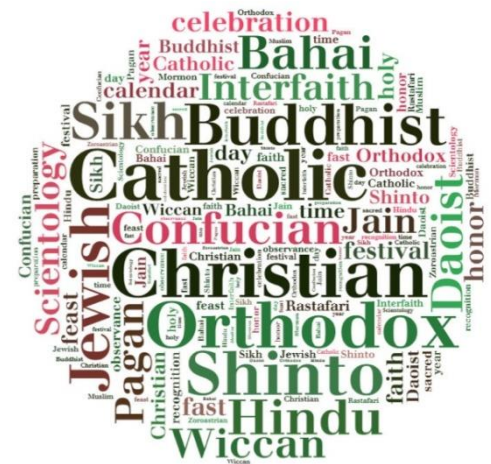


August 25, 2016

Members of the Tennessee Valley Authority Board of Directors

Tennessee Valley Authority
400 West Summit Hill Drive
Knoxville TN 37902

Bill Johnson, President
Tennessee Valley Authority
400 West Summit Hill Drive
Knoxville TN 37902



Dear TVA Board members and President Johnson:

As people of many faiths who share a common concern for the well-being of the vulnerable, we urge TVA to protect the lower income households you serve from the impacts of rising electricity costs and the disproportionate burdens of energy costs on lower income households by:

- Ensuring that lower income households can benefit from TVA home weatherization programs, and,
- Making a long-term commitment to partner with local power companies, lower income voices, and state agencies to both overcome the barriers to lower income home weatherization programs and to expand lower income energy efficiency opportunities.

Low-income energy efficiency utility programs provide critical support to households that spend a high portion of their income on utility bills. Ratepayer funded energy efficiency programs for lower income households have a strong track record of delivering not only energy savings but also important non-energy benefits to both households and utilities, such as increased comfort and improved health of people and improved utility relationships with customers.

Energy is wasted in many lower income households because of inadequate insulation, older appliances, and inefficient heating and cooling systems. Even modest increases in electricity costs can have a disproportionate impact on the budgets of lower income customers, forcing them to make decisions between paying the power bill or buying food and health care. Failure to pay a power bill is the second most prevalent reason for eviction after not paying the rent. As we move deeper into climate change, summers will become hotter and overall weather conditions more volatile and extreme, making housing with ever higher power bills increasingly unaffordable.

Cost effective energy efficiency solutions are critical to helping low-income households have more affordable monthly bills. Both bill assistance and energy efficiency are needed, but

energy efficiency can reduce the number of customers in need of rate assistance. From a public policy perspective, it makes good sense to reduce the cost burden through energy efficiency rather than continuing to pay for inefficient energy use year after year.

As leaders of houses of worship, although we are glad to help low-income families as we are able, our resources are limited. It is both frustrating and heartbreaking to see people coming in with huge energy bills because of living in energy inefficient homes. Many of us have also seen families resort to dangerous means (such as kerosene heaters, space heaters, and the like) to heat their homes when their utilities are shut off.

We recognize recent TVA-funded low-income weatherization programs within a few cities are making some strides toward protecting these vulnerable residents and applaud TVA's efforts. However, these programs are limited in scope. The structure of TVA's ongoing residential energy efficiency programs severely limits their access by lower income customers, those most in need of protection from higher energy bills. The design of TVA's energy efficiency rebate program assumes that the customer has the financial resources to pay upfront for the energy efficiency work and then later get a rebate. Further, only those who own a home are eligible for TVA programs, but over 40% of lower income households rent.

We also recognize that the TVA board has instructed the TVA staff to develop lower income weatherization programs, and that the staff has convened the first meeting of a stakeholder group to provide TVA input into how TVA might offer programs that benefit lower income households. We urge the TVA board to remain informed about how the staff fulfills your instructions to them. A concern we have is that there is a great insufficiency of lower income voices on this stakeholder group. At the first meeting, only one lower income voice attended. A second concern is that the group may not focus on developing Valley-wide home weatherization programs accessible to lower income households.

So, in conclusion, again, as religious leaders, we urge that TVA take measures to improve the quality of life for low-income residents of the TVA region by:

- Ensuring that lower income households can benefit from TVA home weatherization programs, and,
- Making a long-term commitment to partner with local power companies, lower income voices, and state agencies to both overcome the barriers to lower income home weatherization programs and to expand lower income energy efficiency opportunities.

We recognize that TVA works diligently to keep down the cost of our electricity to benefit all in the TVA service area. Yet we urge you to work with us as diligently to respond to the needs of the poor, which truly benefits all as well.

Sincerely,