



Tennessee Valley Public Power Association NEWS

Vol. 3

OCTOBER, 1952

No. 10

MISSOURI BASIN SURVEY COMMISSION VISITS VALLEY AREA

WILSON REVEALS GOAL OF PRIVATE UTILITIES

The real goal of the private utility industry was undoubtedly announced in a speech by Charles E. Wilson, former president of the General Electric Company, and, more recently, director of the Office of Defense Mobilization. In typical fashion, Mr. Wilson does not use half-way measures and does not move by indirection as the lobbyists so frequently do. He boldly and arrogantly states that the Government should sell their electric utility properties. Mr. Wilson does not propose to hamstring public power; he proposes to *kill it* for all time.

One of the most often repeated charges of the private utility proponents against the public group is that we want to take over the power industry in this country. This has never been true and is an allegation which they use as a springboard for their charge of socialism. Mr. Wilson, on the other hand, leaves no doubt whatever about the intentions of the private utilities if they get sufficient control in the November elections. If he has his way the electric user will have no choice as to whether he serves himself or hires someone else to do it.

Wilson Admits Public Utilities Are Sound

In referring to the public power projects Mr. Wilson says, "They are sound and going businesses, and they are serving an important public need. We have never argued the need—just the method." Again Mr. Wilson, in forthright fashion, doesn't make ridiculous claims that these projects are a burden to the taxpayers and that they are an imposition on one section of the country for the benefit of the other. As you would expect, he truthfully and directly states that they are sound and going businesses. As far as he is concerned the only thing wrong with them is that they should be earning

(Continued on Page 4, Col. 3)

TVA AGAIN PROVES ITS USEFULNESS

To those people who have continually claimed that the TVA was a burden upon the people of the United States, the following news release should be quite revealing to them, because the economy of one section of the country will definitely affect other sections of the country; and, had it not been for the Tennessee Valley Dams in the Tennessee Valley area, this particular section of the country would have suffered immensely during the past 9 months due to the limited amount of rainfall. Not only would the cities within the Valley have suffered for the lack of water, but, also, the farms and pastures would have suffered much more than they did during the severe drought. The following news release, issued by the Tennessee Valley Authority, is self-explanatory and very revealing.

Water Flow Recorded

"Had it not been for release of water previously stored behind TVA dams, the Holston River at Kingsport this summer would have been about two inches deep on the gage, the Tennessee River at Knoxville would have been about one foot deep, at Chattanooga five and a half feet deep, and at Florence, Alabama, about one foot deep. Prior to TVA the Tennessee River and its tributaries have reached even lower depths—but not much lower—according to TVA engineers.

"The flow of the Holston River past Kingsport, for example, would have been 430 cubic feet per second during the week ending July 29. The lowest recorded flow there was 406 cfs in September 1925. But because of TVA releases from South Holston and Watauga Dams, the minimum flow past Kingsport this year actually during that week was 2250 cfs. Engineers say that the water requirements for Kingsport, including those of the Tennessee Eastman Corporation and the

(Continued on Page 4, Col. 2)

Senator Murray Leader

On September 18 four members of the Missouri Basin Survey Commission, appointed by President Truman to study the needs for a Missouri Valley Authority, arrived in Chattanooga for the purpose of talking with local business people, and with officials of the Tennessee Valley Authority, to determine just how the Tennessee Valley Authority operates, and the attitude of the local people toward TVA.

Those in the party were Sen. James E. Murray (Dem., Mont.); Dean H. T. Person, College of Engineering of the University of Wyoming; Harry J. Peterson, Executive Manager of Minnesota State Association of Cooperatives; Kenneth Holum, South Dakota farmer and member of the state legislature of that state; and Harry A. Steele, Assistant Executive Director of the Commission which has its headquarters in Lincoln, Nebraska.

Valley Area Praised

The Senator from Montana and his associates were very high in their praise of the Tennessee Valley Authority and the progress that the Valley area has made over the past two decades. The Senator said that after the studies of the Commission visiting the Valley, and determining the needs of the Missouri Basin, they are more than ever convinced that there is a definite need for a Missouri Valley Authority.

