



Department of Energy  
Oak Ridge Operations  
P.O. Box U  
Oak Ridge, Tennessee 37830

May 26, 1982

Mr. Harold Denton, Director  
Office of Nuclear Reactor Regulation  
U.S. Nuclear Regulatory Commission  
Washington, D. C. 20555

Dear Mr. Denton:

LICENSE AMENDMENT - CLINCH RIVER BREEDER REACTOR PLANT - DOCKET  
NO. 50-537

Pursuant to the Atomic Energy Act of 1954, as amended, and the Commission's Rules and Regulations thereunder, the United States Department of Energy, Project Management Corporation (PMC), and the Tennessee Valley Authority (TVA) hereby amend the above referenced application for a Construction Permit and a Class 104(b) Operating License necessary for the construction and operation of the nation's first large-scale Liquid Metal Fast Breeder Reactor (LMFBR) Power Plant proposed for location on a site on the Clinch River at Oak Ridge, Roane County, Tennessee.

The amendments forwarded herewith are necessary to provide updated information, and consist of thirty-one (31) copies of Amendment 2 to Statement of General Information pursuant to Section 50.33 of the Nuclear Regulatory Commission's Rules and Regulations.

It is requested that all future correspondence with respect to this application be addressed to the following:

Mr. John R. Longenecker, Manager  
Licensing and Environmental Coordination  
NE 530 GTN  
US DOE  
Washington, DC 20545

13005

May 26, 1982

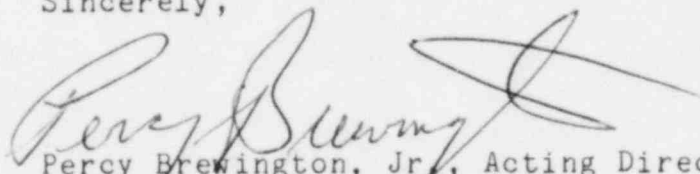
It is requested that copies of all correspondence with respect to this application also be sent to the following:

Mr. Percy Brewington, Jr., Acting Director  
Clinch River Breeder Reactor  
Plant Project  
U. S. Department of Energy  
Oak Ridge Operations  
Post Office Box U  
Oak Ridge, Tennessee 37830

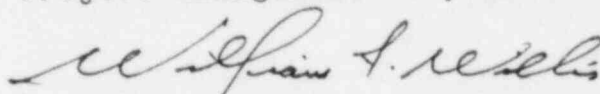
Mr. William F. Rolf  
General Manager  
Project Management Corporation  
Post Office Box U  
Oak Ridge, Tennessee 37830

Mr. Hugh G. Parris  
Manager of Power  
Tennessee Valley Authority  
819 Power Building  
Chattanooga, Tennessee 37401

Sincerely,

  
Percy Brewington, Jr., Acting Director  
CRBRP Project, U.S. DOE

  
William F. Rolf, General Manager  
Project Management Corporation

  
William F. Willis, General Manager  
Tennessee Valley Authority

PS:82:204

Enclosures:  
As stated

cc: Service List  
Standard Distribution  
Licensing Distribution

STATE OF TENNESSEE   )  
                                  )  
COUNTY OF ANDERSON   )   ss:

On the 26<sup>th</sup> day of May, 1982, Percy Brewington, Jr.  
personally appeared before me and, first being duly sworn, stated that  
he is the Acting Director of the Clinch River Breeder Reactor Plant  
Project, DOE, and that he is duly authorized to execute and file the  
foregoing amendment in the name and on behalf of DOE and that the  
statements made in said amendments are true to the best of his knowledge  
and belief.

Percy H. Minor  
Notary Public

My Commission expires: \_\_\_\_\_

My Commission Expires April 28, 1984

STATE OF TENNESSEE     )  
                                  ) ss:  
COUNTY OF ANDERSON    )

On the 26<sup>th</sup> day of May, 1982, William F. Rolf  
personally appeared before me and, first being duly sworn, stated  
that he is General Manager of Project Management Corporation and  
that he is duly authorized to execute and file the foregoing  
amendments in the name and on behalf of Project Management Corporation  
and that the statements in said amendments are true to the best of  
his knowledge and belief.

Orley H. Minor  
Notary Public

My Commission expires: \_\_\_\_\_

My Commission Expires April 28, 1984



STATE OF TENNESSEE     )  
                                  ) ss:  
COUNTY OF KNOX

On the 26th day of May, 1982, William Willis  
personally appeared before me, and first being sworn, stated that  
he is General Manager of the Tennessee Valley Authority and that he  
is duly authorized to execute and file the foregoing amendment in  
the name and on behalf of the Tennessee Valley Authority and that the  
statements in said amendments are true to the best of his knowledge  
and belief.

Virginia K. Jacobs  
Notary Public

My Commission expires: 8-27-84

THE STATEMENT OF GENERAL INFORMATION PURSUANT TO 10 CFR SUBSECTION 50.33 OF THE NUCLEAR REGULATORY COMMISSION'S REGULATIONS CONTAINED IN THIS AMENDMENT COMPLETELY SUPERSEDES THE STATEMENT OF GENERAL INFORMATION SUBMITTED BY THE APPLICANTS ON MAY 6, 1976 AND EXHIBITS B, E, AND G THERETO. PLEASE REMOVE ALL COPIES OF THE STATEMENT OF GENERAL INFORMATION DATED MAY 6, 1976 AND EXHIBITS B, E, AND G THERETO FROM THE APPLICATION AND SUBSTITUTE IN LIEU THEREOF THE STATEMENT OF GENERAL INFORMATION DATED MAY 26, 1982 AND EXHIBITS B, E, AND G THERETO.

CLINCH RIVER BREEDER REACTOR PLANT

Oak Ridge, Tennessee

Statement of  
General Information Pursuant to  
10 C.F.R. 50.33 of the Nuclear  
Regulatory Commission's Regulations

U. S. Department of Energy  
Project Management Corporation  
Tennessee Valley Authority

(a)-(b)

Names And Addresses of Applicants

U. S. Department of Energy  
1000 Independence Avenue, S.W.  
Washington, D.C. 20585

Project Management Corporation  
P. O. Box "U"  
Oak Ridge, TN 37830

Tennessee Valley Authority  
Office of the General Manager  
Knoxville, TN 37902

(c)

Description of Business of Applicants

Pursuant to Modification No. 1 to Agreement Number AT(49-18)-12 Among the United States of America as Represented by The Department of Energy (DOE) and the Tennessee Valley Authority (TVA) and Commonwealth Edison Company (CE) and Project Management Corporation (PMC) (hereinafter the "Project Agreement"), DOE has the overall responsibility for managing the design, construction, and operation of the nation's first large-scale Liquid Metal Fast Breeder Reactor (LMFBR) Demonstration Plant, the Clinch River Breeder Reactor Plant (CRBRP).

The Project Agreement, a copy of which is attached as Exhibit A, provides that DOE will manage the project through an integrated project management organization, the Clinch River Breeder Reactor Plant (CRBRP) Project Office. The CRBRP Project Office is comprised of personnel from DOE, FMC, and the utility industry, all under the direction of DOE.

The United States Department of Energy (DOE) was established under the Department of Energy Organization Act of 1977 (Public Law 95-91, 95th Congress; 91 Stat. 565) and succeeded among other functions to the functions of the Energy Research and

Development Administration. It is responsible for the effective management of the energy functions of the Federal Government and for providing a mechanism through which a coordinated national energy policy can be formulated and implemented to deal with short-, mid-, and long-term energy problems of the nation. DOE is specifically authorized to carry out a balanced and comprehensive energy research and development program including (A) assessing the requirements for energy research and development, (B) developing priorities to meet those requirements, and (C) undertaking programs for the optional development of the various forms of energy production and conservation.

Project Management Corporation (PMC) is a nonprofit corporation which, under the terms of the Project Agreement, is responsible for administering the interests of the utility industry with regard to the CRBRP. PMC is charged with (1) continuously monitoring the project, (2) preparing and disseminating project information, (3) arranging for the participation of utility personnel in the project, (4) investing and disbursing funds received from the Breeder Reactor Corporation (BRC) for the CRBRP and (5) exercising other rights provided for in the Project Agreement that are designed to protect the utility industry's interests in the Project, including PMC's rights (i) of approval over any proposed major changes in Project scope or deviation from the Reference Design; (ii) of access to Project information and data; and (iii) to counsel with DOE and Project contractors on Project matters. The Project Agreement also provides that PMC will assist DOE in administering the CRBRP contracts and in preparing and submitting applications for permits, licenses, or other authorizations necessary for the CRBRP.

The Tennessee Valley Authority is a corporate agency of the Federal Government created by the TVA Act of 1933 (48 Stat. 58, as amended, 16 U.S.C. Subsection 831-831dd (1976; Supp. IV, 1980), a copy of which is attached as Exhibit B. Its objective is the development of the resources of the Tennessee Valley and adjacent areas. As part of its program of regional development, TVA is engaged in the generation, transmission and sale of electricity to other Federal agencies, to industry, and to municipalities and cooperatives in the Tennessee Valley and adjoining area. The area for which TVA is the principal source of power contains approximately 80,000 square miles in parts of seven southeastern states, and has a population of over 6 million persons.

