.

10 MS. ANN COULTER: To minimize  
11 negative ecological impacts in addition to reducing  
12 the number of complaints.

13 MR. LEE BAKER: I don't have any  
14 problem with it, and I can't fathom anybody going in  
15 there to try to maximize the ecological impact.

16 MS. ANN COULTER: I think the  
17 intention is to acknowledge that what we're hoping  
18 to do is more than simply address issues relative to  
19 customer complaints, that there is a broader set of  
20 ideas to be dealt with out there.

21 MR. LEE BAKER: I think that issue is  
22 always on the table in everything we do.

23 MR. AL MANN: Take out the --

24 MR. DAVE WAHUS: Minimizing  
25 ecological impacts is all inclusive. Do I hear any

1 objections to the way that's been reworded?

2 MS. JULIE HARDIN: Did you leave out  
3 the word negative?

4 MR. DAVE WAHUS: Minimize the  
5 ecological impacts.

6 MS. JULIE HARDIN: Is negative  
7 important, Ann?

8 MR. DAVE WAHUS: Is the word negative  
9 important?

10 MS. JULIE HARDIN: That's my  
11 question. I think it is.

12 MR. DAVE WAHUS: Okay, negative.  
13 Thank you. Now, does anyone have any objections to  
14 that? Okay.

15 Let's go on then to paragraph No. 1.  
16 Does anyone have any comments, first of all?

17 MR. W. C. NELSON: I have a question.  
18 As it pertains to change of ownership of  
19 right-of-ways, is there two types of ownership, fee  
20 simple and easements? I want to be clear of that.  
21 Where it is an easement only, the property owner  
22 would have the right to go in and put in shrubbery  
23 or whatever type ground cover he desires, is that  
24 right?

25 MR. LEE BAKER: Yes.

1                   MR. W. C. NELSON: But on fee simple  
2 he does not have that. What is the breakdown --  
3 does anyone have any idea of what the breakdown is  
4 of fee simple right-of-way versus easement  
5 right-of-way?

6                   MS. KATE JACKSON: I don't have any  
7 answer to that.

8                   MR. DAVE WAHUS: I'm not seeing  
9 anyone nodding.

10                  MR. W. C. NELSON: I would assume  
11 that there's a lot of easement transmission lines,  
12 maybe more easement transmission line than fee  
13 simple transmission line, and the property owner  
14 would have that right to -- you know, if wants to  
15 plant crops on it, he can. He can grow corn or  
16 grass or whatever, and in most instances that  
17 happens.

18                  MS. ANN COULTER: The complaints that  
19 we addressed dealt with easement. Easements were  
20 the complaints that we addressed. It was that type  
21 of situation that was brought to our attention.

22                  MR. LEE BAKER: I'm not really sure  
23 the property owner appreciates that there is a  
24 distinction, to be quiet honest with you. Even  
25 though the property line -- you know, they see it as

1 their property. I'm not sure they see a difference  
2 between fee simple and right-of-way easement.

3 Many times, what we see, they use it  
4 the same way just like it's theirs, whether it is or  
5 not.

6 MR. DAVE WAHUS: Other comments? Do  
7 I hear any objections to this recommendation, No. 1  
8 as it is written? Hearing none, you have your first  
9 recommendation.

10 Paragraph No. 2, whenever possible  
11 TVA should create or participate in innovative  
12 approaches, partnerships with -- Greer?

13 MR. GREER TIDWELL: I'm sorry.  
14 Something Lee brought up earlier, I wanted to make  
15 sure, we might need to clarify that we're referring  
16 to reclearing as opposed to initial clearing.

17 MR. DAVE WAHUS: You're talking  
18 about --

19 MR. GREER TIDWELL: No. 1, we brought  
20 this up earlier in the discussion that we're  
21 referring to the reclearing process as opposed to  
22 the initial clearing.

23 MR. DAVE WAHUS: So you think that  
24 word clearing should be changed to reclearing?

25 MR. GREER TIDWELL: I'm concerned

1 about TVA's staff kind of losing the gist of this  
2 and thinking that we're just talking about the  
3 initial clearing. If that's term of art that our  
4 power line managers in the room tells me need to be  
5 clarified, then we need to clarify it. Otherwise, I  
6 don't care. I know what we're talking about.

7 MR. DAVE WAHUS: There are two places  
8 in that paragraph where the clearing is used and  
9 down here.

10 MR. LEE BAKER: I rather expect  
11 that's what the intent is, the reclearing, that's  
12 where the problem comes.

13 MR. GREER TIDWELL: It is.

14 MR. LEE BAKER: On the clearing, it's  
15 all up front, you're talking to them, you  
16 negotiated, you swap checks, so they know.

17 MR. AUSTIN CARROLL: We're talking  
18 about right-of-way maintenance?

19 MR. DAVE WAHUS: Yeah, we're talking  
20 about maintenance here.

21 MR. LEE BAKER: I think it's a good  
22 suggestion to change the two places where it says  
23 clear to reclear. It does change the meaning for  
24 me.

25 DR. PAUL TEAGUE: Why couldn't it

1 apply to both of them?

2 MR. DAVE WAHUS: Any other changes?

3 MR. LEE BAKER: I suppose it could,  
4 Paul.

5 DR. PAUL TEAGUE: It was recleared,  
6 but why couldn't and should it apply to both?

7 MR. LEE BAKER: I think it's obvious  
8 on the cleared it's there, that's the only -- my  
9 only thoughts on the thing. The first time you go  
10 in and clear the right-of-way, you have had  
11 communications.

12 It could apply to both, but to me  
13 it's obvious for the initial clearing that there has  
14 been plenty of conversation and money has changed  
15 hands and documents signed.

16 MR. W. C. NELSON: There are a few  
17 examples of right-of-way being acquired and the line  
18 not being built until ten years later.

19 MR. LEE BAKER: That's true.

20 MR. W. C. NELSON: So let's leave it  
21 to cover both, I think it would be better.

22 MR. GREER TIDWELL: W. C. is right.

23 MR. W. C. NELSON: To be cleared or  
24 recleared and then cleared or reclearing.

25 MR. AUSTIN CARROLL: That's fairly

1 clear.

2 MR. DAVE WAHUS: Okay. Cleared or  
3 recleared.

4 MR. LEE BAKER: There's generally a  
5 lot of conversation on the first clearing, even if  
6 it's been laying there for a number of years.

7 MR. DAVE WAHUS: Is this acceptable  
8 to everyone? Is it unacceptable to anyone? Okay.  
9 I am going to give it to you.

10 MR. BRUCE SHUPP: Thank you.

11 MR. DAVE WAHUS: Let's go on  
12 paragraph No. 2. Any comments, discussion on  
13 paragraph No. 2?

14 Stephen?

15 MR. STEPHEN SMITH: The only thing I  
16 would suggest adding is that in the second line here  
17 it talks about partnerships with other units of  
18 government or private agencies, why don't we add and  
19 property owners also, because I think if you can  
20 find innovative ways to work with the property  
21 owners they should be in there.

22 MR. DAVE WAHUS: Other comments?  
23 Does anyone find this paragraph unacceptable?  
24 Seeing no objection, I will pass that off to Bruce  
25 as well.

1                   Now for the third paragraph. Again,  
2 I will open it up. This seems to be where the  
3 concern was earlier when we started discussing this  
4 issue.

5                   MR. LEE BAKER: Yeah, I don't -- I  
6 don't find the paragraph acceptable as it, and  
7 Stephen wants to strengthen it, so, yeah, I think we  
8 have got a problem here.

9                   DR. PAUL TEAGUE: That means we're  
10 right originally.

11                  MR. DAVE WAHUS: Ann may have an --

12                  MS. ANN COULTER: I will make -- give  
13 a stab at some wording that may try to bring  
14 satisfaction to everybody.

15                  MR. DAVE WAHUS: Okay.

16                  DR. PAUL TEAGUE: Ann, remember we're  
17 in the middle and you have got pros and cons.

18                  MS. ANN COULTER: We've got what?

19                  DR. PAUL TEAGUE: You've got one on  
20 one side that says it's not strong enough and one on  
21 the other side that says it's too strong. We're  
22 already in the middle.

23                  MS. ANN COULTER: Okay. Let me see  
24 how this strikes anybody. This would be to reword  
25 the last sentence to add in Austin's idea of a pilot

1 project which could then be studied for its benefits  
2 with the idea to establish specific goals. So  
3 here's how that could read.

4                   TVA should institute a pilot project  
5 in the use of natural cover with the goal of  
6 analyzing its long-term benefits for the purpose of  
7 establishing reasonable goals to increase the amount  
8 of right-of-way planted in sustainable cover.

9                   MR. LEE BAKER: The only problem I  
10 have with that is that you assume that the pilot --  
11 what the outcome of the pilot project is. You do a  
12 pilot project for the purpose of increasing. What  
13 if the pilot project tells you something else?

14                   MS. ANN COULTER: Well, no, it's for  
15 the purposes of establishing reasonable goals. It  
16 could be that reasonable goal is zero.

17                   MR. LEE BAKER: But your next  
18 sentence was.

19                   MS. ANN COULTER: It's all the same  
20 sentence.

21                   MR. LEE BAKER: Read it again.

22                   MS. ANN COULTER: TVA should  
23 institute a pilot project in the use of natural  
24 cover with a goal of analyzing its long-term  
25 benefits with the purpose of establishing reasonable

1 goals for amounts of right-of-way planted in  
2 sustainable cover.

3 MR. LEE BAKER: Okay. That sounded  
4 okay. I thought you put the word increasing the  
5 amounts of right-of-way.

6 MS. ANN COULTER: I think I did, and  
7 I took it out after you said that.

8 DR. PAUL TEAGUE: Hey, Ann, you ought  
9 to be a better politician than that and never admit  
10 it.

11 MS. ANN COULTER: Well, it's being  
12 recorded. Now, I don't know if that gets at  
13 Stephen's need for more momentum on this.

14 MR. STEPHEN SMITH: I think that with  
15 doing -- getting a pilot project out there, I have  
16 confidence that, you know, that will get the ball  
17 rolling. And again, if it works and it shows it can  
18 be done in a reasonably economic way, then sure, but  
19 it gets something concrete and a little less fuzzy,  
20 and I appreciate that, and so I support it.

21 MR. AUSTIN CARROLL: W. C. did bring  
22 up an interesting issue where TVA primarily, I  
23 think, only has easements. I don't know think they  
24 own the property other than the lines, but you're  
25 going to have to control that. I mean, you can go

1 out there and plant stuff and then whoever owns the  
2 land can come right behind you and cut it down.