"All over the nation," the Senator said, "you hear that the TVA is a failure and a fizzle, that it is socialistic. We are finding down here that this is untrue. We are finding that TVA is not actually doing things for the people, but is providing opportunity so that the people can do the things for themselves. I think TVA is making a great contribution to private enterprise, even, and I see no reason why any businessmen should oppose it. Our region needs an MVA. Our territory is larger than yours. It includes 10 states

(Continued on Page 3, Col. 2)

Tennessee Valley Public Power Association News

Published by
TENNESSEE VALLEY PUBLIC POWER
ASSOCIATION

Electric Power Board Bldg.
Sixth and Cherry Streets
Chattanooga 2, Tennessee

J. Wiley Bowers, Executive Secretary • Phone 6-5045



"THE PEOPLE'S FIGHT FOR LOW COST POWER"

The Electric Consumers Information Committee has published one of the most comprehensive documents ever to be printed in support of the public power movement.

Entitled "The People's Fight For Low Cost Power," the booklet is, in essence, a report of the Electric Consumers Conference held in Washington in late May. Speeches delivered by President Truman and other national figures are liberally quoted from in the document to provide all public power advocates with the answers to every attack of the private power propagandists.

Nine chapters are contained in the booklet. Each discusses a particular topic, such as the preference clause, the rural electrification program, free enterprise gains made possible through public power development, the propaganda technique employed by the private utilities, the assault on federal agencies charged with the responsibility of developing public power, specific examples of the efforts of private utilities to throttle public power development, the smear technique with respect to the false cries of Socialism and, lastly but most important, the steps necessary for the protection and promotion of the public power movement.

In the statement of principles adopted at the Consumers Conference the declaration was made that—

"The American people's heritage of power resources is threatened today by unreformed private power monopolists, defending their high-cost, scarcity-supply policies by the immoral use of rate-payers funds to corrupt our sources of information, our educational institutions and the democratic processes themselves."

The booklet, at the outset, succinctly describes how the ECC came about and tells the story of the conference in this language:

"The multi-million dollar propaganda drive of the Power Lobby has begun to backfire. Fighting angry because of its effects upon public and cooperative power programs, more than 500 representatives of electric consumers, wholesale and retail, met in the Nation's Capital on May 26 and 27, 1952, to take counsel and to answer the attack upon their properties by the private utilities.

"Because the delegates from public and cooperative power agencies represented families, individuals, and business organizations using electric current flowing through about 6,000,000 meters, the meeting was called the Electric Consumers Conference. In addition to delegates from municipal, county, state and Federal generating and distributing systems, there were representatives of national farm and labor organizations, and consumer cooperatives.

"The spontaneous response to the Conference call, the intense interest evidenced in the problems presented, and the strong resolve of the delegates to protect public and cooperative power programs made the Conference an extraordinary gathering.

"As speaker after speaker told how the influence of private

NEW SECTION AUTHORIZED

The Executive Committee of the Association has authorized the forming of a new section in the association to deal particularly with domestic and farm power utilization.

Now that most of the distributors have completed the major part of their construction work, they are going to have to promote the sale and use of electricity to increase their earning power.

The Executive Committee believes that through such an organization as the one now being organized there will be a perfect media for the distributors on such matters, in that the people who deal directly with the sale and use of electricity will be able to meet together, exchange ideas, and act as an information source to any power distributor.

It is hoped that every power distributor who has utilization personnel will permit them to participate in the activities of this new section.

UNION CITY NOW TVA PURCHASER

Union City, Tennessee, has now joined the list of distributors purchasing power from the TVA in the Tennessee Valley area. This brings the total of distributors in the Valley to 147, 97 of which are Municipal and 50 are Cooperative.

Malcolm Sellers, who was manager of the Milan Dept. of Public Utilities, is now manager of the Union City Utilities.

To serve this new utility, the TVA installed a 10-million

(Continued on Page 4, Col. 3)

utility interests was thwarting development in various parts of the country, it became evident that the attack upon public and cooperative power enterprises representing investment of hundreds of millions of dollars was well financed and centrally directed.

"It also became clear that the influence of Power Lobby misrepresentation was being felt throughout the nation by Federal, state and local governments."

The booklet describes the manner in which many speakers refuted the accusation of Socialism. The best summation on this point was made by Senator Lister Hill of Alabama, who told the conference:

"They say it is free enterprise for them to have it and socialism for you to have it. Of course, it is neither and they know it. I know no definition of democracy that requires that the people surrender the rains from the Heavens. I know no definition of free enterprise that imposes on private business the responsibility for controlling the floods, conserving and restoring the soil and the forests, deepening the rivers for navigation and commerce, or harnessing the streams for irrigation and energy. The waters that gather on the mountain peaks and flow down to the sea are the property of no man or corporation. They are a part of that vast body of natural resources given by our creator for the use and benefit of all the people. No private business ever has or ever could undertake their comprehensive development. That is a job for the American people, through their government."