TVA's electric requirements are supplied from 50 hydro plants, 12 coal-fired plants, 4 gas turbine installations, and 2 nuclear power plants. Twelve of the hydro plants are owned by subsidiaries of the Aluminum Company of America and eight are Corps of Engineers projects in the Cumberland River basin, the output of which is integrated with and utilized through the TVA system. The TVA system rated capacity, as of December 31, 1981, was 31,057,460 KWe.

The Project Agreement provides that the CRBRP site and plant will be owned by the United States of America, in the custody of DOE. The Project Agreement also provides that the specific allocation of responsibilities with regard to plant operation and maintenance will be the subject of a separate agreement between DOE and TVA, which will be effective when concurred in by PMC. In addition, the Project Agreement provides that TVA will also assist or join in applications for all permits and applications which may be required for the construction and operation of the plant.

(d) Organization of Applicants

The Department of Energy (DOE) is an independent executive agency of the United States government established by the Department of Energy Organization Act of 1977 (Public Law 95-91, 95th Cong.; 91 Stat. 565). The agency headquarters and the office of the Secretary of DOE are located at 1000 Independence Avenue, SW, Washington, D. C. DOE is not owned, controlled, or dominated by an alien, foreign corporation, or foreign government. DOE makes this application, and except insofar as DOE applies with PMC and TVA as co-applicants in accordance with the Project Agreement, on its own behalf, and not as an agent or representative of another person. The names and addresses of the principal officials of DOE, all of whom are citizens of the United States of America, are as follows:

| <u>Name</u>            | <u>Position</u>  | <u>Address</u>   |
|------------------------|--|--|
| James B. Edwards       | Secretary  | S-1 Forrestal<br>U. S. DOE<br>1000 Independence<br>Avenue SW<br>Washington, D.C. 20585   |
| W. Kenneth Davis       | Deputy Secretary   | S-2 Forrestal<br>U. S. DOE<br>1000 Independence<br>Avenue SW<br>Washington, D.C. 20585   |
| Guy Fiske              | Under Secretary  | S-3 Forrestal<br>U. S. DOE<br>1000 Independence<br>Avenue SW<br>Washington, D. C. 20585  |
| Shelby T. Brewer       | Assistant Secretary<br>For Nuclear Energy                        | NE-1 Forrestal<br>U. S. DOE<br>1000 Independence<br>Avenue SW<br>Washington, D. C. 20585 |
| Gordon L. Chipman, Jr. | Deputy Assistant<br>Secretary for<br>Nuclear Reactor<br>Programs | NE-50 Germantown<br>U. S. DOE<br>Washington, D. C. 20545                                 |

|                       |  |  |
|-----------------------|--|--|
| Percy Brewington, Jr. | Acting Director,<br>Clinch River<br>Breeder Plant<br>Reactor Project<br>Office | Oak Ridge Operations<br>P. O. Box U<br>Oak Ridge, TN 37830 |
|-----------------------|--|--|

Project Management Corporation (PMC) is a nonprofit corporation organized and existing under and by virtue of the laws of the District of Columbia. The principal office is located at P. O. Box "U", Oak Ridge, Tennessee, 37830. PMC is not owned, controlled, or dominated by an alien, foreign corporation, or foreign government. PMC makes this application, and except insofar as PMC applies with DOE and TVA as co-applicants in accordance with the Project Agreement, on its own behalf, and not as agent or representative of another person. The names and addresses of its directors and principal officers, all of whom are citizens of the United States of America, are as follows:

| <u>Name</u>         | <u>Position</u>                                      | <u>Address</u>  |
|---------------------|--|---|
| John D. Selby       | Director   | 212 West Michigan Avenue<br>Jackson, MI 49201         |
| Cordell Reed        | Director   | P.O. Box 767<br>Chicago, Illinois 60690               |
| John G. Holmes, Jr. | Director<br>Vice Chairman Of<br>The Board, Treasurer | 546 Chestnut Street Tower II<br>Chattanooga, TN 37401 |
| Wallace B. Behnke   | Director,<br>Chairman of<br>Board                    | P.O. Box 767<br>Chicago, Illinois 60690               |
| Charles E. Winn     | Director   | 546 Chestnut Street Tower II<br>Chattanooga, TN 37401 |
| Raymond P. Bachert  | Secretary  | P.O. Box 767<br>Chicago, Illinois 60690               |
| James J. Wise       | Comptroller  | P.O. Box "U"<br>Oak Ridge, TN 37830                   |
| William F. Rolf     | General Manager                                      | P.O. Box "U"<br>Oak Ridge, TN 37830                   |



TVA is a corporate agency of the Federal Government created by the TVA Act of 1933 (48 Stat. 58, as amended, 16 U.S.C. Subsection 831-831dd (1976; Supp. IV, 1980)). TVA generates and sells power in parts of Tennessee, Kentucky, Alabama, Mississippi, North Carolina, Georgia, and Virginia. The offices of the TVA Board of Directors and General Manager are located at Knoxville, Tennessee. TVA is not owned, controlled or dominated by an alien, a foreign corporation or a foreign government. TVA makes this application and except insofar as TVA applies with DOE and PMC as co-applicants in accordance with the Project Agreement, on its own behalf, and not as an agent or representative of another person. The names and addresses of the directors and principal officers, all of whom are citizens of the United States of America, are as follows:

| <u>Name</u>            | <u>Position</u>   | <u>Address</u>  |
|------------------------|---|---|
| Charles Dean, Jr.      | Chairman  | 400 West Summit Hill Dr.<br>Knoxville, TN 37902                                   |
| S. David Freeman       | Director  | " " " "   |
| Richard M. Freeman     | Director  | " " " "   |
| William F. Willis      | General Manager   | " " " "   |
| Herbert S. Sanger, Jr. | General Counsel   | " " " "   |
| Billy J. Bond          | Manager of<br>Agricultural<br>& Chemical<br>Development | A214 National Fertilizer<br>Development Center<br>Muscle Shoals, Alabama<br>35660 |
| George H. Kimmons      | Manager of<br>Engineering<br>Design and<br>Construction | 400 West Summit Hill Dr.<br>Knoxville TN 37902                                    |
| Hugh G. Parris         | Manager of Power  | 500A Chestnut Street Tower II<br>Chattanooga, TN 37401                            |

(e) License Applied For

Pursuant to Section 106 of Public Law 91-273, as amended by Public Law 92-84 and by Public Law 94-187, and in implementation of Phase V of the AEC's Cooperative Power Reactor Demonstration Program, application is made for a class 104(b) license and construction permit, pursuant to Section 104(b) of the Atomic Energy Act and Part 50 of the Regulations of the Commission, for a term of 40 years from the date of issuance. As delineated more fully in (a) above, the facility will be used for large-scale demonstration of LMFBR technology. No other licenses have been issued or applied for in connection with this facility.

(f) Financial Qualifications

The CRBRP will be designed, constructed, and operated in accordance with the Project Agreement. The Project Agreement implements the authorization granted by Public Law 91-273, as amended by Public Law 92-84 and by Public Law 94-187. The terms of the Project Agreement contemplate that the CRBRP will be jointly financed by (1) a fixed contribution from private, public, municipal and cooperatively owned utilities in the amount of approximately \$250,000,000, (including financial contributions from TVA and Commonwealth Edison Company) in accordance with an agreement between PMC and Breeder Reactor Corporation (BRC) and an agreement between the ERDA (now DOE) and Breeder Reactor Corporation (BRC) and (2) direct DOE financial support. The Project Agreement also provides that DOE will assume a continuing obligation to seek and to endeavor to maintain such legislative authorization and appropriations as may be required to enable the continued effective conduct of Project Activities. The appropriations authorized by Congress for DOE's participation in CRBRP, the Project Agreement, and the related BRC/DOE and BRC/PMC agreements therefore provide the basis for showing that the applicants possess or have reasonable assurance of obtaining the funds necessary for the estimated construction costs.

In accordance with the intent of 10 CFR Part 50, Appendix C, the estimated construction costs, including fuel costs, and source of construction funds for the CRBRP are set forth as follows:

1) Estimated Construction Costs

The major construction cost components are estimated to be:

|   | Cost<br>(Million Dollars) |
|---|---------------------------|
| (a) total nuclear production<br>plant costs 1/ . . . . .        | \$1874.3                  |
| (b) balance of plant 1/ . . . . .                               | \$ 501.8                  |
| (c) nuclear fuel inventory<br>costs for first core 2/ . . . . . | \$ 127.1                  |
| Total Plant Investment  | \$2,503.2                 |
| development . . . . .   | \$ 818.1                  |
| operating . . . . .   | <124.8>                   |
| Total Plant Cost Estimate . . . . .                             | \$3196.5                  |

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1/ The land upon which the proposed plant is to be located and two independent 161-KY transmission links are being made available to the CRBR Project by TVA at no cost to the Project.