3 MR. STEPHEN SMITH: Part of this  
4 would be to model best management practices. And  
5 you're right, I mean, some yahoo could do whatever  
6 they want to and you're never going to get  
7 100 percent, but if you can demonstrate a model best  
8 management practice that then becomes the direction,  
9 the chances are a lot of people will go along with  
10 it, particularly if you can show that there's these  
11 additive benefits.

12 MR. BILL FORSYTH: Where you're going  
13 to do this, you're going to want the landowner as a  
14 partner anyway.

15 MS. ANN COULTER: Right.

16 MR. DAVE WAHUS: Okay. Any other  
17 comments? Do you -- is there any objections to this  
18 recommendation as modified?

19 MR. AL MANN: Read it one more time  
20 all the way through.

21 MR. DAVE WAHUS: The sentence you're  
22 replacing, just help me understand it.

23 MS. ANN COULTER: He wants to read  
24 all three, right?

25 MR. AL MANN: Just the last sentence.

1                   MR. DAVE WAHUS: The entire  
2 paragraph.

3                   MS. ANN COULTER: It would read  
4 entirely the same, except for the last sentence.

5                   MR. DAVE WAHUS: So the last sentence  
6 is the only thing that would change, and the last  
7 sentence would be?

8                   MS. ANN COULTER: Ready? TVA should  
9 institute a pilot project in the use of natural  
10 cover with the goal of analyzing its long-term  
11 benefits for the purpose of establishing reasonable  
12 goals in the amount of right-of-way planted in  
13 sustainable cover.

14                  MR. DAVE WAHUS: Do I hear any  
15 objections to this paragraph with the modification?  
16 Mr. Chairman, I hear no objections.

17                  The next recommendation has five  
18 parts. It deals with campground issues and roofs.

19                  Do I have any general comments?

20                  MS. ANN COULTER: Dave, I have a  
21 couple of suggestions based on the E-mail I received  
22 from Mr. Arrington and based on a comment Al made to  
23 me that made me realize we need to clarify  
24 something.

25                  MR. DAVE WAHUS: Okay.

1                   MS. ANN COULTER: Both of these --  
2 well, the first of these is in the fourth bullet  
3 point.

4                   MR. DAVE WAHUS: Fourth bullet right  
5 here.

6                   MS. ANN COULTER: The change in that  
7 would read, the porches, decks, roofs, and other  
8 types of appurtenances, et cetera.

9                   MR. DAVE WAHUS: Okay.

10                  MS. ANN COULTER: And then the other  
11 change would be to the last point, and that sentence  
12 would be changed to read, also TVA should work with  
13 campground operators in revising leases, licenses,  
14 and easements to ensure that in the future any and  
15 all such structures not removed by seasonal renters  
16 once they no longer wish to rent the campsite will  
17 be the property of the campgrounds.

18                  MR. DAVE WAHUS: Help me. Not  
19 removed by seasonal renters --

20                  MS. ANN COULTER: Once they no longer  
21 wish to rent the campsite will be the property of  
22 the campground, period. And that recognizes that  
23 some people may want to take those structures with  
24 them, and they would be allowed to do so. If they  
25 did not, then those structures would become the

1 property of the campground.

2 MR. AUSTIN CARROLL: Love them or  
3 leave them.

4 MS. ANN COULTER: Right. You can  
5 leave them or you can take them with you.

6 MR. DAVE WAHUS: Any other changes  
7 you wish to make? Let's go back then to the first  
8 recommendation. Are there any other comments in  
9 general before we start going through the  
10 recommendations?

11 MR. BRUCE SHUPP: I'd like to move  
12 that we move to accept by consent.

13 MR. DAVE WAHUS: All of them in one  
14 group?

15 MR. BRUCE SHUPP: Yes.

16 MR. DAVE WAHUS: Is there any  
17 objection to any of these five recommendations?

18 MR. AUSTIN CARROLL: Just a question,  
19 are we saying that TVA and the operators should  
20 continue to allow permanent type structures to be  
21 built if that's what they want to agree on?

22 MS. ANN COULTER: Only that -- that  
23 can happen, but that would have to be determined  
24 between the operator and the TVA staff in the field  
25 to determine if that's appropriate and if it meets

1 other TVA policies and if the structures meet  
2 guidelines that are going to be established by TVA.

3 MR. AUSTIN CARROLL: I just tend to  
4 think in general it's not very wise to let permanent  
5 structures to continue to be built, but, I mean, if  
6 TVA wants to agree to it, then that's okay with me.

7 MR. DAVE WAHUS: Do I hear any  
8 objections to this set of recommendations?

9 Mr. Chairman, you have another set.

10 MR. BRUCE SHUPP: Thank you.

11 MR. DAVE WAHUS: We go on now to the  
12 navigation infrastructure subcommittee  
13 recommendations. We have seven recommendations. I  
14 will open the discussion to in general, first of  
15 all. Does anyone have any comments or any  
16 questions? Then we will go through each of them  
17 individually, if you choose to do so. This is  
18 navigation infrastructure, and all I have up here  
19 are the recommendations. There was a preamble to  
20 this as well.

21 MR. JIMMY BARNETT: I have a question  
22 of the subcommittee on point No. 2, navigation  
23 infrastructure be maintained and improved, I guess,  
24 what do y'all mean by improved?

25 MS. MILES MENNELL: Well, we were

1 referring specifically to Chickamauga and the  
2 Kentucky lock project and other infrastructure  
3 needs, so that we wanted to be sure -- literally  
4 just improve the locks and various appurtenances in  
5 the system that have decayed or are always in the  
6 process of decay, that we just be sure that we  
7 address those infrastructure needs.

8 MR. JIMMY BARNETT: Okay. I guess  
9 having just gone through a budget process with my  
10 company, I see -- it says improvements and --

11 (Court reporter could not hear the  
12 rest of Mr. Barnett's comment.)

13 MS. MILES MENNELL: Well, no. I  
14 think to go and clarify and others -- maybe Ann or  
15 Tom Vorholt or other members of our committee who  
16 are here can address that, but I think we simply  
17 just wanted to recognize the importance of the river  
18 system and navigation on the river system to all of  
19 us here in the Tennessee Valley, and we just wanted  
20 to be sure that philosophically we were recognizing  
21 that we want that system to stay intact. And  
22 obviously, any infrastructure is going to need  
23 improvement along the way.

24 We weren't -- our intent was not to  
25 give Carte Blanche, but to say philosophically we

1 want the system to continue to stay intact and to be  
2 maintained in the best possible way, you know, as  
3 efficiently and economically, but to be maintained  
4 so that the river system continues to be a viable  
5 navigation channel for all of us.

6 MR. JIMMY BARNETT: Okay. I agree  
7 with keeping it up and working. I just have a  
8 problem --

9 MS. MILES MENNELL: That's really all  
10 it is.

11 MR. JIMMY BARNETT: Do you have any  
12 other comments out there from the standpoint of the  
13 improvement, that's what I was after, I guess.

14 MR. DAVE WAHUS: Any other questions?

15 MR. AL MANN: I have a question for  
16 Kate. This Memorandum of Agreement between TVA and  
17 the Corps of Engineers, TVA has primary  
18 responsibility for budget and construction work of a  
19 capital account nature. Replacing Chickamauga locks  
20 would be of a capital account nature?

21 DR. KATE JACKSON: Yes.

22 MR. AL MANN: Is that true?

23 MS. KATE JACKSON: Yes.

24 MR. AL MANN: Yet, TVA cannot go  
25 before Congress and ask for appropriations for

1 Chickamauga, is that right?

2 DR. KATE JACKSON: Yes.

3 MR. AL MANN: It's a catch 22, isn't  
4 it?

5 MS. KATE JACKSON: And that's why we  
6 have pursued the strategy that we have pursued at  
7 Kentucky and the strategy that we have pursued at  
8 Chickamauga, which is that TVA will remain the asset  
9 owner. TVA will have oversight responsibility and  
10 approval responsibility on the design, but the Corps  
11 of Engineers will take the lead in accessing  
12 funding.

13 The way the funding works for large  
14 navigation projects is part of it appropriated and  
15 part of it is cost share. And the way that cost  
16 share works is it's also tax dollars but it is the  
17 inland waterway's trust fund. That inland  
18 waterway's trust fund provides funding by  
19 accumulating tax funds on diesel fuel that the  
20 shippers use and then redistributing it to the most  
21 valuable projects.

22 And the Corps of Engineers has a  
23 better record of accessing those funds than TVA.  
24 And for that reason, among others, we had pursued  
25 years ago this partnership approach on Kentucky

1 lock, recognizing that the Corps may have a better  
2 opportunity to get appropriated funding, even during  
3 time when the TVA was receiving appropriations.  
4 That same strategy is being pursued at Chick.

5 MR. DAVE WAHUS: Bruce?

6 MR. BRUCE SHUPP: In that same light,  
7 is the statement about TVA taking a leadership role  
8 in seeking federal funding, is that in that -- does  
9 that fit into your strategy for how you have to go  
10 about that or should we reword that to better fit  
11 that strategy?

12 MS. KATE JACKSON: I have tried hard  
13 not to tell you what you're allowed to tell us,  
14 but --

15 MR. GREER TIDWELL: Let's ask the  
16 question a different way.

17 MS. KATE JACKSON: Thank you.

18 MR. GREER TIDWELL: When you see that  
19 language, do you read it as suggesting a significant  
20 shift in the way TVA is already doing it?

21 MS. KATE JACKSON: I read that  
22 sentence that you are telling me to go to Washington  
23 and request funds through the President's Office to  
24 Congress, and you heard the response of Director  
25 Harris. I think that will be a difficult thing.

1 You will get the same response to that wording that  
2 you got today on issues of Carte Blanche management  
3 and funding for the integrated system. So I can't  
4 tell you not to recommend that, and I recognize and  
5 respect your struggle on appropriated funds. I do  
6 think we will respond differently to this sentence  
7 than we did to the last time you included it.

8 MR. DAVE WAHUS: Bruce?

9 MR. BRUCE SHUPP: A suggestion then,  
10 and, Miles, let me know if this fits with the  
11 strategy of the committee, would it serve the same  
12 purpose if we say, TVA continue to cooperate with  
13 the Corps of Engineers developing strategies to get  
14 the project authorized and appropriations made,  
15 something like that, working with the Corps to get  
16 that done?

17 MS. MILES MENNELL: Bruce, might we  
18 find another way to say that? I understand Kate's  
19 point. I think that we would be remiss not to  
20 change that, but I think that what we wanted to say  
21 as a subcommittee, and other members, please help me  
22 clarify this, was that we really believed that  
23 federal funds are imperative towards the management  
24 of the Tennessee River system and waterway system,  
25 whether it's Chick lock or whatever it is, not

1 necessarily the Corps.

