BEFORE THE TENNESSEE VALLEY AUTHORITY BOARD OF DIRECTORS

IN RE:)	
TENNESSEE VALLEY AUTHORITY)	Docket No. PPLPWR-11-2023 ¹
2024 INTEGRATED RESOURCE PLAN AND)	
ENVIRONMENTAL IMPACT STATEMENT)	

POST-HEARING BRIEF

ON BEHALF OF

APPALACHIAN VOICES, CENTER FOR BIOLOGICAL DIVERSITY, ENERGY ALABAMA, SOUTHERN ALLIANCE FOR CLEAN ENERGY, SUNRISE MOVEMENT NASHVILLE AND VOTE SOLAR

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¹ This is a fictitious docket number created to facilitate this effort to raise awareness that no formal public hearing has been scheduled by the TVA Board of Directors with regard to the IRP Planning process currently underway as described in this Petition.

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² For ease of access, we are providing all Exhibits through publicly accessible links. Documents can also be made available to TVA Board and Staff upon request.

1. INTRODUCTION

COMES NOW, Appalachian Voices (AppVoices), the Center for Biological Diversity (CBD), Energy Alabama, Southern Alliance for Clean Energy (SACE), Sunrise Movement Nashville and Vote Solar (Joint Intervenors), hereby file their post-hearing brief to address issues in the Tennessee Valley Authority's Integrated Resource Plan (IRP) procedure and outcomes, and the associated "People's Voice on TVA" IRP hearing hosted by the named organizations.

2. EXECUTIVE SUMMARY

In an effort to increase transparency and opportunities for public participation in the IRP process, in June 2023, the Joint Intervenors along with QCells USA Corporation, Sierra Club, and the Southern Renewable Energy Association sent a letter to the TVA Board of Directors outlining steps for greater public engagement in the 2024 IRP process³, and called on the TVA Board to act on its duty to develop long-range plans to guide the utility in achieving the goals, objectives, and policies of TVA by instituting mechanisms for a more transparent IRP process. Following an insufficient response from TVA's Executive Vice President, General Counsel and Corporate Secretary David B. Fountain, titled "Response Letter"⁴, six organizations⁵ filed a demonstrative "Petition to Intervene"⁶ on November 1st, 2023, which requested a formal IRP hearing to be hosted by the Board of Directors and for stakeholders to be given a meaningful opportunity to provide input into the Integrated Resource Plan.

After more than a month without a response to the Petition to Intervene, which was requested by November 30th, 2023, the Joint Intervenors announced that they would host a public IRP hearing, titled "The People's Voice on TVA: Public Hearing". Modeled after a regulated IRP proceeding, the hearing was held in Nashville, Tennessee on January 25th, 2024 and included both in person and remote

https://www.cleanenergy.org/wp-content/uploads/Letter-to-TV-Board-Process-Recommendations-for-2024_IRP.pdf

https://www.cleanenergy.org/wp-content/uploads/Board-Response_NGO-Letter_final-dbf.pdf

https://appvoices.org/images/uploads/2023/11/TVA-Motion-to-Intervene-Final-1.pdf

³ Letter to Board available at

⁴ "Response Letter" available at

⁵ This includes Energy Alabama, Appalachian Voices, Southern Alliance for Clean Energy, Center for Biological Diversity, Vote Solar, and Green Workers Alliance.

⁶Petition to intervene available at

participation options. Four expert witnesses provided testimony on behalf of the hosting organizations and compiled a list of key recommendations for TVA's 2024 IRP. The hearing was moderated by Ted Thomas, former Chairman of the Arkansas Public Service Commission. Following the delivery of their testimony, each witness answered questions from the Chairman. The TVA Board of Directors was invited to participate in the hearing on January 10th, 2024, but when the Chairman called the proceeding to order, no one representing TVA responded.

During the the public hearing, staff of the organizations who hosted the hearing received an email with a response letter signed by TVA's Board Secretary and General Counsel⁷. The January 25th response letter acknowledged the importance of public input and TVA's ability to invite stakeholders into the process. While the letter describes TVA's existing IRP engagement process as "significant and beneficial," it refers to the very same public engagement opportunities that the June 2023 letter and Petition to Intervene state are insufficient. The January 25th response letter makes no mention of opportunities for data discovery, expert witness testimony, or an evidentiary hearing regarding the draft IRP.

A public listening session was also hosted during the evening session of the event, which was styled in the format of facilitated breakout groups in order to foster meaningful dialogue and input from the public on TVA's power system planning and process. Three breakout group facilitators guided participants through a list of prepared discussion topics and a notetaker kept record of the ideas, concerns and questions that were raised in the conversation.