2/ Section 4.1.2 of the Project Agreement provides that ERDA (now DOE) will furnish all source and special nuclear material for the CRBRP.

The total plant cost estimate is presently under review. At such time as the review is completed, updated information will be supplied.

Basic Data

Name of Plant - Clinch River Breeder Reactor Plant

Gross Capacity - 380 MW(e)

Reactor Type - Liquid Metal Fast Breeder Reactor

Location - In Oak Ridge, Roane County, Tennessee

Type of Cooling - Mechanical draft cooling towers

Cost Basis - Construction Start, (costs estimated  
on the basis of 1974 dollars escalated  
at 8% compounded)

Design and Construction Period

Month, year NSSS Contract Signed - November 1973;  
effective January 2, 1973

Month, year of criticality - February, 1990

Length of work week - five eight  
hour days with double shifting and  
weekends as required.

The assessment of the total estimated cost for CRBRP is set forth in the attached Summary Schedule (exhibit G).

2) Source Of Construction Funds

(a) Utility Contributions - Fixed contributions from private, public, municipal and cooperatively owned utilities in the amount of more than \$250,000,000 have been arranged through BRC. Copies of the BRC/PMC agreement and the BRC/ERDA (now DOE) agreement are attached as Exhibits C and D, respectively. A statement, as of December 31, 1981, from BRC to PMC listing the utilities that have executed and delivered a Utility Contribution Agreement acceptable to BRC, and setting forth the amount of each pledge is attached as Exhibit E. In addition, a typical contribution agreement, along with an explanatory affidavit executed by the General Counsel of PMC, is attached as Exhibit F. Under the Project Agreement PMC will reimburse DOE in an annual amount not to exceed the lesser of: (1) the total funds available to PMC, less reserves PMC is allowed to maintain under the Project Agreement, or (2) 50% of the CRBRP appropriation in the DOE budget for that year.

(b) DOE Funds Under the Project Agreement - In addition to providing funds from its annual appropriations, DOE will, through utilization of its facilities or other funds available to it, perform or cause to be performed, other Project Activities as set forth in those categories in paragraph 4.1.1 of the Agreement. DOE will further provide necessary source and special nuclear material in the form of completed fuel assemblies, as more fully described in paragraph 4.1.2 of the Project Agreement. Finally, if at any time it should reasonably appear that the resources for the Project are, or within the foreseeable future will be, insufficient to permit the

effective conduct of Project activities, DOE will endeavor to obtain additional legislative authorization (not necessarily limited to presently authorized authority or forms of assistance) and funds to enable continued effective conduct of the Project. In the event that the necessary legislative authority or funding is not obtained for the CRBRP Project as presently structured, and the project is terminated on that account, the Project Agreement provides that DOE may take over the CRBRP, or parts thereof as the case may be, and proceed with the design, construction, and operation of the plant or use and dispose of such property, including the plant or parts thereof, as the case may be. Unless the plant is purchased by TVA, DOE shall decommission the plant.

(g) Completion Dates

The earliest and latest estimated completion dates for the CRBRP are:

|                                    |                       |
|------------------------------------|-----------------------|
| Earliest Estimated Completion Date | <u>January, -1989</u> |
| Latest Estimated Completion Date   | <u>January, -1992</u> |

(h) Restricted Data

No Restricted Data, as defined in 10 CFR Subsection 50.2 are included in the material now being furnished. In the event that Restricted Data are included in any supplement or amendment to the application, the Restricted Data will be appropriately separated from any unclassified information. Pursuant to 10 CFR Subsection 50.37, DOE, PMC, and TVA agree that they will not permit any individual to have access to Restricted Data until the Civil Service Commission shall have made an investigation and report to the Commission on the character, associations, and loyalty of such individual, and the Commission shall have determined that permitting such person to have access to Restricted Data will not endanger the common defense and security.

EXHIBITS

- A. Modification No. 1 to Agreement Among the United States of America as represented by the United States Atomic Energy Commission and the Tennessee Valley Authority and Commonwealth Edison Company and Project Management Corporation
- B. Tennessee Valley Authority Act
- C. Modification No. 1 to Contract between Project Management Corporation and Breeder Reactor Corporation
- D. Modification No. 1 to Contract between the United States of America as represented by the United States Atomic Energy Commission and Breeder Reactor Corporation
- E. Membership List of Utilities comprising the Breeder Reactor Corporation and their respective contributions thereto
- F. Sample Utility Contribution Agreement
- G. CRBRP Revised Cost Estimate and Cash Flow



## TENNESSEE VALLEY AUTHORITY ACT

[48 Stat. 58 (May 18, 1933), as amended by 49 Stat. 1075 (August 31, 1935), 53 Stat. 1083 (July 26, 1939), 54 Stat. 611 (June 26, 1940), 55 Stat. 599 (July 18, 1941), 55 Stat. 775 (November 21, 1941), 66 Stat. 330 (July 3, 1952), 66 Stat. 591 (July 12, 1952), 68 Stat. 968 (August 30, 1954), 73 Stat. 280 (August 6, 1959), 73 Stat. 338 (August 14, 1959), 80 Stat. 346 (August 12, 1966), 82 Stat. 885 (September 28, 1968), 84 Stat. 915 (October 14, 1970), 86 Stat. 206 (June 6, 1972), 88 Stat. 390 (July 25, 1974), 89 Stat. 750 (November 28, 1975), 90 Stat. 376, 377, 380 (April 21, 1976), 90 Stat. 1258 (September 14, 1976), P.L. 96-97 (October 31, 1979); 16 U.S.C. secs. 831-831c, 831d-831h-1, 831i-831dd]

## AN ACT

To improve the navigability and to provide for the flood control of the Tennessee River; to provide for reforestation and the proper use of marginal lands in the Tennessee Valley; to provide for the agricultural and industrial development of said valley; to provide for the national defense by the creation of a corporation for the operation of Government properties at and near Muscle Shoals in the State of Alabama, and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That for the purpose of maintaining and operating the properties now owned by the United States in the vicinity of Muscle Shoals, Alabama, in the interest of the national defense and for agricultural and industrial development, and to improve navigation in the Tennessee River and to control the destructive flood waters in the Tennessee River and Mississippi River Basins, there is hereby created a body corporate by the name of the "Tennessee Valley Authority" (hereinafter referred to as the "Corporation"). The board of directors first appointed shall be deemed the incorporators, and the incorporation shall be held to have been effected from the date of the first meeting of the board. This Act may be cited as the "Tennessee Valley Authority Act of 1933." [48 Stat. 58-59, 16 U. S. C. sec. 831.]\*

Sec. 2. (a) The board of directors of the Corporation (hereinafter referred to as the "board") shall be composed of three members, to be appointed by the President, by and with the advice and consent of the Senate. In appointing the members of the board, the President shall designate the chairman. All other officials, agents, and employees shall be designated and selected by the board.

(b) The terms of office of the members first taking office after the approval of this Act shall expire as designated by the President at the time of nomination, one at the end of the third year, one at the end of the sixth year, and one at the end of the ninth year, after the date of approval of this Act. A successor to a member of the board shall be appointed in the same manner as the original members and shall have a term of office expiring nine years from the date of the expiration of the term for which his predecessor was appointed.

(c) Any member appointed to fill a vacancy in the board occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term.

(d) Vacancies in the board so long as there shall be two members in office shall not impair the powers of the board to execute the functions of the Corporation, and two of the members in office shall constitute a quorum for the transaction of the business of the board.

(e) Each of the members of the board shall be a citizen of the United States, and shall receive a salary at the rate of \$10,000\*\* a year, to be paid by the Corporation as current expenses. Each member of the board, in addition to his salary, shall be permitted to occupy as his residence one of the dwelling houses owned by the Government in the vicinity of Muscle Shoals, Alabama, the same to be designated by the President of the United States. Members of the board shall be reimbursed by the Corporation for actual expenses (including traveling and subsistence expenses) incurred by them in the performance of the duties vested in the board by this Act.\*\*\* No member of said board shall, during his continuance in office, be

\*For the purpose of identifying the sections which appeared in the original act of 1933 and those which have been brought into the act by amendment, references have been placed at the end of the sections. For example, the reference at the end of section 1, 48 Stat. 58-59, indicates that this section will be found in volume 48 of the Statutes at Large on pages 58 to 59.

\*\*In 1979, increased by administrative action of the President (Executive Order No. 12165) pursuant to P.L. 94-82 and as restricted by P.L. 96-86 to \$55,387.50 in the case of the chairman and to \$52,750 in the case of the other members of the board.

\*\*\*Modified by 83 Stat. 166, as amended, so that members of Board receive a per diem allowance in lieu of their actual expenses.



engaged in any other business, but each member shall devote himself to the work of the Corporation.

(f) No director shall have financial interest in any public-utility corporation engaged in the business of distributing and selling power to the public nor in any corporation engaged in the manufacture, selling, or distribution of fixed nitrogen or fertilizer, or any ingredients thereof, nor shall any member have any interest in any business that may be adversely affected by the success of the Corporation as a producer of concentrated fertilizers or as a producer of electric power.