The Electric Consumers Information Committee, now functioning actively as an outgrowth of the May conference, has printed 10,000 copies of the booklet and is prepared to print more in the belief that the fundamental policies embodied in the public power program get their strength through enlightened public opinion.

Copies of the booklet may be obtained in large or small quantities at nominal charge from Dr. Clay L. Cochran, coordinator of the Electric Consumers Information Committee, 1303 New Hampshire Avenue, N.W., Washington, D. C.

—Sam O'Neal.

TVA SALES INCREASE

G. O. Wessenauer, Manager of Power, announced today that during the past governmental fiscal year, which ended on June 30, TVA sold 20,177,163,476 kilowatt-hours of electricity for \$94,466,655. This was nearly four billion kilowatt-hours more than it sold during the previous year when sales were 16,522,036,634 kilowatt-hours and revenues \$69,826,532.

Sales to municipal and cooperative systems under standard TVA contracts accounted for \$41,632,643 of the total, Mr. Wessenauer said. The balance was received from sales to a number of large industrial organizations, several federally operated projects, a few privately owned utilities, and TVA's own operations.

The municipal and cooperative systems on standard contracts used 9,774,583,308 kilowatt hours.

The 96 municipal systems served under standard contracts purchased 7,949,243,964 kilowatt-hours for \$32,487,097. This was 683,210,216 kilowatt-hours more than they bought during the fiscal year 1951. Of the 1952 total the four metropolitan areas of Knoxville, Chattanooga, Nashville, and Memphis bought 4,684,503,490 kilowatt-hours and paid \$18,027,144. The figures for the four cities were: Knoxville 827,818,997 kwh for \$3,235,765; Chattanooga 1,452,936,410 kwh for \$5,430,595; Nashville 1,147,883,804 kwh for \$4,658,242; Memphis 1,255,864,279 kwh for \$4,702,542.

The 50 cooperative systems served under standard contracts bought 1,825,339,344 kwh for \$9,145,546. This was 265,415,693 kwh more than they used during the prior 12 months. Largest user of power among the cooperatives was the Duck River Electric Membership Corporation, Shelbyville, Tennessee, which bought 109,841,950 kwh for \$548,963. Other large users among the cooperative systems were: Gibson County Electric Membership Corporation, Trenton, Tennessee, 99,723,789 kwh for \$500,556; Middle Tennessee Electric Membership Corporation, Murfreesboro, Tennessee, 85,931,774 kwh for \$430,873; Cumberland Electric Membership Corporation, Clarksville, Tennessee, 81,086,180 kwh for \$409,689; Volunteer Electric Cooperative, Decatur, Tennessee, 81,177,163 kwh for \$407,730.

260% INCREASE SEEN IN ELECTRICAL USE

The private utilities are continually making the claim that there has never been, and there is no prospect for, a
(Continued on Page 4, Col. 2)

MINOR REQUIREMENT QUOTAS RELEASED

Electric Utilities have been informed by Administrator James F. Fairman, of Defense Electric Power Administration, that minor requirements quotas for the first quarter of 1953 and advance quotas for the second, third and fourth quarters of 1953, subject to inventory limitations of NPA Order M-50, have been established by DEPA as follows:

Controlled Material and Type of Quota	Percentages			
	1Q53	2Q53	3Q53	4Q53
Aluminum				
Standard Quota	22.5	18.0	16.875	13.5
Alternative Quota	90.0	72.0	67.5	54.0
Copper				
Standard Quota	15.0	12.0	11.25	9.0
Alternative Quota	60.0	48.0	45.0	36.0
Carbon Steel				
Standard Quota	14.0	14.0	14.0	11.2
Alternative Quota	56.0	56.0	56.0	44.8
Alloy Steel				
Standard Quota	18.75	18.75	18.75	16.875
Alternative Quota	75.0	75.0	75.0	67.5
*Stainless Steel				
Standard Quota	18.75	18.75	18.75	16.875
Alternative Quota	75.0	75.0	75.0	67.5

* Use only to order valid requirements of nickel bearing stainless steel (containing 1 percent or more of nickel). See Industry letter No. 36.