Further contributing to the Public Record, State Representative Justin Pearson and Congressman Steve Cohen, Senator Ed Markey and Senator Sheldon Whitehouse provided live and pre-recorded statements on the status of TVA's power system planning and called on TVA to improve its process and move to a cleaner power supply. The <u>full recording of the hearing (edited to remove extended breaks)</u> can be viewed on Youtube.

⁷ TVA Response to Petition to Intervene, received during the proceedings of People's Voice on TVA Public Hearing available at: https://www.cleanenergv.org/wp-content/uploads/January-25-2024-TVA-Letter.pdf

3. KEY RECOMMENDATIONS FROM EXPERT WITNESSES

The Joint Intervenors sponsored four expert witnesses to appear at The People's Voice on TVA: Public Hearing. Their resumes are included in this Brief as Exhibit A. Their testimony and materials are included as Exhibits B-I. The following section describes the key recommendations of those Witnesses.

3.a.) Recommendations of Witness Dr. Stanton of Applied Economics Clinic

- 1.) TVA should be transparent about its assumptions and modeling inputs, both before modeling begins and in a detailed technical report submitted with the IRP;
- 2.) TVA should conduct an all-resource Request for Proposals (RFP) for new resources.
- 3.) TVA should select a preferred resource plan, setting out a clear roadmap for its near-future actions;
- 4.) TVA should set aggressive climate goals in line with Biden-Harris Administration's executive orders, specifically achieving carbon free electricity by 2035;
- 5.) TVA should plan to utilize the grants, loans, and tax credits of the Inflation Reduction Act; and
- 6.) TVA should provide clear, detailed information on its solar and wind resources, including specifying what resources TVA itself owns.

3.b.) Recommendations of Witness Hubbard of Georgia Center for Energy Solutions

- 1.) TVA must adopt a more open and transparent integrated resource planning process to ensure that the proposed portfolio for TVA is the most affordable, reliable, and sustainable portfolio possible, and that there is a clearly delineated pathway to decarbonization. (p. 4)
- 2.) TVA must account for the remarkably poor track record of failure for CCS projects such as Southern Company's failed Kemper project in Mississippi and NRG's failed Petra Nova project in Texas in its IRP process, when accounting for the possibility that this troubled technology could work for TVA. (p.5)
- 3.) TVA must update its now-outdated analysis of solar+storage as replacement capacity at CUF including (a) land use estimates; (b) battery storage costs; (c) existing transmission

interconnection capacity; (d) stranded asset costs of a gas-fired CC that will likely only operate for half its useful life; (e) existing or future environmental compliance costs such as the new methane emissions charge; (f) the potential for deficiencies related to climate change accounting and an over-dependence on underperforming gas-fired capacity; (g) the commercial readiness of CCS technologies and alternative fuels used to abate gas-fired power plant emissions; and (h) the 50% or more cost reduction of solar and storage projects as provided by the IRA. (p. 8)

- 4.) TVA should examine much more closely the benefits of decreased reliance on gas-fired power generation. (p. 9)
- 5.) TVA must plan for a future in which the fuel for its expansive gas-fired generation fleet grows increasingly more expensive, driving up system costs and reducing the affordability of electrical service to its customers. (p.14)
- TVA should develop and integrate a Distribution Resource Plan as part of the IRP process. (p. 17)
- 7.) TVA should align with federal agencies working toward a well-managed yet rapid clean energy future. (p. 17)
- 8.) TVA must set more ambitious targets than its current target of achieving a 70% reduction in carbon emissions by 2030, with a plan to achieve an 80% reduction by 2035 and an aspirational goal to achieve net-zero emissions by 2050. (p. 17-18)
- 9.) TVA should partner with LPCs and other stakeholders in the region to better understand the potential for distributed resources in the Valley and their locational value to inform resource decisions. (p. 20)
- 10.) TVA must improve its process in the 2024 IRP and in its EIS documents in order to capture risks to gas and benefits to renewables and storage. (p.22)

3.c.) Recommendations of Witness Allred of Greenlink Economics

1.) Allow formal intervenors in the IRP process, with standard rights afforded in state commission proceedings, including data discovery and cross-examination;