(g) The board shall direct the exercise of all the powers of the Corporation.

(h) All members of the board shall be persons who profess a belief in the feasibility and wisdom of this Act. [48 Stat. 59, 16 U. S. C. sec. 831a ]

Sec. 3. The board shall without regard to the provisions of Civil Service laws applicable to officers and employees of the United States, appoint such managers, assistant managers, officers, employees, attorneys, and agents, as are necessary for the transaction of its business, fix their compensation, define their duties, and provide a system of organization to fix responsibility and promote efficiency. Any appointee of the board may be removed in the discretion of the board. No regular officer or employee of the Corporation shall receive a salary in excess of that received by the members of the board.

All contracts to which the Corporation is a party and which require the employment of laborers and mechanics in the construction, alteration, maintenance, or repair of buildings, dams, locks, or other projects shall contain a provision that not less than the prevailing rate of wages for work of a similar nature prevailing in the vicinity shall be paid to such laborers or mechanics.

In the event any dispute arises as to what are the prevailing rates of wages, the question shall be referred to the Secretary of Labor for determination, and his decision shall be final. In the determination of such prevailing rate or rates, due regard shall be given to those rates which have been secured through collective agreement by representatives of employers and employees.

Where such work as is described in the two preceding paragraphs is done directly by the Corporation the prevailing rate of wages shall be paid in the same manner as though such work had been let by contract.

Insofar as applicable, the benefits of the Act entitled "An Act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, shall extend to persons given employment under the provisions of this Act. [48 Stat. 59-60, as amended by 86 Stat. 206, 16 U. S. C. sec. 831b.]

Sec. 4. Except as otherwise specifically provided in this Act, the Corporation—

(a) Shall have succession in its corporate name.

(b) May sue and be sued in its corporate name.

(c) May adopt and use a corporate seal, which shall be judicially noticed.

(d) May make contracts, as herein authorized.

(e) May adopt, amend, and repeal bylaws.

(f) May purchase or lease and hold such real and personal property as it deems necessary or convenient in the transaction of its business, and may dispose of any such personal property held by it.

The board shall select a treasurer and as many assistant treasurers as it deems proper: *Provided*, That any member of said board may be removed from office at any time by a concurrent resolution of the Senate and the House of Representatives.

(g) Shall have such powers as may be necessary or appropriate for the exercise of the powers herein specifically conferred upon the Corporation.

(h) Shall have power in the name of the United States of America to exercise the right of eminent domain, and in the purchase of any real estate or the acquisition of real estate by condemnation proceedings, the title to such real estate shall be taken in the name of the United States of America, and thereupon all such real estate shall be entrusted to the Corporation as the agent of the United States to accomplish the purposes of this Act.

(i) Shall have power to acquire real estate for the construction of dams, reservoirs, transmission lines, power houses, and other structures, and navigation projects at any point along the Tennessee River, or any of its tributaries, and in the event that the owner or owners of such property shall fail and refuse to sell to the Corporation at a price deemed fair and reasonable by the board, then the Corporation may proceed to exercise the right of eminent domain, and to condemn all property that it deems necessary for carrying out the purposes of this Act, and all such condemnation proceedings shall be had pursuant to the pro-

visions and requirements hereinafter specified, with reference to any and all condemnation proceedings: *Provided*, That nothing contained herein or elsewhere in this Act shall be construed to deprive the Corporation of the rights conferred by the Act of February 26, 1931 (46 Stat. 1422, ch. 307, secs. 1 to 5, inclusive), as now compiled in section 258a to 258e, inclusive, of Title 40 of the United States Code.

(j) Shall have power to construct such dams, and reservoirs, in the Tennessee River and its tributaries, as in conjunction with Wilson Dam, and Norris, Wheeler, and Pickwick Landing Dams, now under construction, will provide a nine-foot channel in the said river and maintain a water supply for the same, from Knoxville to its mouth, and will best serve to promote navigation on the Tennessee River and its tributaries and control destructive flood waters in the Tennessee and Mississippi River drainage basins; and shall have power to acquire or construct power houses, power structures, transmission lines, navigation projects, and incidental works in the Tennessee River and its tributaries, and to unite the various power installations into one or more systems by transmission lines. The directors of the Authority are hereby directed to report to Congress their recommendations not later than April 1, 1936, for the unified development of the Tennessee River system.

(k) Shall have power in the name of the United States—

(a) to convey by deed, lease, or otherwise, any real property in the possession of or under the control of the Corporation to any person or persons, for the purpose of recreation or use as a summer residence, or for the operation on such premises of pleasure resorts for boating, fishing, bathing, or any similar purpose;

(b) to convey by deed, lease, or otherwise, the possession and control of any such real property to any corporation, partnership, person, or persons for the purpose of erecting thereon docks and buildings for shipping purposes or the manufacture or storage thereon of products for the purpose of trading or shipping in transportation: *Provided*, That no transfer authorized herein in (b) shall be made without the approval of Congress: *And provided further*, That said Corporation, without further action of Congress, shall have power to convey by deed, lease, or otherwise, to the Ingalls Shipbuilding Corporation, a tract or tracts of land at or near Decatur, Alabama, and to the Commercial Barge Lines, Inc., a tract or tracts of land at or near Guntersville, Alabama;

(c) to transfer any part of the possession and control of the real estate now in possession of and under the control of said Corporation to any other department, agency, or instrumentality of the United States: *Provided, however*, That no land shall be conveyed, leased, or transferred, upon which there is located any permanent dam, hydroelectric power plant, or munitions plant heretofore or hereafter built by or for the United States or for the Authority, except that this prohibition shall not apply to the transfer of Nitrate Plant Numbered 1, at Muscle Shoals, Alabama, or to Waco Quarry: *And provided further*, That no transfer authorized herein in (a) or (c), except leases for terms of less than twenty years, shall be made without the approval of the President of the United States, if the property to be conveyed exceeds \$500 in value; and

(d) to convey by warranty deed, or otherwise, lands, easements, and rights-of-way to States, counties, municipalities, school districts, railroad companies, telephone, telegraph, water, and power companies, where any such conveyance is necessary in order to replace any such lands, easements, or rights-of-way to be flooded or destroyed as the result of the construction of any dam or reservoir now under construction by the Corporation, or subsequently authorized by Congress, and easements and rights-of-way upon which are located transmission or distribution lines. The Corporation shall also have power to convey or lease Nitrate Plant Numbered 1, at Muscle Shoals, Alabama, and Waco Quarry, with the approval of the War Department\* and the President.

(l) Shall have power to advise and cooperate in the readjustment of the population displaced by the construction of dams, the acquisition of reservoir areas, the protection of watersheds, the acquisition of rights-of-way, and other necessary acquisitions of land, in order to effectuate the purposes of the Act; and may cooperate with Federal, State, and local agencies to that end. [48 Stat. 60-61, as amended by 49 Stat. 1075, 1076, 1080, 55 Stat. 599, and 86 Stat. 206, 16 U. S. C. sec. 831c.]

Sec. 5. The board is hereby authorized—

(a) To contract with commercial producers for the production of such fertilizers or fertilizer materials as may be needed in the Government's program of development and introduction in excess of that produced by Government plants. Such contracts may provide either for

\*The Department of War was designated the Department of the Army and the title of Secretary of War was changed to Secretary of the Army by the Act of July 26, 1947, 61 Stat. 501.

outright purchase of materials by the board or only for the payment of carrying charges on special materials manufactured at the board's request for its program.

(b) To arrange with farmers and farm organizations for large-scale practical use of the new forms of fertilizers under conditions permitting an accurate measure of the economic return they produce.

(c) To cooperate with National, State, district, or county experimental stations or demonstration farms, with farmers, landowners, and associations of farmers or landowners, for the use of new forms of fertilizer or fertilizer practices during the initial or experimental period of their introduction, and for promoting the prevention of soil erosion by the use of fertilizers and otherwise.

(d) The board in order to improve and cheapen the production of fertilizer is authorized to manufacture and sell fixed nitrogen, fertilizer, and fertilizer ingredients at Muscle Shoals by the employment of existing facilities, by modernizing existing plants, or by any other process or processes that in its judgment shall appear wise and profitable for the fixation of atmospheric nitrogen or the cheapening of the production of fertilizer.

(e) Under the authority of this Act the board may make donations or sales of the product of the plant or plants operated by it to be fairly and equitably distributed through the agency of county demonstration agents, agricultural colleges, or otherwise as the board may direct, for experimentation, education, and introduction of the use of such products in cooperation with practical farmers so as to obtain information as to the value, effect, and best methods of their use.

(f) The board is authorized to make alterations, modifications, or improvements in existing plants and facilities, and to construct new plants.

(g) In the event it is not used for the fixation of nitrogen for agricultural purposes or leased, then the board shall maintain in standby condition nitrate plant numbered 2, or its equivalent, for the fixation of atmospheric nitrogen, for the production of explosives in the event of war or a national emergency, until the Congress shall by joint resolution release the board from this obligation, and if any part thereof be used by the board for the manufacture of phosphoric acid or potash, the balance of nitrate plant numbered 2 shall be kept in standby condition.