2                   So I would like for us to find a way  
3 to reword that to say that we advocate. Maybe we  
4 can simply say, as a subcommittee we advocate  
5 seeking federal funds to maintain and improve the  
6 Tennessee waterway system, perhaps that's another  
7 way to put it. In fact, that's what we're saying.

8                   I understand, Kate, and it's wasting  
9 our time to say, TVA, go get the money. What we  
10 really were saying, I think, subcommittee, was that  
11 we, as a subcommittee, believe that federal funds  
12 should be allocated towards these and other TVA  
13 projects, and we, as stakeholders, are in favor of  
14 that and we can go get them.

15                   MR. DAVE WAHUS: Did I capture your  
16 suggestion?

17                   MS. MILES MENNELL: And I need to  
18 defer to other members who are here.

19                   MR. AL MANN: I can't go along with  
20 that. The TVA Act talks of navigation, and TVA is  
21 responsible for navigation. And I think that, you  
22 know, it doesn't make sense. It's Congress' duty to  
23 fund funds for locks on the Tennessee River through  
24 TVA.

25                   On the one hand you say you can't ask

1 for it, and, okay, I see your point, but we can  
2 still ask you to ask for. It that not correct?

3 MS. KATE JACKSON: I didn't say -- I  
4 was careful not to say you can't ask me.

5 MR. AL MANN: We can ask you, can't  
6 you?

7 DR. KATE JACKSON: You can write that  
8 to me. I'm only suggesting that you will get a  
9 similar response.

10 MR. AL MANN: Well, I understand we  
11 will.

12 MS. KATE JACKSON: I guess if I could  
13 go back and respond to what Miles just said, you  
14 know, let's -- that I'm saying don't waste your time  
15 and write that down, I think my guidance would be, I  
16 don't want to waste -- I don't want you to squander  
17 the power of a citizens' advisory council by not  
18 having full impact. I think there are ways for you  
19 to represent this issue in your interest and the  
20 interest of the public and the Valley in other ways.

21 MR. AL MANN: Are you able to share  
22 those ways with us?

23 MS. KATE JACKSON: Well, I think you,  
24 as a Council, are a powerful tool, that you can  
25 use -- as Austin and his group went to Washington,

1 you can use -- you can use Council's voice directly  
2 in Washington. You can also tell us to do what you  
3 would like us to do. We may be less effective in  
4 doing that than you are.

5 MR. DAVE WAHUS: Bruce?

6 MR. BRUCE SHUPP: How about if we  
7 said that the Advisory Council wants to express its  
8 strong support for the use of federal funds to  
9 improve and maintain the Tennessee waterway system.

10 MS. MILES MENNELL: And Bruce, if you  
11 want to make that even stronger, we can say  
12 appropriated federal funds.

13 MR. BRUCE SHUPP: I was being careful  
14 that it didn't appear we were lobbying, which we  
15 can't do.

16 MS. KATE JACKSON: And I can't ask  
17 you to do, and I didn't ask you to do that.

18 MR. BRUCE SHUPP: If we say we think  
19 it's appropriate for federal funds to be used, I  
20 think that's what we are really trying to say, but  
21 it isn't appropriate for ratepayers, unless Al  
22 thinks that the ratepayers should do that. I don't  
23 believe that we're saying that, that \$300,000,000 of  
24 ratepayers' funds shouldn't fund the locks.

25 MR. DAVE WAHUS: Miles?

1 MS. MILES MENNELL: Say it again,  
2 Bruce, please.

3 MR. BRUCE SHUPP: I don't think we  
4 should --

5 MS. MILES MENNELL: No, what you  
6 said.

7 MR. BRUCE SHUPP: Oh, that the  
8 Advisory Council strongly advocates the use of  
9 federal funds, and the rest of the sentence.

10 MR. LEE BAKER: Can I ask a question?

11 DR. STEPHEN SMITH: I have a  
12 question.

13 MR. LEE BAKER: Go ahead, Steve.

14 MR. DAVE WAHUS: You may.

15 MR. STEPHEN SMITH: I just have -- in  
16 a statement that was made by Skila earlier, there  
17 was this sense that TVA does not think it's  
18 appropriate at the current time to ask or initiate a  
19 re-engagement on seeking federal appropriations.

20 I meant to ask her, and maybe Kate or  
21 someone else at TVA can answer this, but is there  
22 some sense of what is the time line associated with  
23 that? Is this in some way tied to the federal  
24 financing?

25 I mean, we have gone through this

1 discussion before and there was this disassociation  
2 of that, but I'm just wondering, you know, what is  
3 the -- what is the mechanism that triggers TVA being  
4 willing, because the only concern I have is I could  
5 go up or the distributors could go up or citizens of  
6 the Valley could go up to Washington all they want  
7 to, but if TVA never initiates the request, there's  
8 just a certain set of things that happen I would  
9 anticipate if TVA initiated the request, and it  
10 coupled with activities by interested parties would  
11 go further. If the interested parties are up there  
12 talking and TVA never asked for it, then it's -- and  
13 I'm just trying to understand that dynamic, at what  
14 point TVA may then feel more comfortable or what is  
15 the mechanism.

16 MS. KATE JACKSON: And I, of course,  
17 can't speak for the Board and that's obviously a  
18 Board decision. I will tell you that in any  
19 appropriations process or in any discussion of  
20 national policy, TVA is relatively exposed in that  
21 discussion. And in being exposed, we are always in  
22 a situation where we are choosing which issues are  
23 highest priority for us, and therefore, for our  
24 stakeholders to be advocating on our behalf.

25 And I think the issue is, what are

1 the priority issues for TVA for the continued  
2 governments of the system, for the continued  
3 management of all of the assets of TVA that are in  
4 our stewardship, and which of those should we be  
5 advocating for. And I think until something changes  
6 in the national policy debate, both on resources and  
7 on utility deregulation, you're probably not going  
8 to see a change in that, Steve.

9 MR. STEPHEN SMITH: So let me see if  
10 I understand that, because of the potential  
11 consequences of advocating on behalf of federal  
12 funding for the non-power program, or what used to  
13 be the non-power program, that may trigger a  
14 response or you're saying that you may burn a  
15 certain amount of political capital that you may  
16 need in a restructuring debate? I mean, I'm just  
17 trying to understand a little better.

18 MS. KATE JACKSON: That's a possible  
19 outcome.

20 MR. DAVE WAHUS: Lee, do you have a  
21 question?

22 MR. LEE BAKER: Actually, I could  
23 have taken it down, but I knew Stephen would be  
24 pleased to know that that's exactly what I was going  
25 to ask. I was in Washington, you know, and I think

1 there's a difference of opinion. Of course, the  
2 Directors have theirs, but I was in Washington after  
3 the alleged deal took place and had conversations  
4 with staffers who -- and asked that specific  
5 question, has something been traded here, and I was  
6 reassured that it had not.

7 Now, obviously the Board, the  
8 Director's and Director Harris' interpretation  
9 referred to a language of the law, which I would  
10 like to see that if you can make that available, but  
11 it was my understanding at that time that there was  
12 not a trade made. And my question was like  
13 Stephen's, okay, if there is a moratorium, do we  
14 have any idea when it's going to end? Is there a  
15 clock running? If not, can we start one?

16 MR. DAVE WAHUS: Al?

17 MR. AL MANN: Going back to when  
18 appropriations were cut off, Kate, what was TVA  
19 told? You cannot come back and ask for more money  
20 because of why? You were told to do certain things  
21 or was there a reason why?

22 MR. LEE BAKER: Al, you should  
23 probably let one of us talk to you off the record.

24 MS. KATE JACKSON: In the  
25 Appropriations Bill there was a statement that was

1 made, which I will provide to the Council for your  
2 information, but it was not explanatory in nature.  
3 It said, there will be no funds for TVA.

4                   Things that were considered essential  
5 stewardship in the FY '97, essential stewardship in  
6 quotation marks, shall be paid from the following  
7 sources, and I can read to you what those are, but  
8 essentially there wasn't a why, it was a how you're  
9 going to pay for it from here on until something  
10 else happens. I mean, there's not until in there.  
11 It's just, this is the way it is now. This is now  
12 law.

13                   MR. BRUCE SHUPP: I make a suggestion  
14 on this issue. This is something that's going to  
15 come up often as we go through these recommendations  
16 and processes, and there's no question in my mind  
17 that Skila had a very strong feeling about this  
18 issue.

19                   And I feel it's a hypothetical  
20 discussion, intellectual discussion, ideological  
21 discussion, you know, more than it is specific to  
22 any one issue. Maybe we could get her to come back  
23 and we could have a real good round-robin  
24 philosophical debate on, what does this mean, and  
25 how are you going to interpret it, and how should we

1 interpret it the way we're working through these  
2 issues.

3 I would like to move off of it in  
4 this case so that we finish this recommendation. We  
5 can continue the discussion later this afternoon, if  
6 you want to go through more of it, or we can just  
7 defer it until we could get one of the members of  
8 the Board, Glenn or Skila here, to talk with us  
9 about it. Do you think that would work? Do you  
10 think they would be interested in doing that?

11 MS. KATE JACKSON: I think they would  
12 be happy to have an invitation to return.

13 MR. BRUCE SHUPP: Good. How about  
14 that?

15 MS. MILES MENNELL: Go ahead,  
16 Stephen.

17 MR. STEPHEN SMITH: I guess I would  
18 want to flush that out a little bit more. I mean,  
19 I'm sure they would be happy to have an invitation  
20 to return, but I think -- would it -- and I don't  
21 know, maybe this is something, Austin, that we ought  
22 to do within the working group and then report back  
23 to the larger committee, which is, get into a little  
24 bit more specificity on, what are the dynamics  
25 necessary in order to clear the way for TVA to

1 reinitiate an appropriations funding request.

2                   And this could potentially mean  
3 sitting down with some of the TVA Washington staff  
4 or having them come down and meet with us to spell  
5 out some of the specific issues associated with  
6 who's the chair, who's -- you know, what their  
7 philosophy is on this, you know, what's the latest  
8 on the TVA exchange group, all this other kind of  
9 stuff, so that we would get some insight, and then  
10 maybe we could report back from the task -- the  
11 working group level before we do this. I mean, I  
12 think there's a whole host of moving targets that  
13 line up for the political stars to line up to make  
14 this work.

15                   MR. BRUCE SHUPP: That's a good idea.

16                   MR. STEPHEN SMITH: That would be a  
17 suggestion if you -- if people would find that  
18 valuable.

19                   MR. BRUCE SHUPP: For the record, if  
20 the task group is willing to accept that or the  
21 working group is willing to accept that, the Chair  
22 can task the group with that, and it would be to  
23 develop a -- what would we call it, a white paper on  
24 the potential for TVA requesting federal funds in  
25 the future.