- Partner with environmental justice organizations to conduct regular listening tours in low-income communities across the Tennessee Valley, to learn about experiences with high energy burden and gather input on resource planning;
- 3.) Model pathways to achieve the White House goal of net-zero carbon emissions by 2035;
- Improve representation from environmental justice communities on the Regional Energy Resource Council and IRP working group;
- Calculate environmental justice costs and benefits to utilize as data inputs in resource modeling, including costs of inequitable distribution of health and economic impacts;
- 6.) Fully utilize federal grants, technical assistance, and other resources to maximize equitable investments in cost-effective renewable energy and energy efficiency;
- 7.) Prioritize low-income energy efficiency in the deployment of the recently announced \$1.5 billion investment in demand-side management;
- 8.) Include low-income carve-outs in energy efficiency and distributed energy programs, and target program deployment to remediate racial inequities;
- 9.) Consult with stakeholders to incorporate best practices in energy efficiency potential studies, including the valuing of non-energy benefits and consideration of Societal Cost Tests;
- 10.) Provide support for the workforce development needed to advance an equitable clean energy transition, including job training and guidelines for diverse hiring, fair compensation, safety standards, and other essential workers' rights.

3.d.) Recommendations of Witness McNair of GridLab

- 1.) Congress should:
 - Hold TVA accountable through oversight hearings
 - Pass legislation to mandate transparent planning, transmission access, and a pathway to 100% clean energy
- 2.) TVA Board should:

- Demand a plan for 100% clean energy by 2035
- Prioritize DER and environmental justice
- Boost resilience and reliability
- 3.) The Federal Government should:
 - Issue an Executive Order calling for 100% clean energy
 - DOE analyze decarbonization pathways for TVA
- 4.) Local Power Companies should:
 - Revisit long-term power agreements with TVA

4.) KEY RECOMMENDATIONS FROM COMMUNITY DISCUSSION

During the January 25th public hearing, The People's Voice on TVA's Energy Plan, dozens of community members engaged in robust discussion on various critical topics. This included conversation on TVA's gas buildout, transparency over energy decisions like the 2024 IRP, utility bill affordability, and expanding renewable energy generation in the Valley. Below, we have synthesized participants' key concerns, as well as individuals' recommendations to the Board, TVA staff, and local power companies.

4.a) Transparency

Transparency over decision-making was a key area of concern for discussion participants, and many further highlighted major access barriers with TVA's current IRP process. These barriers include a lack of public announcements about the IRP, and an absence of clear information about dates and processes for public engagement (i.e. community meetings and public comment through the NEPA process). Furthermore, attendees cited insufficient time to respond to and engage with the draft IRP, unfamiliarity with an IRP and TVA's public participation process, and difficulty attending public IRP meetings (i.e they occur during work hours, are not live streamed, and locations are hard to get to).

Discussion participants also shared that TVA's current public participation process is jargon-heavy and one-sided, which makes it that much harder for people who don't engage consistently on energy issues to take part in the process. They further acknowledged that TVA's public meetings feel

very scripted. This in turn facilitates TVA maintaining full control of the IRP and decision-making (contrary to what is expected of a public power institution), rather than the *community* playing a more prominent role in steering the goals of this long-term energy plan. Given the gravity of an IRP and its future impact on utility bills, public health, jobs and economic opportunity, and reliability, it is concerning that people feel so left out of the process.

Recommendations for TVA from discussion participants:

- (1) More widespread announcements about key IRP dates and details, including coverage by local media;
- (2) Improve navigability of the TVA website so the public can more easily access all information relating to TVA's IRP;
- (3) Organize more regional and local-based community meetings, such as mandating that local power companies host a community meeting to discuss the draft IRP, and then comments coming from that meeting should be shared with the TVA Board. For Board meetings, one participant suggested that TVA offer concurrent hybrid meeting spaces across the region, so members of the public do not have to drive so far;
- (4) Speak in more understandable language and provide more accessible IRP materials;
- (5) Increase IRP working group accountability by publishing votes on decision-making that inform the IRP;
- (6) Create more opportunities for dialogue-oriented discussion on the IRP and other important TVA decisions;
- (7) Conduct an independent review of the IRP (i.e. by TVA Board staff and third-party consultants with expertise in IRP planning);
- (8) Adapt the IRP based on responses raised by the public, as well as provide detailed explanations why certain suggestions are not being considered;
- (9) Host an open public meeting with the Board at least once a year, similar to The People's Voice public hearing; and,

(10) Create regional community boards composed of local residents who can communicate between the communities they represent and TVA.

4.b) Fossil Fuel Generation

Another major concern for attendees is TVA's continued dependence on fossil fuels, and especially the utility's plans to expand gas generation in the region. Some community members are directly affected by TVA's gas plants and pipelines and cited public health and safety concerns with expanding polluting infrastructure in their communities. Many others share concerns from a public health standpoint, and further spoke to the undeniable environmental impacts of fossil fuel generation and rising emissions. Attendees also discussed the impact of TVA's fossil fuel legacy on communities, and specifically concerns over coal ash disposal.