(h) To establish, maintain, and operate laboratories and experimental plants, and to undertake experiments for the purpose of enabling the Corporation to furnish nitrogen products for military purposes, and nitrogen and other fertilizer products for agricultural purposes in the most economical manner and at the highest standard of efficiency.

(i) To request the assistance and advice of any officer, agent, or employee of any executive department or of any independent office of the United States, to enable the Corporation the better to carry out its power successfully, and as far as practicable shall utilize the services of such officers, agents, and employees, and the President shall, if in his opinion, the public interest, service, or economy so require, direct that such assistance, advice, and service be rendered to the Corporation, and any individual that may be by the President directed to render such assistance, advice, and service shall be thereafter subject to the orders, rules, and regulations of the board: *Provided*, That any invention or discovery made by virtue of and incidental to such service by an employee of the Government of the United States serving under this section, or by any employee of the Corporation, together with any patents which may be granted thereon, shall be the sole and exclusive property of the Corporation, which is hereby authorized to grant such licenses thereunder as shall be authorized by the board: *Provided further*, That the board may pay to such inventor such sum from the income from sale of license as it may deem proper.

(j) Upon the requisition of the Secretary of War\* or the Secretary of the Navy to manufacture for and sell at cost to the United States explosives or their nitrogenous content.

(k) Upon the requisition of the Secretary of War the Corporation shall allot and deliver without charge to the War Department so much power as shall be necessary in the judgment of said Department for use in operation of all locks, lifts, or other facilities in aid of navigation.

(l) To produce, distribute, and sell electric power, as herein particularly specified.

(m) Repealed.

(n) The President is authorized, within twelve months after the passage of this Act, to lease to any responsible farm organization or to any corporation organized by it nitrate plant numbered 2 and Waco Quarry, together with the railroad connecting said quarry with nitrate plant numbered 2, for a term not exceeding fifty years at a rental of not less than \$1 per year,

\*Title changed to Secretary of the Army by 61 Stat. 501.



but such authority shall be subject to the express condition that the lessee shall use said property during the term of said lease exclusively for the manufacture of fertilizer and fertilizer ingredients to be used only in the manufacture of fertilizer by said lessee and sold for use as fertilizer. The said lessee shall covenant to keep said property in first-class condition, but the lessee shall be authorized to modernize said plant numbered 2 by the installation of such machinery as may be necessary, and is authorized to amortize the cost of said machinery and improvements over the term of said lease or any part thereof. Said lease shall also provide that the board shall sell to the lessee power for the operation of said plant at the same schedule of prices that it charges all other customers for power of the same class and quantity. Said lease shall also provide that, if the said lessee does not desire to buy power of the publicly owned plant, it shall have the right to purchase its power for the operation of said plant of the Alabama Power Company or any other publicly or privately owned corporation engaged in the generation and sale of electric power, and in such case the lease shall provide further that the said lessee shall have a free right of way to build a transmission line over Government property to said plant paying the actual expenses and damages, if any, incurred by the Corporation on account of such line. Said lease shall also provide that the said lessee shall covenant that during the term of said lease the said lessee shall not enter into any illegal monopoly, combination, or trust with any privately owned corporation engaged in the manufacture, production, and sale of fertilizer with the object or effect of increasing the price of fertilizer to the farmer. [48 Stat. 61-63, as amended by 49 Stat. 1076, 66 Stat. 334, 73 Stat. 285, and P.L. 94-412, sec. 501(d), 16 U. S. C. sec. 831d.\*]

Sec. 6. In the appointment of officials and the selection of employees for said Corporation, and in the promotion of any such employees or officials, no political test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be given and made on the basis of merit and efficiency. Any member of said board who is found by the President of the United States to be guilty of a violation of this section shall be removed from office by the President of the United States, and any appointee of said board who is found by the board to be guilty of a violation of this section shall be removed from office by said board. [48 Stat. 63, 16 U. S. C. sec. 831e.]

Sec. 7. In order to enable the Corporation to exercise the powers and duties vested in it by this Act—

(a) The exclusive use, possession, and control of the United States nitrate plants numbered 1 and 2, including steam plants, located, respectively, at Sheffield, Alabama, and Muscle Shoals, Alabama, together with all real estate and buildings connected therewith, all tools and machinery, equipment, accessories, and materials belonging thereto, and all laboratories and plants used as auxiliaries thereto; the fixed-nitrogen research laboratory, the Waco limestone quarry, in Alabama, and Dam Numbered 2, located at Muscle Shoals, its power house, and all hydroelectric and operating appurtenances (except the locks), and all machinery, lands, and buildings in connection therewith, and all appurtenances thereof, and all other property to be acquired by the Corporation in its own name or in the name of the United States of America, are hereby entrusted to the Corporation for the purposes of this Act.

(b) The President of the United States is authorized to provide for the transfer to the Corporation of the use, possession, and control of such other real or personal property of the United States as he may from time to time deem necessary and proper for the purposes of the Corporation as herein stated. [48 Stat. 63, 16 U. S. C. sec. 831f.]

Sec. 8. (a) The Corporation shall maintain its principal office in the immediate vicinity of Muscle Shoals, Alabama. The Corporation shall be held to be an inhabitant and resident of the northern judicial district of Alabama within the meaning of the laws of the United States relating to the venue of civil suits.

(b) The Corporation shall at all times maintain complete and accurate books of accounts.

(c) Each member of the board, before entering upon the duties of his office, shall subscribe to an oath (or affirmation) to support the Constitution of the United States and to faithfully and impartially perform the duties imposed upon him by this Act. [48 Stat. 63, 16 U. S. C. sec. 831g.]

Sec. 9. (a) The board shall file with the President and with the Congress, in March of each year, a financial statement and a complete report as to the business of the Corporation covering the preceding governmental fiscal year. This report shall include an itemized statement of the cost of power at each power station, the total number of employees and the names, salaries, and duties of those receiving compensation at the rate of more than \$1,500 a year.

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\*Subsection (n) of section 5 is omitted from the United States Code as having been executed.

(b) All purchases and contracts for supplies or services, except for personal services, made by the Corporation, shall be made after advertising, in such manner and at such times sufficiently in advance of opening bids, as the board shall determine to be adequate to insure notice and opportunity for competition: *Provided*, That advertisement shall not be required when, (1) an emergency requires immediate delivery of the supplies or performance of the services; or (2) repair parts, accessories, supplemental equipment, or services are required for supplies or services previously furnished or contracted for; or (3) the aggregate amount involved in any purchase of supplies or procurement of services does not exceed \$10,000; in which cases such purchases of supplies or procurement of services may be made in the open market in the manner common among businessmen: *Provided further*, That in comparing bids and in making awards the board may consider such factors as relative quality and adaptability of supplies or services, the bidder's financial responsibility, skill, experience, record of integrity in dealing, ability to furnish repairs and maintenance services, the time of delivery or performance offered, and whether the bidder has complied with the specifications.

The Comptroller General of the United States shall audit the transactions of the Corporation at such times as he shall determine, but not less frequently than once each governmental fiscal year, with personnel of his selection. In such connection he and his representatives shall have free and open access to all papers, books, records, files, accounts, plants, warehouses, offices, and all other things, property, and places belonging to or under the control of or used or employed by the Corporation, and shall be afforded full facilities for counting all cash and verifying transactions with and balances in depositories. He shall make report of each such audit in quadruplicate, one copy for the President of the United States, one for the chairman of the board, one for public inspection at the principal office of the Corporation, and the other to be retained by him for the uses of the Congress: *Provided*, That such report shall not be made until the Corporation shall have had reasonable opportunity to examine the exceptions and criticisms of the Comptroller General or the General Accounting Office, to point out errors therein, explain or answer the same, and to file a statement which shall be submitted by the Comptroller General with his report. The expenses for each such audit shall be paid from any appropriation or appropriations for the General Accounting Office, and such part of such expenses as may be allocated to the cost of generating, transmitting, and distributing electric energy shall be reimbursed promptly by the Corporation as billed by the Comptroller General.

Nothing in this Act shall be construed to relieve the Treasurer or other accountable officers or employees of the Corporation from compliance with the provisions of existing law requiring the rendition of accounts for adjustment and settlement pursuant to section 236, Revised Statutes, as amended by section 305 of the Budget and Accounting Act, 1921 (42 Stat. 24), and accounts for all receipts and disbursements by or for the Corporation shall be rendered accordingly: *Provided*, That, subject only to the provisions of the Tennessee Valley Authority Act of 1933, as amended, the Corporation is authorized to make such expenditures and to enter into such contracts, agreements, and arrangements, upon such terms and conditions and in such manner as it may deem necessary, including the final settlement of all claims and litigation by or against the Corporation; and, notwithstanding the provisions of any other law governing the expenditure of public funds, the General Accounting Office, in the settlement of the accounts of the Treasurer or other accountable officer or employee of the Corporation, shall not disallow credit for, nor withhold funds because of, any expenditure which the board shall determine to have been necessary to carry out the provisions of said Act.