1                   MR. STEPHEN SMITH: And I think the  
2 request would be for TVA to make available some of  
3 the Washington staff to assist us in the kind of  
4 analytical work that's necessary as far as sort of  
5 what their thinking is, because obviously there are  
6 a whole host of Washington agendas at work at any  
7 given time, and maybe shedding some light on that  
8 would help us all in understanding this.

9                   MR. BRUCE SHUPP: Austin, could you  
10 accomplish that by the October meeting?

11                   MR. AUSTIN CARROLL: We will give it  
12 our best shot, Mr. Chairman, if I can get Miles to  
13 cooperate with me.

14                   MS. MILES MENNELL: Good luck.

15                   MR. BRUCE SHUPP: Thank you.

16                   MR. AL MANN: I don't think it should  
17 be a political group. It should not be a political  
18 thing.

19                   MR. BRUCE SHUPP: This isn't  
20 political. This is strategy.

21                   MR. GREER TIDWELL: May I suggest  
22 something that will take it out of the political  
23 realm, and the question would be, what is -- what  
24 are the roles available for the Council to address  
25 this issue, to address this issue of funding, that

1 is a very appropriate question for us to ask.

2 MR. BRUCE SHUPP: I accept that as a  
3 modification to the charge. That's good.

4 MR. DAVE WAHUS: Al, does that  
5 satisfy your concerns?

6 MR. AL MANN: Yes, sir.

7 MR. DAVE WAHUS: Julie, did you have  
8 a comment?

9 MS. JULIE HARDIN: No, I was just  
10 congratulating Greer.

11 MR. DAVE WAHUS: Okay. Miles?

12 MS. MILES MENNELL: I just want to  
13 come back with a point of clarification about the  
14 language in our recommendation and what, in fact, we  
15 were thinking about. We just wanted to get on the  
16 record that we want us, whomever, to find federal  
17 funds to maintain and improve the Tennessee waterway  
18 system, again, to operate at optimal levels, not to  
19 put any particular value, not to make it Carte  
20 Blanche necessarily even across the board. It may  
21 even be project specific, but etiologically we  
22 wanted be sure that we talked in our recommendation  
23 about federal funds, whether for Chick lock or  
24 Kentucky or whatever, it could be aquatic weeds, I  
25 mean, I'm not limiting it to that.

1                   Within the structure of our  
2 particular recommendation, I think it was a sense of  
3 our subcommittee that we felt that the issue of  
4 federal funds had to be addressed within our  
5 recommendation.

6                   And I'm not at all opposed to  
7 changing the language. I don't know how the other  
8 members of our subcommittee feel. It was either  
9 Bruce's or Stephen's wording, that the Advisory  
10 Council or that our subcommittee strongly advocates  
11 the use of federal funds. And probably within the  
12 context of this recommendation it should say not the  
13 Advisory Council but the subcommittee advocates the  
14 use of federal funds because I think that's really  
15 important to our sense.

16                   MR. DAVE WAHUS: Okay. Are there any  
17 other comments on any of these recommendations?

18                   MS. JULIE HARDIN: I just want to say  
19 the public lands subcommittee also advocated that in  
20 our conversations.

21                   MS. ANN COULTER: Could I hear the  
22 wording again?

23                   MR. JIMMY BARNETT: I just said also  
24 the water quality subcommittee wanted the same  
25 thing.

1 MS. ANN COULTER: We want to hear the  
2 wording again?

3 MR. DAVE WAHUS: This one right here?

4 MS. ANN COULTER: Right.

5 MR. DAVE WAHUS: The subcommittee  
6 strongly advocates the use of federal funds to  
7 maintain and improve the Tennessee waterway system.  
8 She said the subcommittee, is what she said we could  
9 do.

10 MR. BRUCE SHUPP: I think it's  
11 appropriate to say the Council, I really do, Miles.

12 MR. AL MANN: Yeah, fine.

13 MS. ANN COULTER: I think the Council  
14 adopts this.

15 MR. DAVE WAHUS: Council. So the  
16 Council strongly advocates the use of seeking  
17 federal funds to maintain and improve the Tennessee  
18 waterway system.

19 Are there any other comments on any  
20 of these recommendations? Do I hear any objections  
21 to taking these recommendations as modified and  
22 having Bruce send them to TVA?

23 I heard no objections, Mr. Chairman.  
24 That completes the discussion on the  
25 recommendations.

1                   MR. BRUCE SHUPP: Good. I would like  
2 to move then quickly into the Ocoee River issue, but  
3 with a little bit of a twist to it, and ask another  
4 question of the Council before we talk specifically  
5 about the Ocoee; and that is, I guess we addressed  
6 this at one time, is how the Council deals with  
7 recreation in general since we don't have it  
8 assigned to any one specific committee.

9                   Do we want to continue to address  
10 specific recreational issues as they fall into the  
11 given structure of our committees? Is that okay?  
12 Do y'all approve that?

13                   MS. ANN COULTER: I'm not sure I  
14 understand what your --

15                   MR. BRUCE SHUPP: Well, recreation is  
16 a broad topic that we never addressed specifically  
17 in the committee structure, and here we have this  
18 specific recreation issue. Do you want to still  
19 maintain our -- deal with the Ocoee issue under our  
20 existing committee structure?

21                   MS. ANN COULTER: Well, I think  
22 our -- the understanding of our subcommittee was  
23 that in general that would -- those issues would be  
24 addressed in our subcommittee, but a discussion that  
25 went on among Council members almost a year ago when

1 the Ocoee issue was raised, my recollection of the  
2 discussion was that because of the complexity of the  
3 issue regarding the water releases and all of that  
4 that it was more suitably addressed by the  
5 integrated river management subcommittee.

6 MR. BRUCE SHUPP: I want to get that  
7 back on the record. Now, the integrated river  
8 management committee is represented by Austin now.  
9 You're getting lonely in the room. Your members are  
10 disappearing fast.

11 UNIDENTIFIED SPEAKER: I'm here with  
12 you, Buddy.

13 MR. AUSTIN CARROLL: All right.

14 MR. BRUCE SHUPP: How do you want to  
15 handle the Ocoee issue? Do you want to handle the  
16 Ocoee issue?

17 MR. AUSTIN CARROLL: I could give it  
18 back to Ann.

19 MR. BRUCE SHUPP: Too easy.

20 MS. ANN COULTER: My subcommittee is  
21 getting a little thin around here, too.

22 MR. AUSTIN CARROLL: I don't mind  
23 taking it up and taking a look at it. Stephen is on  
24 our committee, Tom, Miles, Lee, does that suit  
25 you-all?

1                   MR. LEE BAKER: I'm not sure it does,  
2 Austin. It is -- I mean, if we start dealing with  
3 individual recreational use issues, then we can line  
4 them up. They are going to started coming in.

5                   Would that not -- I'm just posing the  
6 question. It seems to me that that would be a part  
7 of the study that we recommended of a cost benefit  
8 that would be analyzed and looked at. I'm a little  
9 leery about opening up the door and saying, well,  
10 let's just start looking at different recreational  
11 uses, because I think we could be here awhile.

12                  MR. STEPHEN SMITH: I think that -- I  
13 mean, I generally agree with what Lee is saying, it  
14 needs to be --

15                  MR. LEE BAKER: I can't believe that.

16                  DR. STEPHEN SMITH: Notice I said  
17 generally. I think that it needs to be incorporated  
18 into the study at some level, but my sense is that  
19 many of the same issues that have surfaced in the  
20 context of the above dam water issues, and the  
21 economic impacts, and things like that, are going to  
22 materialize somewhat below the dam with the  
23 releases, particularly with the Ocoee River, because  
24 there are impacts. With that particular stretch of  
25 the river, if the water bypasses it there's no

1 generation at all. So there's some implications  
2 there, and this, that, and the other.

3                   So my sense is that we should not  
4 necessarily try to fully resolve it, but I think  
5 that the integrated river management has a role to  
6 engage in a more thorough discussion to try to  
7 sharpen the issues up a little bit in our minds, and  
8 then that way we can better track how they are dealt  
9 with in the larger study.

10                   My concern is that those interests  
11 above the dam have both gotten represented on the  
12 panel in numerous ways, have mobilized people and  
13 brought their issues in front of this panel in  
14 consistent ways, and that that has shaped our  
15 thinking.

16                   And I think that it is appropriate to  
17 give the folks that have the downstream piece an  
18 opportunity for us to spend some time looking over  
19 these issues at the subcommittee level making sure  
20 we understand them, and that way as that study goes  
21 forward I would -- there is the possibility, I  
22 think, when this is being discussed that this  
23 Council may continue to exist and we may actually  
24 play some sort of a role in the future, and I think  
25 it's valuable information to have.

1 I'm not suggesting that we are going  
2 to be able to resolve that issue in short order, but  
3 I hate to just say it goes into the bigger study. I  
4 don't think many people around this table fully  
5 understand --

6 MR. BRUCE SHUPP: That's just the  
7 point I was going to make. I don't understand the  
8 issue as presented by Kevin, not that he didn't do a  
9 good job, but that he didn't have the time to really  
10 get through all of the issues.

11 So it would be a strong service by  
12 the IRM committee to take a look at that, and as  
13 Steve said, come back at least with identifying the  
14 parameters that we should look at with the rafting  
15 issues and the recreational issues below dams during  
16 the big study, and I think that would be very  
17 helpful.

18 MR. AL MANN: I don't understand the  
19 issue either. I think it needs to be defined.

20 MR. STEPHEN SMITH: Well, I -- you're  
21 talking about -- well, right, I mean, I think it  
22 will be defined in the process. I mean, the bottom  
23 line is there's -- you know, either you have water  
24 in the Ocoee and they're able to raft on it or you  
25 don't or you can't, and, you know, it's a question

1 about how you value that for its economic impacts,  
2 and, you know, its impacts on generation.

3                   Many of the same issues back up above  
4 the dams that people have waxed and waned eloquently  
5 about, it's just sort of a different dimension in  
6 this specific case. And, you know, I think -- I  
7 think it merits -- it merits some of our time.  
8 Whether we can resolve it, whether we can come up  
9 with a solid recommendation or whether we want after  
10 looking at it to recommend that it be, you know,  
11 integrated into the study at some level and there be  
12 a portion of the study that actually tries to look  
13 at this a little bit more, but I think just to  
14 say -- you know, not to know more about it at this  
15 level, I think, is doing an injustice to a  
16 constituency that is being impacted and it -- it's  
17 as real as the above dam issue, I think.

18                   MR. BRUCE SHUPP: What do you think,  
19 take a policy look at it, and come back with just an  
20 advisory in October?

21                   MR. AUSTIN CARROLL: Mr. Chairman, I  
22 am convinced it's another one of those dam issues we  
23 don't understand, and we have talked about that in  
24 the subcommittee and we kind of -- we recommended  
25 that that be taken up in the broader study, but if

1 it would be helpful to the Council and helpful to  
2 TVA, you know, we can help maybe with collecting  
3 some information and defining the issue a little bit  
4 better for input to that study if it would be  
5 suitable with my other comrades in crime.

