



Tennessee Valley Public Power Association NEWS

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No. 9

Distribution Practices Section Open Meeting

TVA VITALLY AFFECTED BY ACTION OF 83RD CONGRESS

The future of the Tennessee Valley Authority and the area it has served so successfully for more than twenty years will be vitally affected by action during the last session of Congress and, also, by decisions in recent months of the executive branch of the Federal Government.

The most important developments affecting the TVA might be listed as follows:

1. The refusal of the Budget Bureau and the Congress to approve TVA's urgent request for funds to start construction of the Fulton steam plant, near Memphis, or for funds for any additional steam generating units elsewhere.

2. The White House directive, now in process of being brought to fruition, to inject the Dixon-Yates combine into the picture as the producer of power for TVA, with the Atomic Energy Commission acting as a power broker for TVA.

3. The refusal of the administration to give any consideration whatsoever to the reappointment of Gordon R. Clapp as chairman of the TVA board, despite his outstanding record and the appeals, on a non-partisan basis, of the people of the Tennessee Valley area and members of Congress from states served by TVA.

There were other actions inimical to the best interests of TVA but they simply fit into the overall pattern outlined so clearly in the three developments listed above. A less-than-friendly attitude toward all public power has been demonstrated in Washington throughout the year. In fact, if this trend continues the whole public power movement is in for some very rough sledding.

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EXECUTIVE BOARD MEMBER W. H. SAXTON, MANAGER TALLAHATCHIE VALLEY, EPA, BATESVILLE, MISSISSIPPI



W. H. Saxton was born June 7, 1909, in Yazoo County, Miss. He is a graduate of the Yazoo County Agriculture High School, and Mississippi State College, graduating with a B.S. degree in Electrical Engineering in 1932. From 1932 to 1938 he was power plant engineer with the Public Service Commission at Yazoo City, Miss. In 1938 he was employed as superintendent of the Tallahatchie Valley Electric Power Association and has been employed as manager of same since 1939.

Mr. Saxton is married to the former Annette McRaven and they have three daughters, Margaret Ellen, age 15; Ann,

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October 25-26

The Distribution Practices Section of the Association is holding its annual open meeting at the Andrew Jackson Hotel, Nashville, Tennessee, Monday and Tuesday, October 25-26. Some of the topics to be covered are: "Residential Air Conditioning," "Commercial Air Conditioning," "Rural Electric Systems," "Aluminum and Copper Connections," "Street Lighting," "Wood Preserving," "House Heating," and a safety demonstration.

The program committee has planned a very excellent program and it is hoped that a large number of distributors will be represented.

A regular social hour will precede the annual banquet on Monday night, with the various manufacturers and wholesale distributors being the host.

Make your plans now to be in attendance. The printed program will be distributed to all interested persons in the very near future.

TVA MORE THAN POWER PRODUCER

Because of the major campaign by all of the private utilities against TVA's power program, most people lose sight of the fact that TVA has many other functions besides the producing of power. The following editorial appeared in the Florence Times and calls to attention the fact that TVA is other than a power producer. We quote from the Florence Times:

"We presume that the way the people of the Tennessee Valley have been kicked around at Washington, and their regional agency booted about in ingratitude, makes it useless to mention that TVA supplied 60 per cent of the elemental

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83RD CONGRESS

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Clapp Not Re-appointed

Long before Mr. Clapp's term expired in May it was certain he was not to be reappointed. It was obvious to a group of TVA supporters who called at the White House to present to President Eisenhower a petition signed by more than 60,000 Valley residents urging the chairman's reappointment. It also was quite plain to Senators and Representatives who called on the President.

Mr. Clapp, although he was the head of a government corporation doing a gross annual business of more than \$200,000,000, was never invited to the White House after January, 1953, to discuss TVA's operations with the President. The TVA Act very plainly implies that the TVA board is to report to the President. President Eisenhower was not even advised of the fact that TVA has had an office in Washington for twenty years. It is obvious that spokesmen for private power have had the ear of administration leaders.

The disclosure that the Budget Bureau had turned down TVA's request for funds for the Fulton steam plant came when the President's budget message was submitted to Congress last January. Vague references were made to the fact that negotiations had been started with private power companies to supply TVA with between 500,000 and 600,000 kilowatts of power as an offset to that amount of power which TVA is supplying the Atomic Energy Commission plant at Paducah, Kentucky.

Fulton Plant Rejected

The decisions of the White House and its agent, the Budget Bureau, eliminated whatever slim chance there might have been for our Representatives and Senators to obtain funds adequate for the area's growing power needs. Only valiant work by area members of Congress prevented deeper cuts in TVA appropriations and the writing-in of crippling provisions such as one approved by the House Appropriations Committee stripping TVA of the authority to control resale rates of distributors.