The Corporation shall determine its own system of administrative accounts and the forms and contents of its contracts and other business documents except as otherwise provided in the Tennessee Valley Authority Act of 1933, as amended. [48 Stat. 63-64, as amended by 49 Stat. 1080, 55 Stat. 775, 68 Stat. 968, 88 Stat. 390, and 90 Stat. 377, 16 U. S. C. sec. 831h.]

Sec. 9a. The board is hereby directed in the operation of any dam or reservoir in its possession and control to regulate the stream flow primarily for the purposes of promoting navigation and controlling floods. So far as may be consistent with such purposes, the board is authorized to provide and operate facilities for the generation of electric energy at any such dam for the use of the Corporation and for the use of the United States or any agency thereof, and the board is further authorized, whenever an opportunity is afforded, to provide and operate facilities for the generation of electric energy in order to avoid the waste of water power, to transmit and market such power as in this act provided, and thereby, so far as may be practicable, to assist in liquidating the cost or aid in the maintenance of the projects of the Authority. [49 Stat. 1076, 16 U. S. C. sec. 831h-1.]

Sec. 10. The board is hereby empowered and authorized to sell the surplus power not used in its operations, and for operation of locks and other works generated by it, to States, counties, municipalities, corporations, partnerships, or individuals, according to the policies

hereinafter set forth; and to carry out said authority, the board is authorized to enter into contracts for such sale for a term not exceeding twenty years, and in the sale of such current by the board it shall give preference to States, counties, municipalities, and cooperative organizations of citizens or farmers, not organized or doing business for profit, but primarily for the purpose of supplying electricity to its own citizens or members: *Provided*, That all contracts made with private companies or individuals for the sale of power, which power is to be resold for a profit, shall contain a provision authorizing the board to cancel said contract upon five years' notice in writing, if the board needs said power to supply the demands of States, counties, or municipalities. In order to promote and encourage the fullest possible use of electric light and power on farms within reasonable distance of any of its transmission lines the board in its discretion shall have power to construct transmission lines to farms and small villages that are not otherwise supplied with electricity at reasonable rates, and to make such rules and regulations governing such sale and distribution of such electric power as in its judgment may be just and equitable: *Provided further*, That the board is hereby authorized and directed to make studies, experiments, and determinations to promote the wider and better use of electric power for agricultural and domestic use, or for small or local industries, and it may cooperate with State governments, or their subdivisions or agencies, with educational or research institutions, and with cooperatives or other organizations, in the application of electric power to the fuller and better balanced development of the resources of the region: *Provided further*, That the board is authorized to include in any contract for the sale of power such terms and conditions, including resale rate schedules, and to provide for such rules and regulations as in its judgment may be necessary or desirable for carrying out the purposes of this Act, and in case the purchaser shall fail to comply with any such terms and conditions, or violate any such rules and regulations, said contract may provide that it shall be voidable at the election of the board: *Provided further*, That in order to supply farms and small villages with electric power directly as contemplated by this section, the board in its discretion shall have power to acquire existing electric facilities used in serving such farms and small villages: *And provided further*, That the terms "States," "counties," and "municipalities" as used in this Act shall be construed to include the public agencies of any of them unless the context requires a different construction. [48 Stat. 64, as amended by 49 Stat. 1076, 16 U. S. C. sec. 831i.]

Sec. 11. It is hereby declared to be the policy of the Government so far as practical to distribute and sell the surplus power generated at Muscle Shoals equitably among the States, counties, and municipalities within transmission distance. This policy is further declared to be that the projects herein provided for shall be considered primarily as for the benefit of the people of the section as a whole and particularly the domestic and rural consumers to whom the power can economically be made available, and accordingly that sale to and use by industry shall be a secondary purpose, to be utilized principally to secure a sufficiently high load factor and revenue returns which will permit domestic and rural use at the lowest possible rates and in such manner as to encourage increased domestic and rural use of electricity. It is further hereby declared to be the policy of the Government to utilize the Muscle Shoals properties so far as may be necessary to improve, increase, and cheapen the production of fertilizer and fertilizer ingredients by carrying out the provisions of this Act. [48 Stat. 64-65, 16 U. S. C. sec. 831j.]

Sec. 12. In order to place the board upon a fair basis for making such contracts and for receiving bids for the sale of such power, it is hereby expressly authorized, either from appropriations made by Congress or from funds secured from the sale of such power, or from funds secured by the sale of bonds hereafter provided for, to construct, lease, purchase, or authorize the construction of transmission lines within transmission distance from the place where generated, and to interconnect with other systems. The board is also authorized to lease to any person, persons, or corporation the use of any transmission line owned by the Government and operated by the board, but no such lease shall be made that in any way interferes with the use of such transmission line by the board: *Provided*, That if any State, county, municipality, or other public or cooperative organization of citizens or farmers, not organized or doing business for profit but primarily for the purpose of supplying electricity to its own citizens or members, or any two or more of such municipalities or organizations, shall construct or agree to construct and maintain a properly designed and built transmission line to the Government reservation upon which is located a Government generating plant, or to a main transmission line owned by the Government or leased by the board and under the control of the board, the board is hereby authorized and directed to contract with such State, county, municipality, or other organization, or two or more of them, for the sale of electricity for a term not exceeding thirty years; and in any such case the board shall give to such



State, county, municipality, or other organization ample time to fully comply with any local law now in existence or hereafter enacted providing for the necessary legal authority for such State, county, municipality, or other organization to contract with the board for such power. *Provided further*, That all contracts entered into between the Corporation and any municipality or other political subdivision or cooperative organization shall provide that the electric power shall be sold and distributed to the ultimate consumer without discrimination as between consumers of the same class, and such contract shall be voidable at the election of the board if a discriminatory rate, rebate, or other special concession is made or given to any consumer or user by the municipality or other political subdivision or cooperative organization: *And provided further*, That as to any surplus power not so sold as above provided to States, counties, municipalities, or other said organizations, before the board shall sell the same to any person or corporation engaged in the distribution and resale of electricity for profit, it shall require said person or corporation to agree that any resale of such electric power by said person or corporation shall be made to the ultimate consumer of such electric power at prices that shall not exceed a schedule fixed by the board from time to time as reasonable, just, and fair; and in case of any such sale, if an amount is charged the ultimate consumer which is in excess of the price so deemed to be just, reasonable, and fair by the board, the contract for such sale between the board and such distributor of electricity shall be voidable at the election of the board: *And provided further*, That the board is hereby authorized to enter into contracts with other power systems for the mutual exchange of unused excess power upon suitable terms, for the conservation of stored water, and as an emergency or breakdown relief. [48 Stat. 65-66, 16 U. S. C. sec. 831k.]

Sec. 12a. In order (1) to facilitate the disposition of the surplus power of the Corporation according to the policies set forth in this Act; (2) to give effect to the priority herein accorded to States, counties, municipalities, and nonprofit organizations in the purchase of such power by enabling them to acquire facilities for the distribution of such power; and (3) at the same time to preserve existing distribution facilities as going concerns and avoid duplication of such facilities, the board is authorized to advise and cooperate with and assist, by extending credit for a period of not exceeding five years to, States, counties, municipalities and nonprofit organizations situated within transmission distance from any dam where such power is generated by the Corporation in acquiring, improving, and operating (a) existing distribution facilities and incidental works, including generating plants; and (b) interconnecting transmission lines; or in acquiring any interest in such facilities, incidental works, and lines. [49 Stat. 1076-1077, 16 U. S. C. sec. 831k-1.]

Sec. 13. In order to render financial assistance to those States and local governments in which the power operations of the Corporation are carried on and in which the Corporation has acquired properties previously subject to State and local taxation, the board is authorized and directed to pay to said States, and the counties therein, for each fiscal year, beginning July 1, 1940, the following percentages of the gross proceeds derived from the sale of power by the Corporation for the preceding fiscal year as hereinafter provided, together with such additional amounts as may be payable pursuant to the provisions hereinafter set forth, said payments to constitute a charge against the power operations of the Corporation: For the fiscal year (beginning July 1) 1940, 10 per centum; 1941, 9 per centum; 1942, 8 per centum; 1943, 7-1/2 per centum; 1944, 7 per centum; 1945, 6-1/2 per centum; 1946, 6 per centum; 1947, 5-1/2 per centum; 1948 and each fiscal year thereafter, 5 per centum.\* "Gross proceeds", as used in this section, is defined as the total gross proceeds derived by the Corporation from the sale of power for the preceding fiscal year, excluding power used by the Corporation or sold or delivered to any other department or agency of the Government of the United States for any purpose other than the resale thereof. The payments herein authorized are in lieu of taxation, and the Corporation, its property, franchises and income, are hereby expressly exempted from taxation in any manner or form by any State, county, municipality, or any subdivision or district thereof.