6 MR. STEPHEN SMITH: And I would like  
7 to request that in so doing maybe we come up with a  
8 way to engage American Whitewater and some of the  
9 outfitters so that they can succinctly bring their  
10 issues to us at some venue to where we can sharpen  
11 our understanding, maybe even, you know, have a  
12 meeting down there and actually, you know, observe,  
13 because when you actually sit up there and look at  
14 it you just get a better sense of the logistics of  
15 what's going on.

16 MR. AUSTIN CARROLL: It smells like  
17 some kind of meeting in the mountains.

18 MS. MILES MENNELL: The East  
19 Tennessee mountains.

20 MR. STEPHEN SMITH: The other thing  
21 is -- yeah, I mean, I think at the very minimum the  
22 outfitters probably ought to take us firsthand down  
23 and experience it. There's an opportunity here, I  
24 think, to be responsive.

25 MR. AUSTIN CARROLL: We will try to

1 set something up.

2 MS. KATE JACKSON: Does the Council  
3 want to clarify whether you are specifically  
4 examining the more complicated and slightly  
5 different issues of the Ocoee or if you want to have  
6 the subcommittee address all downstream recreation?

7 MR. BRUCE SHUPP: As far as I see it,  
8 it would be strictly the Ocoee issue now.

9 MR. AUSTIN CARROLL: Just Ocoee.  
10 They do in at Fontana, too, don't they?

11 DR. KATE JACKSON: Appalachia,  
12 Hiwassee, there are several.

13 DR. STEPHEN SMITH: There are --  
14 there are unique issues to Ocoee, but there are  
15 general theme issue associated with rafting below --  
16 or whitewater activities below the dams, and I think  
17 we ought to at least be open to it.

18 MR. BRUCE SHUPP: All right. Are we  
19 all set with that, Austin?

20 MR. AUSTIN CARROLL: Yes, sir,  
21 Mr. Chairman. I will report to the Chairman that --  
22 I'm just filling in for the Chairman of the  
23 subcommittee, so I will report to him what his  
24 duties are.

25 MR. BRUCE SHUPP: That's true. He

1 will be happy to hear that. He has nothing to do  
2 with the Alabama legislature, I'm sure.

3 I have got one more thing on the  
4 agenda that I want to talk about, and then we will  
5 open it; and that is, assuming hypothetically that  
6 the Council's rechartered in February and that we go  
7 on in playing some type of a role in the IRM study  
8 of the entire system, what do you think our role  
9 should be?

10 And I can give you a model, if you  
11 want to work on that or we'll brainstorm that first.

12 MR. GREER TIDWELL: I think this is a  
13 very appropriate time to hear the Bruce Shupp model  
14 of the world for us to work off of.

15 MR. BRUCE SHUPP: Let me give you two  
16 choices. One's a passive model whereby we react to  
17 what TVA is doing during the study process and give  
18 them advice and comment on the progress of the  
19 study, or the aggressive model would be that we  
20 immediately begin to represent stakeholders  
21 throughout the Valley prior to the study and try to  
22 develop the input from them to TVA, in other words,  
23 we will be working with the stakeholder groups to  
24 get back to TVA to say, well, here are the  
25 parameters of the study that we see are important.

1 This is the decision criteria that we think should  
2 be used, of course, working with TVA the whole time.

3 As Kate mentioned this morning or  
4 Skila mentioned this morning, the need to identify  
5 trade-offs, where are our values based on the  
6 decision criteria, that's a role that the Council  
7 could take. It's a massive role, it's a very  
8 aggressive role, but I think it's one we could -- we  
9 should at least -- we should at least entertain.

10 MR. JIMMY BARNETT: Mr. Chairman, if  
11 I may, speaking for me personally, to take on a more  
12 massive role would mean I would need to leave. I  
13 can't do any more than I am doing now with my duties  
14 back home, that's just my sum and substance.

15 MR. BRUCE SHUPP: I'm assuming, by  
16 the way, I didn't do a good job with that, I'm  
17 assuming that that would consume all of the  
18 Council's energy, that we would be doing minimal  
19 effort in other activities during that two-year time  
20 period.

21 MR. JIMMY BARNETT: I guess what I am  
22 really alluding to is I could not -- I cannot attend  
23 any additional meetings, other than the amount of  
24 meetings we're going -- that we're having now, which  
25 I think is an awful lot anyway.

1                   MR. STEPHEN SMITH: Bruce, one of the  
2 issues that I would have with that in that, in  
3 essence, what happens is that the committee becomes  
4 totally focused on the study and that that's our  
5 only sum and purpose, and my sense is that while  
6 that is an important part of what this committee has  
7 recommended and it's an important part, my sense is  
8 that going forward there are other issues that could  
9 be looked at and need to be addressed and will pop  
10 up, and I guess I'm not -- I mean, I see that there  
11 is a role for the overall committee going forward,  
12 but I am not sure that it should be just limited to,  
13 you know, the interactions on the study.

14                   MR. BRUCE SHUPP: Well, I am  
15 convinced that framing the study is more important  
16 than the actual scientific details of the study  
17 itself, because if we don't frame it correctly and  
18 ask the right questions and decide what the decision  
19 criteria will be, no matter what the outcomes are,  
20 they may not be agreed to by all the participants.

21                   I mean, how do you make those value  
22 judgments of where the water should go and what it  
23 should be used for?

24                   So I think that's a difficult part of  
25 the study, and certainly the Council has to be

1 somehow involved in that, whether it has to take the  
2 complete lead, I don't know, but we have to be  
3 involved in that, because if we don't, we are not  
4 doing our job.

5 MR. STEPHEN SMITH: And I agree with  
6 that. For some reason I just interpreted your  
7 comment that we would, in essence, become sort of  
8 single-minded and focused just on the study for the  
9 next two years if there is an additional increment  
10 of this committee, and I would like to see a broader  
11 reach than just the scope of the study for our work.

12 MR. BRUCE SHUPP: That may be  
13 possible, I don't know, but I would think that that  
14 challenge would be pretty consuming. Now, maybe  
15 with the help of TVA's consultants that they would  
16 be hiring, that our role could be minimized, but I  
17 think the role -- there still should be some strong  
18 role for us.

19 MR. AL MANN: Bruce, are you talking  
20 about the lake level study, is that the study you're  
21 talking about?

22 MR. BRUCE SHUPP: Yes.

23 MR. AL MANN: I agree with Stephen,  
24 but there are other issues besides lake levels. I  
25 can't see -- I don't know. He's right, there are

1 other issues.

2 MR. BRUCE SHUPP: Agreed. Miles?

3 MS. MILES MENNELL: I agree that it  
4 can't be an either/or kind of thing. I think it's  
5 vitally important that this group continue to be  
6 involved in helping to frame that study, but I still  
7 think we need to be accessible to deal with other  
8 issues and/or to react to issues that are brought to  
9 us by TVA. So I see it as being a dual role.

10 Probably what would happen would be  
11 that framing the study or being involved in that  
12 process would take the lion's share of our time, but  
13 I would hate to see us definitively limit ourselves  
14 to just that. So I think we need to be set up to be  
15 both passive and aggressive and to recognize that  
16 our role may require more time and that each of us  
17 who has served -- and I'm assuming that there will  
18 be very -- many, many new faces on the Council, and  
19 I think it would be incumbent upon us just to make  
20 that very clear to whomever that is appointed that  
21 it is going to require that kind of commitment and  
22 that kind of time.

23 MR. BRUCE SHUPP: Any more thoughts?

24 MR. GREER TIDWELL: Bruce, I want to  
25 say something in part, and to hopefully keep it

1 going around the room, I think this is an important  
2 enough aspect that we ought to hear from everybody,  
3 if we could a little bit.

4                   The first question that comes to me  
5 is what does the Valley need, and I think the Valley  
6 does need this kind of a stakeholder Advisory  
7 Council as it enters the stage of looking at the  
8 study.

9                   Samuel Clements said, if you let me  
10 ask the question, I know I will win the argument,  
11 and I say that to completely agree with what Bruce  
12 is saying, that the scoping of this next very  
13 significant study is going to be awfully important,  
14 sort of defining what that critical path is and what  
15 the scope is.

16                   And I really think, to get to Jimmy's  
17 question about whether this group of people is  
18 willing to give more or less or about the same, that  
19 we could sit and essentially hear -- hear from TVA  
20 its plans and give some modifications to those  
21 coming from TVA and its consultants and play exactly  
22 that kind of role helping define the scope and  
23 define that critical path, and then on an ongoing  
24 basis help with evaluation issues that are facing  
25 us.

1                   I just throw that in. I think the  
2 Valley needs this kind of a broad stakeholder group,  
3 and I think we need to be involved in the study, as  
4 Bruce just said, but not solely the study.

5                   MR. BRUCE SHUPP: Anything else? To  
6 summarize what we just somewhat agree on here, that,  
7 No. 1, the Council should go forward, nod your heads  
8 if you don't agree. All right. The Council should  
9 go forward and be rechartered.

10                   No. 2, it would like to play a major  
11 role of some type, which we haven't defined, in the  
12 lake level IRM study as it -- to define the initial  
13 parameters and to advise TVA. Is that accurate?

14                   And you feel the Council has a bigger  
15 role in that, that we should stay active with other  
16 aspects of the TVA program which are appropriate.  
17 Do we agree on that?

18                   And as Jimmy said, we have got to  
19 figure a way to do this without meeting 100 days a  
20 year, so that's another challenge, and we may want  
21 to think about stronger subcommittee structures and  
22 broader subcommittee structures to bring more people  
23 into the process. That may be one way to go. Does  
24 that help you at all, Kate? Do you need -- is there  
25 anything you would like us to define more in that

1 process for you?

2 MS. KATE JACKSON: I'm speechless,  
3 maybe for the first time in the last 18 months. I  
4 think from our perspective one of the things that  
5 would be very helpful for the Council to wrestle  
6 with, and whether it's the whole Council or whether  
7 it is a subcommittee structure that is stronger or  
8 how this group or that subcommittee group evolves  
9 into what you foresaw in your recommendation to us  
10 about this ad hoc oversight group, and, you know,  
11 the way we can respond to that in this EIS process  
12 we're about to enter, the issue for us is that to be  
13 able to have this be a two-year study, we're going  
14 to have to have some help bounding the study.

15 And there are going to be some things  
16 that we are going to have to decide to take off the  
17 table to get the technical analysis done in two  
18 years and roughly figure out how to do that and how  
19 to get help from this group or some subset of this  
20 group to do that because some of these issues are  
21 going to need to be ongoing evaluations.