("Standard Quota" means the percentage of use during the entire calendar year 1950; "Alternative Quota" means the percentage of use during the corresponding quarter of 1950).

The utilities are reminded that Direction 6 to CMP Regulation 6 permits placement and acceptance of authorized controlled material orders for steel bearing third quarter 1952 and fourth quarter 1952 allotment designations until two months after the end of the calendar quarter, provided suppliers can schedule delivery within such periods. Inasmuch as there is no present plan to extend first quarter 1953 steel allotments beyond March 31, 1953, authorized controlled material orders for this quarter must be placed and accepted for delivery by March 31, 1953.

SURVEY COMMISSION

(Continued From Page 1)

which have one-sixth of the nation's land area and unlimited resources awaiting development."

Power Board Host

The Electric Power Board of Chattanooga, through its chairman of the board, Mr. L. J. Wilhoite, and other members of the board, was host to Senator Murray and his group at a dinner given at the Patten Hotel. After the dinner the members of the commission thoroughly questioned the persons present with regard to the operations of TVA and whether or not it interfered with the sovereignty of the states involved. The Commission was quickly assured that the

SAFETY AWARD WON BY CO-OP EMPLOYEE

On November 20, 1951, Willie T. Goodman, lineman, employed by the Duck River EMC, came in contact with an energized conductor on a 7200 volt circuit. He was attempting to install armor rods on a de-energized conductor. In coming in contact with the energized conductor, Goodman was rendered unconscious and fell clear of the energized wire but did not fall down the pole. Pole top resuscitation was performed by a fellow lineman, George E. Mabe. This method was continuously applied by Mabe while Goodman was brought down the pole by the foreman, Clayton Goin.

Artificial respiration was performed both on the pole and while bringing the man down the pole for approximately 5 or 6 minutes. By the time he reached the ground, Goodman was breathing and was taken to a hospital in Lewisburg, Tennessee, where he was treated for shock and third degree burns on the left ring finger and palm of hand.

For his work in resuscitating the injured, George E. Mabe is to be awarded the National Safety Council President's Medal, and Clayton Goin is to be awarded a Certificate of Assistance.

This is another instance where proper training of employees has paid off in the saving of a life.

TVA in no way interfered with the sovereignty of the states in the Valley area, neither economically nor politically.

Among those present at the dinner, and who were called upon to describe the various developments in the Tennessee Valley, were Mayor P. R. Olgiati, Mayor of Chattanooga; J. C. Hundley, Executive Director of the Tennessee Rural Electric Cooperative Association; Mark Stewart, President of the Tennessee Valley Public Power Association, and Manager of the Sand Mountain Electric Cop; B. H. Odom and Roy McKenzie, members of the Electric Power Board of Chattanooga; Lou Williams, President of the Keep Tennessee Green Association; Chancellor Alvin Ziegler; George Parker, chief engineer, Electric Power Board; Mouzon Peters, farm editor of The Chattanooga Times; Rep. J. B. Frazier; C. B. Osborne, Electric Power Board of Chattanooga; and the Executive Secretary of Tennessee Valley Public Power Association.

Sen. Murray and his group spent the day of September 19 viewing the TVA installations in and around Chattanooga, and then traveled on to Knoxville, Tennessee, for a conference with Gordon Clapp, TVA Chairman, and other officials of Knoxville and TVA.

RIVER TRAFFIC BEYOND EXPECTATIONS

As this Association is always advocating that the TVA benefits the nation as a whole, we are glad to report that the TVA has just issued a news release on the savings to the Tennessee Valley area in the use of the channel in the Tennessee River for various shippers. This not only represents a savings to the Valley area, but it means an increase in net profits to those shippers outside of the Valley who are shipping into the Valley area. The news release states that shippers using the Tennessee River channel in 1951 saved approximately eight million dollars over alternate methods of shipping goods and raw materials. This is only one million dollars under the annual savings which TVA estimated several years ago would be made by shippers by 1960. These savings were estimated at 3,750,000 tons shipped on the river.

This report was released by J. Porter Taylor, Chief of TVA's Navigation and Transportation Branch.

In the report, Mr. Taylor stated that, "For the first six months of 1952 traffic volume reached an estimated 2,500,000 tons, and at the present accelerated pace of traffic growth we shall have about 5,500,000 tons for the year, or only 1,500,000 tons below our 1960 estimate with eight years still to go.