The payment for each fiscal year shall be apportioned among said States in the following manner: One-half of said payment shall be apportioned by paying to each State the percentage thereof which the gross proceeds of the power sales by the Corporation within said State during the preceding fiscal year bears to the total gross proceeds from all power sales by the Corporation during the preceding fiscal year; the remaining one-half of said payment shall be apportioned by paying to each State the percentage thereof which the book value of the

\*Section 114(a) of P.L. 94-274 directed TVA to make payments in lieu of taxes for the fiscal year transition period from July 1, 1976, through September 30, 1978, on such bases and in a manner which is consistent, to the fullest extent practicable, with the payments authorized and made for the immediately preceding fiscal year and to be made for the fiscal year immediately following, in accordance with the applicable provisions of Section 13 of the TVA Act.

power property held by the Corporation within said State at the end of the preceding fiscal year bears to the total book value of all such property held by the Corporation on the same date. The book value of power property shall include that portion of the investment allocated or estimated to be allocable to power: *Provided*, That the minimum annual payment to each State (including payments to counties therein) shall not be less than an amount equal to the two-year average of the State and local ad valorem property taxes levied against power property purchased and operated by the Corporation in said State and against that portion of reservoir lands related to dams constructed by or on behalf of the United States Government and held or operated by the Corporation and allocated or estimated to be allocable to power. The said two-year average shall be calculated for the last two years during which said property was privately owned and operated or said land was privately owned: *Provided, further*, That the minimum annual payment to each State in which the Corporation owns and operates power property (including payments to counties therein) shall not be less than \$10,000 in any case: *Provided further*, That the corporation shall pay directly to the respective counties the two-year average of county ad valorem property taxes (including taxes levied by taxing districts within the respective counties) upon power property and reservoir lands allocable to power, determined as above provided, and all payments to any such county within a State shall be deducted from the payment otherwise due to such State under the provisions of this section. The determination of the board of the amounts due hereunder to the respective States and counties shall be final.

The payments above provided shall in each case be made to the State or county in equal monthly installments beginning not later than July 31, 1940.

Nothing herein shall be construed to limit the authority of the Corporation in its contracts for the sale of power to municipalities, to permit or provide for the resale of power at rates which may include an amount to cover tax-equivalent payments to the municipality in lieu of State, county, and municipal taxes upon any distribution system or property owned by the municipality, or any agency thereof, conditioned upon a proper distribution by the municipality of any amounts collected by it in lieu of State or county taxes upon any such distribution system or property; it being the intention of Congress that either the municipality or the State in which the municipality is situated shall provide for the proper distribution to the State and county of any portion of tax equivalent so collected by the municipality in lieu of State or county taxes upon any such distribution system or property.

The Corporation shall, not later than January 1, 1945, submit to the Congress a report on the operation of the provisions of this section, including a statement of the distribution to the various States and counties hereunder; the effect of the operation of the provisions of this section on State and local finances; an appraisal of the benefits of the program of the Corporation to the States and counties receiving payments hereunder, and the effect of such benefits in increasing taxable values within such States and counties; and such other data, information, and recommendations as may be pertinent to future legislation. [48 Stat. 66, as amended by 54 Stat. 626-627, 16 U. S. C. sec. 831l.]

Sec. 14. The board shall make a thorough investigation as to the present value of Dam Numbered 2, and the steam plants at nitrate plant numbered 1, and nitrate plant numbered 2, and as to the cost of Cove Creek Dam, for the purpose of ascertaining how much of the value or the cost of said properties shall be allocated and charged up to (1) flood control, (2) navigation, (3) fertilizer, (4) national defense, and (5) the development of power. The findings thus made by the board, when approved by the President of the United States, shall be final, and such findings shall thereafter be used in all allocation of value for the purpose of keeping the book value of said properties. In like manner, the cost and book value of any dams, steam plants, or other similar improvements hereafter constructed and turned over to said board for the purpose of control and management shall be ascertained and allocated.

The board shall, on or before January 1, 1937, file with Congress a statement of its allocation of the value of all such properties turned over to said board, and which have been completed prior to the end of the preceding fiscal year, and shall thereafter in its annual report to Congress file a statement of its allocation of the value of such properties as have been completed during the preceding fiscal year.

For the purpose of accumulating data useful to the Congress in the formulation of legislative policy in matters relating to the generation, transmission, and distribution of electric energy and the production of chemicals necessary to national defense and useful in agriculture, and to the Federal Power Commission and other Federal and State agencies, and to the public, the board shall keep complete accounts of its costs of generation, transmission, and distribution of electric energy and shall keep a complete account of the total cost of generating and transmission facilities constructed or otherwise acquired by the Corporation,



and of producing such chemicals, and a description of the major components of such costs according to such uniform system of accounting for public utilities as the Federal Power Commission has, and if it have none, then it is hereby empowered and directed to prescribe such uniform system of accounting, together with records of such other physical data and operating statistics of the Authority as may be helpful in determining the actual cost and value of services, and the practices, methods, facilities, equipment, appliances, and standards and sizes, types, location, and geographical and economic integration of plants and systems best suited to promote the public interest, efficiency, and the wider and more economical use of electric energy. Such data shall be reported to the Congress by the board from time to time with appropriate analyses and recommendations, and, so far as practicable, shall be made available to the Federal Power Commission and other Federal and State agencies which may be concerned with the administration of legislation relating to the generation, transmission, or distribution of electric energy and chemicals useful to agriculture. It is hereby declared to be the policy of this Act that, in order, as soon as practicable, to make the power projects self-supporting and self-liquidating, the surplus power shall be sold at rates which, in the opinion of the board, when applied to the normal capacity of the Authority's power facilities, will produce gross revenues in excess of the cost of production of said power and in addition to the statement of the cost of power at each power station as required by section 9 (a) of the "Tennessee Valley Act of 1933", the board shall file with each annual report, a statement of the total cost of all power generated by it at all power stations during each year, the average cost of such power per kilowatt hour, the rates at which sold, and to whom sold, and copies of all contracts for the sale of power. [48 Stat. 66, as amended by 49 Stat. 1077, 16 U. S. C. sec. 831m.]

Sec. 15. In the construction of any future dam, steam plant, or other facility, to be used in whole or in part for the generation or transmission of electric power the board is hereby authorized and empowered to issue on the credit of the United States and to sell serial bonds not exceeding \$50,000,000 in amount, having a maturity not more than fifty years from the date of issue thereof, and bearing interest not exceeding 3-1/2 per centum per annum. Said bonds shall be issued and sold in amounts and prices approved by the Secretary of the Treasury, but all such bonds as may be so issued and sold shall have equal rank. None of said bonds shall be sold below par, and no fee, commission, or compensation whatever shall be paid to any person, firm, or corporation for handling, negotiating the sale, or selling the said bonds. All of such bonds so issued and sold shall have all the rights and privileges accorded by law to Panama Canal bonds, authorized by section 8 of the Act of June 28, 1902, chapter 1302, as amended by the Act of December 21, 1905 (ch. 3, sec. 1, 34 Stat. 5), as now compiled in section 743 of title 31 of the United States Code. All funds derived from the sale of such bonds shall be paid over to the Corporation. [48 Stat. 66-67, 16 U. S. C. sec. 831n.]

Sec. 15a. With the approval of the Secretary of the Treasury, the Corporation is authorized to issue bonds not to exceed in the aggregate \$50,000,000 outstanding at any one time, which bonds may be sold by the Corporation to obtain funds to carry out the provisions of section 12a of this Act. Such bonds shall be in such forms and denominations, shall mature within such periods not more than fifty years from the date of their issue, may be redeemable at the option of the Corporation before maturity in such manner as may be stipulated therein, shall bear such rates of interest not exceeding 3-1/2 per centum per annum, shall be subject to such terms and conditions, shall be issued in such manner and amount, and sold at such prices, as may be prescribed by the Corporation, with the approval of the Secretary of the Treasury: *Provided*, That such bonds shall not be sold at such prices or on such terms as to afford an investment yield to the holders in excess of 3-1/2 per centum per annum. Such bonds shall be fully and unconditionally guaranteed both as to interest and principal by the United States, and such guaranty shall be expressed on the face thereof, and such bonds shall be lawful investments, and may be accepted as security, for all fiduciary, trust, and public funds, the investment or deposit of which shall be under the authority or control of the United States or any officer or officers thereof. In the event that the Corporation should not pay upon demand, when due, the principal of, or interest on, such bonds, the Secretary of the Treasury shall pay to the holder the amount thereof, which is hereby authorized to be appropriated out of any moneys in the Treasury not otherwise appropriated, and thereupon to the extent of the amount so paid the Secretary of the Treasury shall succeed to all the rights of the holders of such bonds. The Secretary of the Treasury, in his discretion, is authorized to purchase any bonds issued hereunder, and for such purpose the Secretary of the Treasury is authorized to use as a public-debt transaction the proceeds from the sale of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such Act, as amended, are extended to include any purchases

of the Corporation's bonds hereunder. The Secretary of the Treasury may, at any time, sell any of the bonds of the Corporation acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of the bonds of the Corporation shall be treated as public-debt transactions of the United States. With the approval of the Secretary of the Treasury, the Corporation shall have power to purchase such bonds in the open market at any time and at any price. No bonds shall be issued hereunder to provide funds or bonds necessary for the performance of any proposed contract negotiated by the Corporation under the authority of section 12a of this Act until the proposed contract shall have been submitted to and approved by the Federal Power Commission. When any such proposed contract shall have been submitted to the said Commission, the matter shall be given precedence and shall be in every way expedited and the Commission's determination of the matter shall be final. The authority of the Corporation to issue bonds hereunder shall expire at the end of five years from the date when this section as amended herein becomes law, except that such bonds may be issued at any time after the expiration of said period to provide bonds or funds necessary for the performance of any contract entered into by the Corporation, prior to the expiration of said period, under the authority of section 12a of this Act. [49 Stat. 1078, 16 U. S. C. sec. 831n-1.]