22 Some of the undercurrent of what  
23 you-all have said to us, it isn't just do a restudy.  
24 It is in the theme of be more responsive to the  
25 public and recognize the changing expectations and

1 needs of a growing impact on the resource.

2                   There is one piece of this that needs  
3 to be a constantly live, constantly ongoing  
4 evaluation of the way we manage this river system,  
5 and how we continue to balance and rebalance the  
6 completing demands to provide this set of outputs  
7 that we provide.

8                   A piece of this -- you know, we  
9 talked about this a little bit this morning, you  
10 know, a piece of this is a chunk that you can bound  
11 and a piece of it is an ongoing need, and how we  
12 deal with that, I don't think we have fully wrestled  
13 and I'm sure you haven't.

14                   MR. BRUCE SHUPP: We're going to have  
15 two more Council meetings, at least, the way it's  
16 scheduled now, October, and we have tentatively set  
17 January of next year. Would it be possible for TVA  
18 to -- well, will you be -- between now and October,  
19 will you be brainstorming how you're going to attack  
20 the IRM study and would it be possible for you to  
21 come to the October meeting with some ideas for us  
22 of what you're going to do and then we can  
23 brainstorm how we can fit into that? Would that be  
24 possibly in the next month?

25                   MS. KATE JACKSON: I hope so. And

1 the reason I say I hope so is because of the  
2 requirements we have for noticing the public about  
3 these meetings. Not only do we have to define the  
4 plan, which we want to be able to do with the  
5 consultant, recognizing all of the issues of  
6 credibility and wanting third party and wanting to  
7 get lots of good ideas from the outside, and we have  
8 to do that in a way that allows us to be able to  
9 brief the Board, have the Board be very comfortable,  
10 and be able to do that before the next meeting. Two  
11 months is a really short period of time to do all of  
12 that, so that's why I say I hope so, and there are  
13 many of us who will be sleepless trying to figure  
14 out how to get from here to there.

15 MR. BRUCE SHUPP: Well, you know, at  
16 least the preliminary scope in October, and then a  
17 broader look at it in January. Of course, that's  
18 either the sayonara meeting or the, hey, we're going  
19 forward meeting. So we will need a Board decision  
20 at that point about the future.

21 MS. KATE JACKSON: Right. And  
22 recognize that at the January meeting, 25 percent of  
23 that two years has chunked away.

24 MR. BRUCE SHUPP: When do we start to  
25 count?

1 DR. KATE JACKSON: Well, I heard  
2 Austin ask a question about October 1st, '03, and I  
3 don't think we know the answer to that question.  
4 And I guess I will would caution all of us to be  
5 respectful of the fact that because we don't have  
6 the study scoped, we can't flip the NEPA switch.

7 There are prescoping activities that  
8 need to be done, but we also are very respectful of  
9 the Board's desire and your desire to have this  
10 study done quickly and have some implementable  
11 results that rebalance the outputs of the system as  
12 fast as possible.

13 So I don't know the answer to any of  
14 those questions, and I guess I would just suggest  
15 that we all, including those of us who have already  
16 left, understand that we don't know exactly what the  
17 two years would be.

18 MR. BRUCE SHUPP: I think -- Barry,  
19 is a full blown NEPA 18 months minimum? I mean, in  
20 absolutely best case, isn't that a minimum?

21 MR. BARRY WALTON: For a very simple  
22 project, that would be a good, fast time for a NEPA  
23 project. You can't get to it just with the legal  
24 deadlines. If you put those in at the end and add  
25 them all up together, it's only about 230, 240 days,

1 something like that.

2 MR. BRUCE SHUPP: Oh, is that right?

3 MR. BARRY WALTON: But that's zero  
4 time for analysis, zero time for analyzing the  
5 comments you have got. So you have some time  
6 obviously to actually do the work.

7 MR. BRUCE SHUPP: Right.

8 MR. BARRY WALTON: So it all comes  
9 back to the complexity of what you're looking at.

10 MR. BRUCE SHUPP: It's also zero time  
11 for any litigation or mitigation of differences of  
12 opinion.

13 MR. BARRY WALTON: I guess currently  
14 at TVA 18 months is about average, but most of those  
15 are very straightforward projects.

16 MR. BRUCE SHUPP: So if we're going  
17 to execute this -- if TVA is going to execute this  
18 with our help in two years, it has to be almost a  
19 process starting immediately.

20 MR. BARRY WALTON: Yes.

21 MR. BRUCE SHUPP: I think you better  
22 report to us in October what you're going to do.

23 MS. KATE JACKSON: And that assumes  
24 that we, first, can decide, and second, get it on  
25 paper, third, get the Board to agree, write it down

1 on a piece of paper and get it in the Federal  
2 Register. We will do our best.

3 MR. BRUCE SHUPP: All right.  
4 Challenges. That will be one of the agenda topics  
5 obviously at the next meeting, and then going  
6 forward with that, that's our next part of the  
7 agenda until or unless there are open Council  
8 comments.

9 MR. AUSTIN CARROLL: While ago when I  
10 was talking about the subcommittee going to  
11 Washington, I left you off, Bruce. Bruce was with  
12 us. I was just assuming that everybody knew that  
13 you were going. I reckon I take you for granted,  
14 Mr. Chairman, and I apologize.

15 MR. BRUCE SHUPP: I thought I went  
16 incognito.

17 MR. AUSTIN CARROLL: I had you mixed  
18 up with, Stephen, who didn't show up.

19 DR. STEPHEN SMITH: You know, they  
20 have got a couple of my name badges floating around,  
21 so I think that's probably what it was.

22 MR. BRUCE SHUPP: Credit cards, too.

23 MR. AUSTIN CARROLL: The other thing  
24 is that I need to meet with the IRM subcommittee,  
25 what's left of us, just briefly after this meeting.

1 I would like to meet with Kevin, too.

2 MR. BRUCE SHUPP: Now that you have  
3 the floor, since you want to be the tourism director  
4 for the State of Kentucky, why don't you give us  
5 your proposal for the next meeting?

6 MR. AUSTIN CARROLL: Our meeting had  
7 been scheduled for the 24th and 25th of October,  
8 which is a Wednesday and a Thursday, and the reason  
9 they scheduled it like that is because -- where you  
10 can get in and that kind of thing. Sandra did a  
11 good job of that, by the way.

12 We are scheduled to be at Kenlake  
13 State Park. Kenlake is not the most scenic state  
14 park in Kentucky, and there's one that would be a  
15 shorter drive for most folks, be a little bit  
16 closer, and that's Lake Barkley State Park. And  
17 Barkley is a grand lodge facility, it's very nice.  
18 I talked to Barkley, and if we can slip our date for  
19 the meeting one day, we can get into Barkley. If we  
20 will slip it from the 24th and 25th to the 25th and  
21 26th.

22 MR. BRUCE SHUPP: How about our  
23 contract at Kenlake?

24 MR. AUSTIN CARROLL: I think we -- I  
25 have a sense that we can get out of that. I mean,

1 it's just one state park to another, and I have got  
2 a call into the manager up there to see if we can't  
3 do that.

4 If that would be suitable, let us --  
5 if that's suitable, what we will do is we will firm  
6 it up and notify folks within just the next day or  
7 two.

8 MR. BRUCE SHUPP: Any objections? Go  
9 for it.

10 MR. AUSTIN CARROLL: It's got a much  
11 better meeting facility. It will accommodate us  
12 better and folks will enjoy it better. It's a  
13 beautiful time of the year. The leaves ought to be  
14 changing.

15 When come to Kentucky, plan to spend  
16 additional days and spend all your money. If you  
17 want additional days at Barkley, you better book  
18 them now because it will be full that weekend  
19 because of the leaves changing.

20 MR. BRUCE SHUPP: As far as the next  
21 meeting which would follow the October meeting, I  
22 suggest that we wait until the October meeting to  
23 decide on that. I don't see any reason to rush  
24 that, unless there is, and I don't recognize it.

25 Okay. Okay. One last issue, and

1 that is the agenda for the next meeting, and Dave  
2 would like to go over that a little bit.

3 MR. DAVE WAHUS: I have written down  
4 four items for the agenda. One is a presentation  
5 and some discussion on the preliminary results of  
6 the drawdown review by Gary Mauldin. I have a  
7 number of other qualifiers here, the validity of the  
8 premise, the approach to review, et cetera, but that  
9 issue, a possible presentation and discussion on  
10 that issue.

11 Secondly, a white paper by the  
12 legislative working group on the federal funding  
13 potential. Third is the IRM subcommittee would come  
14 back with additional information on the Ocoee issue  
15 and present it.

16 MS. KATE JACKSON: Is that the Ocoee  
17 issue or is that all downstream recreation?

18 MR. AUSTIN CARROLL: I think we  
19 were -- my sense of it is we were talking about the  
20 rafting, canoeing, or whatever below the tributary  
21 dams.

22 MR. DAVE WAHUS: So your perception  
23 was broader than just the Ocoee?

24 MR. AUSTIN CARROLL: Yeah, broader  
25 than the Ocoee, but it's not the fellow fishing down

1 here at Guntersville.

2 MR. STEPHEN SMITH: What are you  
3 saying we will have in October, because we may need  
4 more time? Is there any reason why we need to have  
5 a report back to this group at the October meeting?

6 MR. AUSTIN CARROLL: Well, what we're  
7 going to do is try to -- it will be a fact-finding,  
8 kind of zeroing in on the concerns of the rafters,  
9 canoers below the tributary dams.

10 MR. BRUCE SHUPP: Let me try to state  
11 the way I saw it. It's amazing how we all listen  
12 and hear things differently. I thought we were  
13 going to take the Ocoee issue, come back with some  
14 sort of a status report on what this issue means,  
15 because Al and I didn't understand what it meant,  
16 and then try to just relate that issue to the  
17 broader issue of downstream recreation, that's what  
18 I thought -- I didn't think you were going to get  
19 very specific on all the other tribs, but I thought  
20 you were going to use the Ocoee to tell us what's  
21 going on.

22 MR. AUSTIN CARROLL: Right. Well, we  
23 may collect some information about the other  
24 downstream activities but focusing specifically on  
25 the Ocoee and thinking that -- I know they have got

1 some unique issues, but some of them are similar,  
2 too.

3 MR. BRUCE SHUPP: It was the policy  
4 issue of why the ten days were removed, we still  
5 don't understand that, so that's to me --

6 MR. AUSTIN CARROLL: Right.

7 MR. STEPHEN SMITH: You know, Bruce,  
8 we could -- and maybe this is for our subcommittee  
9 to decide, but, I mean, you could get a briefing  
10 where you have -- you know, TVA would have some  
11 representatives from the outfitters and the  
12 whitewater group actually do a presentation to us if  
13 all you're looking to do is sharpen the issue.