Proposed Dixon-Yates Contract

The proposed contract with the Dixon-Yates group first was unveiled in June before the Joint Atomic Energy Committee, a permanent Congressional committee composed of members of both the Senate and House. At public hearings it was established that three of the five members of the Atomic Energy Commission were on record in opposition to the Presidential directive.

Serious doubts were raised as to the legality of the proposed action. These doubts were recognized by the administration, as established by the fact that Senator Homer Ferguson submitted an amendment to the Atomic Energy Act empowering AEC to negotiate such a contract. The amendment

was approved during the long debate on the bill, described by many as the most important legislation passed during the last session.

Only the strong opposition of Senators friendly to public power prevented enactment of legislation which would have removed the development of atomic power for peaceful purposes from any government controls whatsoever. At best, the bill, as passed, will damage the public power cause but there are some safeguards in the law, provided in the future it is administered by friends of public power.

The extraordinary Dixon-Yates proposal did serve one useful purpose. It was the spark which touched off the long Senate debate on the Atomic Energy Act and so focused attention on some of the bill's other provisions. The manner in which the Bureau of the Budget has handled the Dixon-Yates-AEC contract is astounding. The administration's most determined opponents never had any idea that they would go to the lengths that they resorted to to try to force this contract on the people of the Tennessee Valley. We must state, in all candor, that as bad as the Dixon-Yates proposal is, it will be much less harmful to the entire country than will the new Atomic Energy Bill. The new AEC bill will probably cost the American taxpayers far more than the Tidelands Oil maneuver.

Vogel Named Chairman TVA

The future direction of TVA has been placed in the hands of Brig. Gen. Herbert D. Vogel, who was nominated by President Eisenhower in early August to succeed Mr. Clapp. General Vogel will, of course, work with the other two TVA directors, Harry A. Curtis and Raymond R. Paty.

General Vogel made a good impression in his appearance before the Senate Public Works Committee for confirmation. He showed an awareness of TVA's operations and problems, expressed his belief in the wisdom and feasibility of the TVA Act and declared it his opinion that TVA should have direct charge of providing for the future power needs of the Valley area.

In the light of developments during the last year we hope that General Vogel and all supporters of the TVA reflect upon the wisdom of Mr. Clapp's statement to the Information Committee of the Tennessee Valley Public Power Association upon the eve of his retirement. It was then that Mr. Clapp said:

"The firmness with which the distributors of TVA power have stood behind the public interest objectives expressed in the TVA Act, despite the tactics and insistent persistence of the enemies of TVA to break up this demonstration of the widest possible use of electricity at the lowest possible cost, is an inspiration to any public servant. It has been an inspiration and source of strength to TVA and to me.

"The case for future power supply to this great region and the national defense establishments in it, including the atomic energy program in which additions to the TVA system provide the best and most economical and efficient answer, represents an issue that can be won. The Valley will win out for the national interest if the lines remain firm against deceptive compromises. I am confident that the TVA board as now constituted will continue to hold the facts to the light. And the facts assessed by intelligent understanding argue clearly for the Fulton plant built and operated by the TVA. It is far, far better for the Valley to live through a temporary power shortage while fighting for the right answer than to fall for compromises that will saddle the region and the national defense with excessively high power costs for the next 20 years."

**TVA PURCHASES
COVER 48 STATES**

In reporting on the expenditures of TVA for the fiscal year 1954, Paul Fahey, TVA Director of Materials, disclosed that the value of purchases of TVA during 1954 were \$146,384,494, purchases including manufactured articles, raw materials, and miscellaneous services such as truck and team hire, right-of-way clearance, rental of office space, etc.

TVA orders were placed in all forty-eight states and in the District of Columbia. States outside the Valley receiving orders having greatest values were: Pennsylvania, New York, Ohio, Illinois, Wisconsin, Delaware, Missouri, Louisiana, Texas, New Jersey, Michigan, Minnesota, Oklahoma, Connecticut, and Florida. A small sum, less than \$11,000, went to firms in other countries, through U. S. agents.

Mr. Fahey stated that TVA purchases since the agency was formed have amounted to \$1,555,009,825. Of this amount, \$933,474,491 was spent in the forty-one states outside of the seven state Valley area and the District of Columbia.

This report goes a long way to refute the charges that TVA is being subsidized and at the expense of the taxpayers of other regions. It is a well known fact that TVA is paying an average of 4% on its power investment, and by the purchasing of materials in the other states, it has gone a long way to alleviate the unemployment situation in these states.

SAXTON

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age 10, and Olivia, age 6.

He is a member of the official board of the Batesville Methodist Church, member and past president of the Batesville Rotary Club, past president of the North Mississippi Industrial Development Association, chairman of the board of trustees of Batesville Special Consolidated School district, president of the Batesville Chamber of Commerce, and is a registered professional engineer in the State of Mississippi.