"Where do we stand today on the Tennessee River as to the comparison of navigation benefits with costs? The total allocated investment for navigation is about \$155,000,000. The annual costs in 1951 totaled about \$3,620,000, including depreciation and operations of TVA, the Coast Guard, which marks the channel, and the Army Engineers, operators of the locks. With estimated savings of eight million dollars in 1951, benefits or savings to shippers exceeded costs by \$4,380,000, giving a return on the depreciated investment of 3.1 percent."

Mr. Taylor said that 45 terminals have been built along the river. Four of these were general public terminals constructed by TVA during the war. Located at Knoxville, Chattanooga, Guntersville, Alabama, and Decatur, Alabama, they have since been leased to private operators.

"Judging from developments which have taken place in the last six months, these private operators are doing an excellent job, and there is a continuous flow of traffic through each terminal," he said.

POWER BUSINESS
IS PUBLIC BUSINESS

TVA

(Continued From Page 1)

Holston Ordnance Plant are about 500 cfs.

"At Knoxville the flow under natural conditions would have been 3040 cfs during the week ending on July 29; the lowest of record was 1590 cfs in 1925. Actual flow this year was 12,800 cfs owing to releases from Douglas and Cherokee Dams.

"At Chattanooga the low flow of 7,000 cfs this year would have come during the week ending on August 2. Lowest of record was 3,390 cfs in 1925. With upstream releases the actual flow this year was 24,500 cfs.

"At Florence, Alabama, during the week ending on August 2 the flow would have been 4,390 cfs; the 1925 low was 4,300 cfs. Actual flow this year was 24,800 cfs.

"The low flow at the Kentucky Dam location, had there been no TVA dams, would have been 4,630 cfs; the record low flow there was 4,550 cfs in 1925. Actually the flow was 28,100 cfs. However, the depth of the river at the Kentucky Dam location is affected by backwater from the Ohio River's series of dams. Because of this backwater the depth there would have been about 15 feet even with just a trickle of water coming down the Tennessee. With neither Ohio River nor TVA dams the depth of water at the Kentucky Dam location would have been very low—much below the minimum requirements for navigation.

POWER SHORTAGE

(Continued From Page 3)

shortage of electric energy in the United States; yet, one of the leaders in the private utility field, Richard J. Lund, engineering economist of the Battelle Memorial Institute, in a speech given at the Centennial of Engineering stated that by 1975 there would be a 260 percent increase in the demand on the electric industry. If Mr. Lund is correct in his predictions, and the electric energy of electric utilities expand at the present rate, it will mean that there will be a continual shortage for the next two or three decades.

Mr. Lund stated that the increased demand for power would be particularly great in the steel industry and the mining industry, as well as in the titanium and aluminum industries.

Assuming that Mr. Lund's predictions are correct, it again proves our contentions that there is plenty of room for both the private and public utilities, and it would behoove both of them to spend more time on expansion programs and less time on propaganda campaigns.

TRANSFORMERS NEEDED

Wanted To Buy: Three transformers 7200 volt primary 2300 or 2400 volt secondary. Any power distributor in the Valley area having this type transformer for sale should write direct to Dick Shoulders, Manager, Cairo Public Utility Commission, Box 591, Cairo, Illinois, or to the Executive Secretary's office.

WILSON

(Continued From Page 1)

a profit for the banking houses and insurance companies of the country.

Wilson Spokesman

Make no mistake about the fact that Mr. Wilson is an accredited spokesman for the private utility industry. He holds no office, but the "lesser lights" who spend their time lobbying most certainly are not going to undertake an argument with "Uncle Charlie" if they can possibly avoid it. He is truly one of the big men in the industry. He is honest. He is forthright. You can depend upon it that what he is saying will be the program if they think they can get away with it.

It is good that the public power people at long last are in position to tell all the users of electricity what they can expect if private power gains complete control. Compare what you paid for electricity in 1928 with what you are paying for it now and see if you think Mr. Wilson's suggestion is in your interest or in the interest of the large utility companies. Then ask Mr. Wilson this question: When he was president of General Electric did he try to pay their debts by selling their factories? That's what he is proposing that the American people do with their assets.

UNION CITY

(Continued From Page 2)

watt substation at Union City and a 6-thousand watt transmission line from Martin to Union City. This will serve Union City and also increase the power supply to Gibson County Electric Membership Corporation, which serves 20,100 members, more than is served by any other electric cooperative in the United States.

POWER BUSINESS
IS PUBLIC BUSINESS