14 If you actually want the subcommittee  
15 to delve into it and, you know, try to muck around  
16 it a little bit and maybe come up with sort of -- I  
17 mean, if it's just the information we're looking  
18 for, I think you have one path. If we're actually  
19 going to try to -- I don't want to use the word  
20 recommendation because that's a little strong. I  
21 think direct or guidance on some aspect of it.

22 MR. BRUCE SHUPP: I think the  
23 recommendation we would be looking for was, should  
24 we deal with this issue separately or should it  
25 become part of the IRM study?

1 DR. STEPHEN SMITH: I think we can  
2 resolve that. I mean, I think we can resolve that  
3 piece for the Ocoee, but I still think there's a  
4 need for us to spend some time, and again, I don't  
5 know at what point we have to be responsive, but  
6 spend some time, you know, looking at and sharpening  
7 our understanding of the downstream recreational  
8 issues associated with generally whitewater rafting.

9 MR. BRUCE SHUPP: I don't see this as  
10 any different than the request -- the public request  
11 made about the roofs at the campground, you know,  
12 it's a group coming to the Council saying, hey, we  
13 need a little help here. It's an economic issue for  
14 them. This is an economic issue for the Ocoee. So  
15 we're just asking you to flesh out and look at the  
16 policy and where it stands and how we should deal  
17 with it and report back in a month, if that's fair.

18 MR. AUSTIN CARROLL: Yeah.

19 MS. KATE JACKSON: There are probably  
20 two issues to look at. One of them is a funding  
21 issue with respect to donated days, pay for water,  
22 not pay for water, consistency there.

23 The other piece is a water allocation  
24 piece, which is if you're letting water out of the  
25 system, in this case Ocoee, that's Blue Ridge. Blue

1 Ridge lake levels versus downstream recreation on  
2 the Ocoee.

3                   So if, in fact, you want to focus on  
4 both of those, that's fine. If you want to focus on  
5 the water allocation piece, I encourage you to come  
6 back in October so that we don't get too far on the  
7 scoping and not include whatever your  
8 recommendations are with respect to downstream  
9 activities in the reservoir study.

10                   If what you want to focus on is, why  
11 is TVA doing something as a result of an EIS that  
12 was done with respect to funding and donated days,  
13 that's a different issue.

14                   Let me highlight strongly that the  
15 Ocoee is different than every other one. So if you  
16 look at the Ocoee and say, what are the implications  
17 for how the Ocoee is managed and the relationships  
18 that we have with the event providers and the  
19 rafters on the Ocoee, it's different than the other  
20 tribs.

21                   MR. AUSTIN CARROLL: Water allocation  
22 and/or what?

23                   DR. KATE JACKSON: Funding. I mean,  
24 the other issue Kevin raised was the fact they have  
25 to pay for the water.

1 MR. AUSTIN CARROLL: Okay.

2 MS. KATE JACKSON: The reason it's  
3 different on the Ocoee is the water either goes down  
4 the stream or it goes through the penstock, you  
5 can't have both, and that's extremely different than  
6 in any other project.

7 MR. BRUCE SHUPP: Okay. I would  
8 suggest then that certainly you just look at the  
9 Ocoee for this and deal with that if it's that  
10 unique.

11 MR. AUSTIN CARROLL: Okay.  
12 Concentrate on the Ocoee for next time and we'll  
13 kind of talk about where we go from there.

14 DR. STEPHEN SMITH: Kate, did I hear  
15 you say that if we were going to provide any insight  
16 on the downstream issues, because of the direction  
17 of the study picking up momentum, you would like to  
18 see that insight as soon as possible?

19 MS. KATE JACKSON: Well, the more  
20 opportunity you have to have a greater influence, as  
21 Greer said, is before we ask the question. I'm not  
22 saying that we would preferentially exclude it if  
23 you were silent on the subject.

24 MR. STEPHEN SMITH: Right. I guess,  
25 Austin, maybe we should talk about it at the

1 subcommittee level, but I -- and there may not be  
2 any issues. I have personally been approached  
3 several different times by people who are concerned  
4 about the downstream recreation and the impact of  
5 the water and all of this, and I just --

6 MR. AUSTIN CARROLL: At places other  
7 than the Ocoee?

8 DR. STEPHEN SMITH: Other than the  
9 Ocoee. I mean, there are rivers that there's a  
10 thriving whitewater interest and they have issues.  
11 The financial implications may be the strongest on  
12 the Ocoee because it's sort of an absolute go, no-go  
13 decision, as opposed to, you know, sort of  
14 modifications.

15 MR. BRUCE SHUPP: You guys can choose  
16 how deeply you want to get into this, but the Ocoee  
17 issue is what we would like to be able to address in  
18 October.

19 MR. AUSTIN CARROLL: At least that.

20 MR. BRUCE SHUPP: At least that, and  
21 be able to tell them how we can or can't help. Is  
22 that okay?

23 MR. KEVIN COLBURN: That sounds  
24 great. Thanks.

25 MR. DAVE WAHUS: The fourth issue

1 that I have written down for an addition to the  
2 agenda would be a TVA presentation on their planned  
3 approach to conduct the two-year study, to the  
4 extent that they can at that time, recognizing you  
5 don't have much time between now and then.

6 Then I would ask the public lands  
7 subcommittee, do you expect to have any  
8 recommendations to present in the next meeting?

9 MS. ANN COULTER: No.

10 MR. DAVE WAHUS: How about navigation  
11 subcommittee?

12 MS. MILES MENNELL: No.

13 MR. DAVE WAHUS: How about the water  
14 quality subcommittee?

15 MR. JIMMY BARNETT: We hope to, yes.

16 MR. DAVE WAHUS: We'll put you down.  
17 How about the IRS subcommittee, do you expect to  
18 have any recommendations per se other than the  
19 issues?

20 MR. AUSTIN CARROLL: Nothing other  
21 than what we have already talked about.

22 MR. DAVE WAHUS: Okay. Does anyone  
23 know of any other issues that should be placed on  
24 the agenda?

25 MS. KATE JACKSON: The only other

1 thing I'm mulling is our response to the  
2 recommendations that you've actually provided to us  
3 and voted on today.

4 MR. BRUCE SHUPP: We hope to get that  
5 as soon as --

6 MR. DAVE WAHUS: Thank you.

7 MS. KATE JACKSON: Not to put greater  
8 pressure on myself or my staff.

9 MR. BRUCE SHUPP: Or your Directors.

10 DR. KATE JACKSON: Or my Directors.

11 MR. DAVE WAHUS: Do you plan to  
12 extend an invitation to one or both of -- the  
13 Director and the Chairman to come back and discuss  
14 the issues on federal funding?

15 MR. BRUCE SHUPP: Yes.

16 MR. DAVE WAHUS: So that may be an  
17 additional item on the agenda.

18 MR. BRUCE SHUPP: We will do that and  
19 the -- and if they come back, one or both, we could  
20 get the recommendations -- their reaction to our new  
21 recommendations.

22 MR. GREER TIDWELL: Hey, Austin, you  
23 better get Lake Barkley for three days.

24 MS. KATE JACKSON: You will not yet  
25 have the white paper developed, will you, from the

1 legislative working team so that there's an  
2 opportunity for you-all to be comfortable with that  
3 and for me to let my Board have an opportunity to  
4 examine that and feel comfortable coming back to  
5 discuss that. I'm hesitant to agree to that.

6 MR. BRUCE SHUPP: That's a good  
7 point.

8 MR. DAVE WAHUS: So I have six major  
9 items, and there may be a few more. There are less  
10 than 60 days before the next meeting, so we're going  
11 to have to move quickly on developing this agenda.

12 MR. BRUCE SHUPP: That's not an any  
13 more challenging agenda than this one was and  
14 you-all did really well on this one. I'm very proud  
15 of this group. Man, I am proud to just be part of  
16 it. The dedication that you-all bring to your  
17 effort. I'm offering one last chance for input and  
18 we're ready to adjourn.

19 MR. JIMMY BARNETT: Bruce, my comment  
20 a few moments ago is not to say that I haven't  
21 enjoyed working, particularly with my subcommittee  
22 and Council members, it's just that that's all the  
23 time that I feel like I personally have. I would be  
24 willing to do that much, but I just can't do any  
25 more.

1                   MR. BRUCE SHUPP: We can appreciate  
2 that and certainly understand. Anything else? We  
3 are adjourned. Thank you very much.

4                   END OF PROCEEDINGS

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## REPORTER'S CERTIFICATE

STATE OF ALABAMA

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

That the exhibits annexed to this transcript are the true, accurate and only exhibits introduced to the meeting, and that the transcript 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 action; and I further certify that I am are 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 \_\_\_\_\_, 2001.

---

KIMBERLY J. NIXON, RPR  
NOTARY PUBLIC IN AND FOR THE  
STATE OF TENNESSEE AT LARGE.  
MY COMMISSION EXPIRES APRIL 24,  
2004.



# **Water Quality Subcommittee**

## **RECOMMENDED TVA POLICY ON WATER QUALITY MONITORING**

Approved by the  
Regional Resource Stewardship Council  
on August 29, 2001

### **BACKGROUND**

TVA performs water quality monitoring to derive assessments related to the ecological health of streams, rivers, and tailwaters, and to human use of streams and reservoirs. To that end, 31 reservoirs are monitored for physical, chemical, and biological indicators of reservoir condition on an every other year cycle. Over 900 stream sites are monitored on a five-year cycle using biota as indicators of stream condition, and 18 sites on major tributaries are monitored on a two-year cycle using water quality indicators and biota. In addition, monitoring of dissolved oxygen and temperature, tailwater biota, zebra mussel populations, and sampling for radiological analysis is conducted in support of river operations and fossil and nuclear facilities. Finally, bacteriological monitoring at recreational areas, fish tissue studies, sport fishing information, data provision for public and industrial water supplies, and mosquito monitoring are conducted to protect the public health. Information is shared with state agencies, stakeholders, partners, and customers.

### **RECOMMENDATION**

The Water Quality Subcommittee recognizes the invaluable nature of the work done by TVA. That work done early on by the agency formed the basis of the world's understanding of reservoirs. The work should be continued and should be integrated into other water quality and natural resource monitoring efforts. Specifically, TVA's monitoring efforts should be coordinated as much as possible with state watershed assessment cycles, the data should be managed in the national water quality database, and the results of TVA's assessments should be compared with state- adopted water quality standards and coordinated with state and other federal agencies. The level of TVA's efforts are considered to be currently adequate, and should in the future be coordinated with the capabilities and levels of efforts of the states and other federal agencies.