The Tallahatchie Valley EPA was one of the original members of TVPPA, and Mr. Saxton has been very active in the work of the Association. He is now serving his second term on the executive board.

**POWER BUSINESS
IS PUBLIC BUSINESS**

IN MEMORIAM



HUGH M. RICHARDSON

The power distributors in the Tennessee Valley area were shocked and saddened by the untimely death of Hugh M. (Dick) Richardson of the Line Material Company, Nashville, Tennessee. Dick, as he was known to his many friends, was well known and well liked by all who knew him, and his presence at meetings of the Association was always enjoyable.

Dick was born October 29, 1895, at Martin, Tennessee. He died July 19, 1954, in the St. Thomas Hospital, Nashville, Tennessee. At the time of his death he was residing at 3816 Richland Avenue, Nashville.

He attended the McFerrin Preparatory School, Martin, Tennessee, and the University of Tennessee at Knoxville, Tennessee. He served in the U. S. Army during World War I, carrying the rank of Lieutenant, and saw combat in France. He was holder of World War I Croix de Guerre.

In 1920, Dick went to work for the Tennessee Electric Power Company and worked with them until 1939 when their properties were acquired by the TVA. He spent two years with the TVA and then transferred to the Enterprise Electric Company, Baltimore, Maryland, and came with Line Material Company in 1944, remaining with them until his death.

He was a member of the Elks, American Legion, ATO Social Fraternity, Masons, Shriners, and the Belmont Methodist Church in Nashville.

He is survived by his wife, Mrs. Mar-

**EPB LEADS NATION
IN KWH USAGE**

The Electric Power Board of Chattanooga leads the nation in average kilowatt-hour sales of electricity per residential customer, according to figures made public in the July issue of the Electric Light and Power Magazine, copies of which have just been received here.

A tabulation showing 172 electric companies serving 33,941,013 residences, which is 81 per cent of all those served in the United States, gave Chattanooga consumption as 7,380 kilowatt-hours annually per residential user as of December 31, 1953.

(S. R. Finley, general superintendent of the Electric Power Board of Chattanooga, pointed out that as of June 30 Chattanooga residential consumption had increased to 8,143 kilowatt-hours.)

Listed in order the six highest average residential users of electricity in kilowatt-hours as of December 31 were shown as follows:

Electric Power Board of Chattanooga.....	7,380
Cal.-Oregon Power Co.....	7,332
Tacoma, Wash.....	7,244
Knoxville, Tenn.....	7,061
Eugene, Ore.....	7,000
Nashville, Tenn.....	6,863

Of the six, all but one, California-Oregon Power Company, are municipally owned systems, Finley said.

The tabulation shows the average United States residential customer used 2,632 kilowatt-hours compared to the 7,380 kilowatt-hour use in Chattanooga. The local figure is nearly three times as much as the national average.

Figures on kilowatt-hour average residential sales by power companies in the area around Chattanooga were shown as follows:

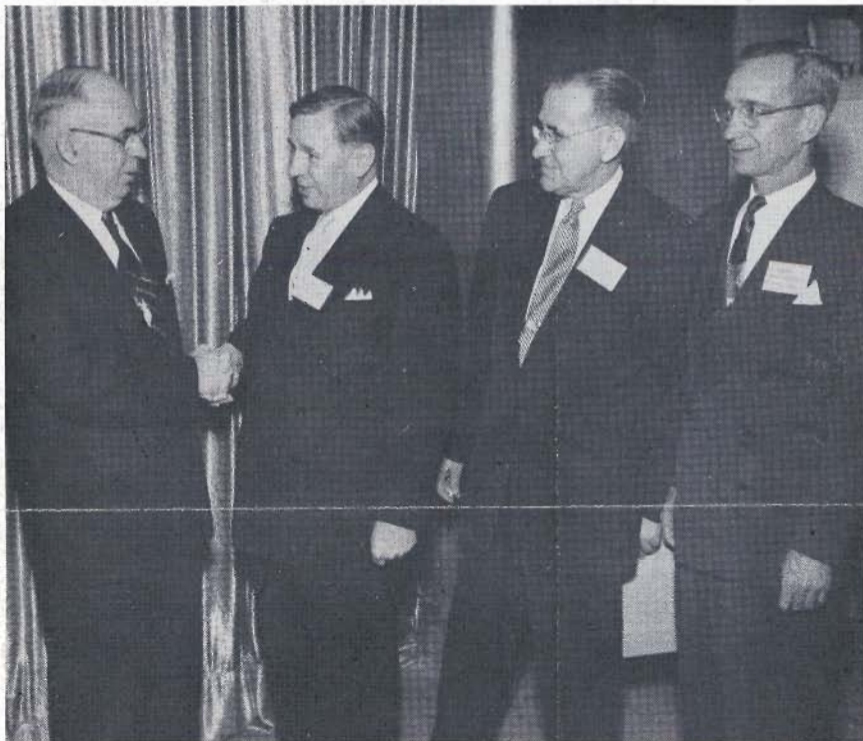
Duke Power Company.....	3,450
Carolina Power and Light Co.....	3,031
Georgia Power Co.....	2,755
Alabama Power Company.....	2,491