Recommendations for TVA from discussion participants:

- (1) Abandon plans to build new gas plants and instead prioritize clean energy like solar in the IRP;
- (2) Incorporate the impact of fracking and building new pipeline infrastructure into the cost and environmental impact of its gas plants;
- (3) Publicly disclose the utility's justifications for continued and new fossil fuel expansion, including data in a form that is accessible to all Valley residents;
- (4) Explore less harmful transportation options for coal ash, such as by rail, that would reduce interaction with communities and lower health risks;
- (5) Improve the safety and oversight of coal ash storage, and ensure that storage infrastructure is resilient to disasters like floods. One participant cited the 2008 Kingston Coal Ash Spill as an example of the need for more oversight.

4.c) Clean Energy Transition

There is widespread consensus among participants that TVA should plan for (in this IRP) and execute a rapid and just transition to renewable energy, as opposed to continuing to build fossil fuels

which will pollute communities, harm public health, contribute to higher utility costs, and fuel climate disasters. Especially with the influx of clean energy incentives through the Inflation Reduction Act (IRA), discussion participants emphasized that TVA should be proactively taking advantage of these opportunities and educating the public about them.

Recommendations for TVA from discussion participants:

- (1) Adhere to federal climate and clean energy goals, and specifically achieving 100% clean electricity by 2035;
- (2) Take up IRA clean energy money, including through direct pay, to facilitate the clean energy transition;
- (3) Educate homeowners and businesses about what IRA money and incentives are available to them;
- (4) Build (and incentivize) solar on big box stores, parking lots, and already built surfaces as way to minimize land use impacts;
- (5) Create better options for community solar;
- (6) Raise the self-generation cap for local power companies to encourage more rooftop and community solar;
- (7) Implement a net energy metering program to encourage cities, businesses and residents to go solar;
- (8) Implement and expand renewable energy funding opportunities such as solar grants for residents and businesses and rebates for local power companies;
- (9) Sponsor and/or host classes on solar and measures to decrease energy usage, such as energy efficiency and weatherization upgrades and demand response; and,
- (10) Prioritize a *just* transition for workers by ensuring those in the fossil fuel industry receive new job training to make the transition to clean energy.

4.d) Utility Bill Affordability

Keeping the lights on and reducing the cost of power are big issues for many people, especially families who experience high energy burdens. Importantly, some participants highlighted that many people do not understand how their bills work or have a hard time paying their bills – whether because they cannot travel to pay their bill or because costs are too high. Participants pointed to energy efficiency as a measure that would have both environmental and justice benefits, decreasing how much power needs to be produced and reducing energy burden for low-income families.

Recommendations for TVA from discussion participants:

- (1) Implement more "round up" options and ratepayer assistance programs through local power companies;
- (2) Prevent utility disconnections;
- (3) Improve the accessibility of ratepayer bills and ensure that they clearly distinguish between electricity and other utility services;
- (4) Expand investments in energy efficiency and weatherization to reduce energy burden, lower energy bills, and decrease overall energy consumption;
- (5) Educate ratepayers about programs and incentives for energy efficiency and weatherization; and,
- (6) Ensure accessible ways to make bill payments for those who cannot pay online due to lack of internet or other barriers.

5.) RELIEF REQUESTED

For the foregoing reasons, the Joint Intervenors respectfully urge the Board to do the following:

1. Issue an Order to initiate a formal docket to review the draft TVA IRP. The docket should allow for interested parties to petition the Board to participate as intervenors, establish a data discovery process, include an evidentiary hearing overseen by the Board in which both intervenors and TVA staff put forward expert witnesses, and conclude with the Board issuing a decision to approve, reject, or modify the TVA IRP based on the record of evidence established in the docket.

2. Issue an Order that acknowledges the Expert Witness Hearing and Community Discussion undertaken at the People's Voice on TVA Public Hearing as legitimate evidence to be considered

in the Board's evaluation of the TVA's IRP.

3. Adopt the recommendations laid out by the Joint Intervenor's expert witnesses in Section 3 of this

document and in their respective testimonies, and direct TVA staff to adjust the draft IRP

accordingly.

4. Conduct at least four Community Discussions with impacted communities across the TVA service

territory to solicit public expertise regarding the draft Plan. These Community Discussions should

be conducted in such a manner that empowers residents of the Tennessee Valley to share their

personal experience and local expertise with key TVA staff, leadership and the Board. Following

these discussions, TVA should modify the final IRP to incorporate key considerations or

recommendations from the public.

Respectfully submitted this 12th day of February, 2024.

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EXHIBITS

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