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# **Water Quality Subcommittee**

## **RECOMMENDED TVA POLICY ON RESERVOIR RELEASES IMPROVEMENT (RRI)**

Approved by the  
Regional Resource Stewardship Council  
on August 29, 2001

### **BACKGROUND**

In 1991, TVA took action to address the two most widespread and environmentally-limiting conditions in the Tennessee River system: low levels of dissolved oxygen and intermittent riverbed dry-out in areas below dams. TVA initiated a five-year, \$44 million program to improve dissolved oxygen levels below 16 TVA dams and adopted new year-round minimum flow requirements for tributary and mainstream dams.

Because conditions are different at each dam, TVA developed a wide range of state-of-the-art technologies to meet TVA aeration and flow targets:

- Oxygen injection, surface water pumps, aerating weirs, compressed air, and turbine venting systems are used to add oxygen.
- Re-regulation weirs, turbine pulsing, and small hydropower units (which operate when the main units are shut off) are used to sustain minimum flows.

These changes have improved conditions for aquatic life in over 300 miles of river. Studies show a significant improvement in the number and diversity of aquatic life in many tailwater areas, as well as a dramatic increase in tailwater fishing and local economic benefits.

### **RECOMMENDATION**

Maintain the gains achieved by the Reservoir Releases Improvement (RRI) program by continuing to support the operation, maintenance and enhancement of the water quality improvements to meet tailwater commitments and designated uses.

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# **Water Quality Subcommittee**

## **RECOMMENDED TVA POLICY ON WATERSHED IMPROVEMENT PROCESS**

Approved by the  
Regional Resource Stewardship Council  
on August 29, 2001

### **BACKGROUND**

The water quality in any stream, river, or reservoir is a direct and cumulative result of the various biological, chemical, and physical inputs derived from the watersheds feeding into those water bodies. Making improvements to the water quality of the Tennessee River, its reservoirs and tributaries is best accomplished by actions directed toward changing conditions and practices in the source watersheds to reduce the flow of pollutants into the streams and reservoirs. At the same time it is recognized that water quality improvement is a long-term process and significant progress does not happen in the short term.

TVA began its Clean Water Initiative in 1992, building partnerships with community residents, businesses, and government agencies to promote watershed protection. The program is carried out by TVA's twelve watershed teams, each of which has responsibility for specific hydrologic units throughout the Tennessee River Watershed. The teams work with and support community coalitions to institute agricultural and urban-management practices that reduce water pollution; treat eroded land and stabilize streambanks; plant vegetation and install structures intended to improve aquatic habitat; and collect waste and litter from streambanks and shores.

### **ISSUE**

Concerns have been expressed about the future effectiveness of the watershed team program given its projected flat or declining level of funding.

### **RECOMMENDATION**

The Water Quality Subcommittee recognizes the valuable resource TVA has developed with its watershed teams in bringing their expertise to bear on solving water quality issues in the Tennessee Valley. The watershed team program should be continued and strengthened by integrating its activities with TVA's sustainable economic development initiative and using its experience to highlight economic trends that may adversely affect water quality. The program should also be integrated with the states' water quality planning processes, using that integration to build on others' expertise, experience and efforts.

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# **Public Lands Subcommittee**

## **Policy Recommendation to TVA on Campgrounds Issues**

Approved by the  
Regional Resource Stewardship Council  
on August 29, 2001

In response to questions raised at the May 18, 2001, meeting of the TVA Regional Resource Stewardship Council; and following a review of information provided by TVA's Resource Stewardship staff and TVA's procedural guidelines for commercial campground operations on TVA managed public lands, the Public Lands Subcommittee offers the following findings and affirms the TVA recommendations related to (a) seasonal rental of commercially provided campsites and (b) construction/installation of porches, decks, roofs, and other appurtenant structures by campsite renters.

### **Findings**

- In allowing commercial campground operations on public lands under its administration, TVA constantly strives to meet the demands of its commercial operators, and their recreational clients, while also considering its own operational needs, and the needs and interests of the broader public. This requires allowing operators adequate flexibility for sustaining a reasonable profit stream; and, at the same time, providing sufficient oversight to ensure the availability of public camping opportunities.
- There are currently 46 commercial campgrounds operating on TVA fee-retained lands. These areas provide 2,960 campsites. Of this total, 1,927 (65%) are currently offered for seasonal rental. Of the seasonally rented sites, only 624 (32%) have been modified to include porches, decks, roofs, and other appurtenant structures. This represents 21% of the 2,960 commercial campsites currently available. The subcommittee also recognizes that 90% of the modified sites occur at three campgrounds on Guntersville Reservoir, and 6 campgrounds on South Holston, Douglas, Cherokee, and Norris Reservoirs.
- TVA's current policy of restricting the percentage of campsites made available by commercial operators for seasonal rental (75%) is reasonable and necessary for ensuring public availability of camping opportunities.

Similarly, prohibitions on the construction by campsite renters of decks, porches, roofs, and other types of appurtenant structures, in association with seasonally rented sites, is also necessary to avoid the public perception that campsites are being made available on a longer than seasonal (i.e., 8 months), or permanent, basis. Furthermore, we are in

Public Lands Subcommittee  
Policy Recommendation  
to TVA on Campgrounds Issues  
Approved by the  
Regional Resource Stewardship Council  
on August 29, 2001  
(cont.)

complete agreement with TVA's policy for reducing flood damage risks to private property by prohibiting the placement or construction of decks, porches, roofs, and other types of appurtenant structures below maximum shoreline contour (MSC) elevations.

- The requirement that prior to initiating, or allowing, any site modifications, an operator must first obtain written approval from TVA is entirely warranted and provides a reasonable opportunity for TVA to review any proposed activities that might be inconsistent with the aforementioned operational guidelines.
- Regarding the complaints submitted by renters of seasonal campsites at Fall Creek Campground (Cherokee Reservoir) related to the TVA-imposed deadline of August 15, 2001, for removal of previously constructed decks, porches, roofs, and other appurtenant structures, etc., it is our determination that this deadline was arbitrarily determined, and lacking in any real justification. Furthermore, if enforced, the imposition of such a deadline may have resulted in some degree of stress and hardship for the seasonal renters.

## **Recommendations**

In consideration of the findings presented above, it is the recommendation of this subcommittee that:

- TVA continue operating under its existing procedural guidelines pertaining to the development and operation of commercial campgrounds on TVA-retained lands. However, in applying these guidelines, TVA should remain sufficiently flexible to ensure that both its commercial campground operators, and their rental clients, are afforded ample opportunity to bring themselves into compliance.
- This recommendation is particularly applicable for those situations where commercial operators have allowed the construction of porches, decks, roofs, and other appurtenant structures in association with seasonally rented campsites.
- TVA should negotiate with the individual campground operators where these structures occur to ensure that such structures are removed as attrition / turnover occurs. If TVA and the commercial operator(s) agree that porches, decks, roofs, or other types of appurtenant structures will be allowed, then TVA should provide guidance in what types of structures it will approve.
- The porches, decks, roofs, and other appurtenant structures now in place should be allowed to stay until such time as the seasonal renters no longer use that particular site or if a structure becomes a hazard due to poor design or lack of maintenance.
- Also, TVA should work with campground operators in revising existing leases, licenses, and easements to ensure that in the future, any and all such structures not removed by seasonable renters once they no longer wish to rent the campsite will be the property of the campground.

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# **Public Lands Subcommittee**

## **Policy Recommendation**

### **on TVA Transmission Line Rights-of-Way Maintenance Policies and Practices**

Approved by the  
Regional Resource Stewardship Council  
on August 29, 2001

The TVA power service area contains approximately 17,000 miles of transmission lines. This includes approximately 230,000 acres of easements and fee rights-of-way. To maintain public safety and prevent disruptions of power service, TVA follows policies to limit the height of vegetation under transmission lines and trees near enough to fall into prescribed clearance zones even if they are not on TVA right-of-way. These practices are spelled out in the easements and agreements with property owners. Management of this vegetation is done largely through mechanical and hand clearing and use of herbicides. Private contractors paid by TVA perform the work.

To minimize negative ecological impacts in addition to reducing the number of complaints by property owners who have TVA transmission line easements that must be maintained and to promote vegetative management policies that may reduce costs and complaints over the long term, the following recommendations are offered.

1. TVA should make more effort to contact property owners whose land is to be cleared or re-cleared so that potential problems may be worked out prior to clearing or re-clearing. TVA should ensure that contractors follow appropriate policies and have information about land to be cleared or re-cleared that is adequate to prevent violations of state and federal laws. TVA should take greater responsibility for ensuring that relationships with property owners reflect TVA's intent to be cooperative and responsive.
2. Whenever possible, TVA should create or participate in innovative approaches and partnerships with other units of government or private agencies or property owners who have an interest in natural methods for maintaining vegetative cover for purposes such as recreation and wildlife conservation. For example, a state park with transmission lines may agree to maintain the vegetative cover to provide natural habitat, rather than having TVA clear the land on a regular basis.
3. TVA has done significant work to research and compile user-friendly information about landscaping rights-of-way with natural shrubs. Once installed, this sustainable natural cover could dramatically reduce the cost of future maintenance of transmission line rights-of-way. In addition, this method could reduce complaints and instances of environmental law violations. TVA should institute a pilot project in the use of natural cover with the goal of analyzing its long-term benefits for the purpose of establishing reasonable goals in the amount of right-of-way planted in sustainable cover.

\*\*\*

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# **Navigation Infrastructure Subcommittee**

## **Policy Recommendation**

### **on TVA's Navigation Responsibilities**

### **and Issues on the Tennessee River System**

Approved by the  
Regional Resource Stewardship Council  
on August 29, 2001

The Navigation Infrastructure Subcommittee concludes that to maintain and build navigational assets for the Tennessee Valley for the good of the region and nation, it is imperative that an integrated river system be maintained at the highest level of effectiveness.

It further concludes that TVA, in accordance with its original core mission, has done and should continue to do an efficient and creditable job of managing its water resources and navigation functions.

Therefore, the subcommittee makes the following recommendations to the full Regional Resource Stewardship Council that:

- TVA continue its integrated management of the Tennessee River system.
- Navigation infrastructure be maintained and improved in order to continue operations at optimal levels.
- The system is in immediate jeopardy due to the need for a new replacement lock at Chickamauga Dam. Replacement of the lock is a priority.
- TVA fully support the lock addition project at Kentucky Dam.
- The Regional Resource Stewardship Council strongly advocate the use of federal funds to maintain and improve the Tennessee Waterway system.
- Necessary funding be provided in an equitable and timely manner.
- TVA continue its strategic partnerships with other federal agencies to ensure continuity of operation and maintenance of the Tennessee River system and explore additional funding opportunities.
- The economic costs and benefits of an increased minimum navigation channel depth be evaluated. This should be part of any comprehensive analysis of operational changes to the multiple-purpose river system.

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