Largest TVA construction blast occurred at South Holston Dam site on February 5, 1949, when 1,300,000 pounds of explosive loosened an estimated 1,700,000 cubic yards of stone.

guerite Pierson Richardson of Nashville; son, H. M. Richardson, Jr., Chattanooga; mother, Mrs. Ethel McClain Richardson and brother, Roland Richardson, both of Nashville; two sisters, Mrs. S. Bruce Russell, Park Forest, Illinois, and Mrs. Glenn Fite, Macon, Georgia, and five grandchildren.

The Association offers its condolences to Mrs. Richardson and the other survivors.

APPA OFFICERS 1954



The new officers of the American Public Power Association for the year 1954 are shown above after their election at the annual meeting of APPA in Chicago. They are, left to right, R. L. Schacht, general manager of the Consumers Public Power District, Columbus, Nebraska, president; William S. Peterson, assistant general manager and chief engineer, Department of Water and Power, Los Angeles, California, executive vice president; C. E. Pray, manager of collections and accounts, Board of Public Utilities, Kansas City, Kansas, re-elected treasurer; and W. E. Hooper, general manager, Power and Water Department, Sheffield, Alabama, vice president. Mr. Hooper is also a member of TVPPA.

S. R. Finley of the Electric Power Board of Chattanooga, Tennessee, and Major Thomas H. Allen of the Light, Gas & Water Division, Memphis, Tennessee, both of whom are members of TVPPA, are past presidents of APPA. Mr. Finley is also past president of TVPPA.

POWER PRODUCER

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phosphorus used by our armed forces to produce smoke screens and incendiary bombs and shells during World War II; produced large tonnages of ammonia and ammonium nitrate for the explosive and munitions program; over a quarter of a million tons of calcium carbide for the synthetic rubber program, and is now making G-Gas ingredients. . . . This newspaper believes that there has been no agency of the U. S. Government in the history of this country that has done so much for the people of a region, and the nation as a whole, and been so thoroughly cursed and defiled for preserving the public interest at great personal sacrifice and hazard."

**POWER BUSINESS
IS PUBLIC BUSINESS**

TVA FACTS AND FIGURES

The pump-turbine which TVA is installing in Hiwassee Dam is the world's largest.

The estimated annual per capita income in the Tennessee Valley region is \$1,005.

Estimated 1950 population of the 201 counties that are in either the Tennessee River watershed or the TVA power service area is 5,900,000.

Greatest known flood in Chattanooga, Tennessee, was in 1867 when 10 inches of rain fell in 7 days, of which 9 inches fell in 4 days.

TVA makes its patents on fertilizer processes available to private industry on a royalty-free basis.

ARKANSAS POWER AND LIGHT CALLED BEFORE PUBLIC SERVICE COMMISSION

Because of the large number of complaints from various people and organizations, the Public Service Commission of Arkansas has demanded that the Arkansas Power and Light Co. appear before the Commission to show cause why it should not repeal the 12 per cent rate increase which was put into effect the first of July prior to approval by the Commission. The Arkansas Power and Light Co. is part of the Dixon-Yates combine which is trying to build the plant at West Memphis, Arkansas, to supply power to TVA.

Mr. A. E. McLean, president of the Commercial National Bank of Little Rock, who is registrar of the company's preferred stock, said that the rate increase would raise AP&L's earnings to 13 per cent. He said that last year's earnings of \$5,684,989 represented a return on the average capital invested by the owner of 10.1 per cent for the year.

Mr. McLean charged that the AP&L is misrepresenting its true earning power in its request for the \$3,900,000 annual rate increase.

Dams constructed by TVA are of the gravity type, which means that they hold back the water by sheer weight. When Norris Lake is full, the water exerts a pressure of 600,000 tons on the face of the dam, which weighs approximately 2,000,000 tons.

An estimated 51,800,000 visits have been made to TVA dams and powerhouses since 1933.

Estimated average annual value of flood regulation by TVA reservoir system is about \$11 million, more than half of which is outside the Tennessee Valley.

FIVE YEARS AGO: Millionth consumer was added to TVA power system.

Best fishing in TVA lakes comes in spring and fall months.

Eighty-two per cent of Tennessee Valley forest land is privately owned.

"Stand up!" shouted the evangelist, "Stand up if you want to go to Heaven." Everybody stood up but one old man. "Don't you want to go to Heaven?" asked the preacher.

"Sure I do," replied the old man, "but I ain't goin' with no excursion."