Sec. 15b. No bonds shall be issued by the Corporation after the date of enactment of this section under section 15 or section 15a. [53 Stat. 1083, 16 U. S. C. sec. 831n-2.]

Sec. 15c. With the approval of the Secretary of the Treasury the Corporation is authorized, after the date of enactment of this section, to issue bonds not to exceed in the aggregate \$61,500,000. Such bonds may be sold by the Corporation to obtain funds which may be used for the following purposes only:

(1) Not to exceed \$46,000,000 may be used for the purchase of electric utility properties of the Tennessee Electric Power Company and Southern Tennessee Power Company as contemplated in the contract between the Corporation and the Commonwealth and Southern Corporation and others, dated as of May 12, 1939.

(2) Not to exceed \$6,500,000 may be used for the purchase and rehabilitation of electric utility properties of the Alabama Power Company and Mississippi Power Company in the following named counties in northern Alabama and northern Mississippi: The counties of Jackson, Madison, Limestone, Lauderdale, Colbert, Lawrence, Morgan, Marshall, DeKalb, Cherokee, Cullman, Winston, Franklin, Marion, and Lamar in northern Alabama, and the counties of Calhoun, Chickasaw, Monroe, Clay, Lowndes, Oktibbeha, Choctaw, Webster, Noxubee, Winston, Neshoba, and Kemper in northern Mississippi.

(3) Not to exceed \$3,500,000 may be used for rebuilding, replacing, and repairing electric utility properties purchased by the Corporation in accordance with the foregoing provisions of this section.

(4) Not to exceed \$3,500,000 may be used for constructing electric transmission lines, substations, and other electrical facilities necessary to connect the electric utility properties purchased by the Corporation in accordance with the foregoing provisions of this section with the electric power system of the Corporation.

(5) Not to exceed \$2,000,000 may be used for making loans under section 12a to States, counties, municipalities, and nonprofit organizations to enable them to purchase any electric utility properties referred to in the contract between the Corporation and the Commonwealth and Southern Corporation and others, dated as of May 12, 1939, or any electric utility properties of the Alabama Power Company or Mississippi Power Company in any of the counties in northern Alabama or northern Mississippi named in paragraph (2).

The Corporation shall file with the President and with the Congress in December of each year a financial statement and complete report as to the expenditure of funds derived from the sale of bonds under this section covering the period not covered by any such previous statement or report. Such bonds shall be in such forms and denominations, shall mature within such periods not more than fifty years from the date of their issue, may be redeemable at the option of the Corporation before maturity in such manner as may be stipulated therein, shall bear such rates of interest not exceeding 3-1/2 per centum per annum, shall be subject to such terms and conditions, shall be issued in such manner and amount, and sold at such prices, as may be prescribed by the Corporation with the approval of the Secretary of the Treasury: *Provided*, That such bonds shall not be sold at such prices or on such terms as to afford an investment yield to the holders in excess of 3-1/2 per centum per annum. Such bonds shall be fully and unconditionally guaranteed both as to interest and principal by the United States, and such guaranty shall be expressed on the face thereof, and such bonds shall be lawful investments, and may be accepted as security for all fiduciary, trust, and public

funds, the investment or deposit of which shall be under the authority or control of the United States or any officer or officers thereof. In the event that the Corporation should not pay upon demand when due, the principal of, or interest on, such bonds, the Secretary of the Treasury shall pay to the holder the amount thereof, which is hereby authorized to be appropriated out of any moneys in the Treasury not otherwise appropriated, and thereupon to the extent of the amount so paid the Secretary of the Treasury shall succeed to all the rights of the holders of such bonds. The Secretary of the Treasury, in his discretion, is authorized to purchase any bonds issued hereunder, and for such purpose the Secretary of the Treasury is authorized to use as a public-debt transaction the proceeds from the sale of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such Act, as amended, are extended to include any purchases of the Corporation's bonds hereunder. The Secretary of the Treasury may, at any time, sell any of the bonds of the Corporation acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of the bonds of the Corporation shall be treated as public-debt transactions of the United States. With the approval of the Secretary of the Treasury, the Corporation shall have power to purchase such bonds in the open market at any time and at any price. None of the proceeds of the bonds shall be used for the performance of any proposed contract negotiated by the Corporation under the authority of section 12a of this Act until the proposed contract shall have been submitted to and approved by the Federal Power Commission. When any such proposed contract shall have been submitted to the said Commission, the matter shall be given precedence and shall be in every way expedited and the Commission's determination of the matter shall be final. The authority of the Corporation to issue bonds under this section shall expire January 1, 1941, except that if at the time such authority expires the amount of bonds issued by the Corporation under this section is less than \$61,500,000, the Corporation may, subject to the foregoing provisions of this section, issue, after the expiration of such period, bonds in an amount not in excess of the amount by which the bonds so issued prior to the expiration of such period is less than \$61,500,000 for refunding purposes, or, subject to the provisions of paragraph (5) of this section (limiting the purposes for which loans under section 12a of funds derived from bond proceeds may be made) to provide funds found necessary in the performance of any contract entered into by the Corporation prior to the expiration of such period, under the authority of section 12a. [53 Stat. 1083-1085, 16 U. S. C. sec. 831n-3.]

Sec. 15d. (a) The Corporation is authorized to issue and sell bonds, notes and other evidences of indebtedness (hereinafter collectively referred to as "bonds") in an amount not exceeding \$30,000,000,000 outstanding at any one time to assist in financing its power program and to refund such bonds. The Corporation may, in performing functions authorized by this Act, use the proceeds of such bonds for the construction, acquisition, enlargement, improvement, or replacement of any plant or other facility used or to be used for the generation or transmission of electric power (including the portion of any multiple-purpose structure used or to be used for power generation); as may be required in connection with the lease, lease-purchase, or any contract for the power output of any such plant or other facility; and for other purposes incidental thereto. Unless otherwise specifically authorized by Act of Congress the Corporation shall make no contracts for the sale or delivery of power which would have the effect of making the Corporation or its distributors, directly or indirectly, a source of power supply outside the area for which the Corporation or its distributors were the primary source of power supply on July 1, 1957, and such additional area extending not more than five miles around the periphery of such area as may be necessary to care for the growth of the Corporation and its distributors within said area: *Provided, however*, That such additional area shall not in any event increase by more than 2-1/2 per centum (or two thousand square miles, whichever is the lesser) the area for which the Corporation and its distributors were the primary source of power supply on July 1, 1957; *And provided further*, That no part of such additional area may be in a State not now served by the Corporation or its distributors or in a municipality receiving electric service from another source on or after July 1, 1957, and no more than five hundred square miles of such additional area may be in any one State now served by the Corporation or its distributors.

Nothing in this subsection shall prevent the Corporation or its distributors from supplying electric power to any customer within any area in which the Corporation or its distributors had generally established electric service on July 1, 1957, and to which electric service was not being supplied from any other source on the effective date of this Act.

Nothing in this subsection shall prevent the Corporation, when economically feasible, from making exchange power arrangements with other power-generating organizations with which the Corporation had such arrangements on July 1, 1957, nor prevent the Corporation from



continuing to supply power to Dyersburg, Tennessee, and Covington, Tennessee, or from entering into contracts to supply or from supplying power to the cities of Paducah, Kentucky; Princeton, Kentucky; Glasgow, Kentucky; Fulton, Kentucky; Monticello, Kentucky; Hickman, Kentucky; Chickamauga, Georgia; Ringgold, Georgia; Oak Ridge, Tennessee; and South Fulton, Tennessee; or agencies thereof; or from entering into contracts to supply or from supplying power for the Naval Auxiliary Air Station in Lauderdale and Kemper Counties, Mississippi, through the facilities of the East Mississippi Electric Power Association: *Provided further*, That nothing herein contained shall prevent the transmission of TVA power to the Atomic Energy Commission or the Department of Defense or any agency thereof, on certification by the President of the United States that an emergency defense need for such power exists. Nothing in this Act shall affect the present rights of the parties in any existing lawsuits involving efforts of towns in the same general area where TVA power is supplied to obtain TVA power.

The principal of and interest on said bonds shall be payable solely from the Corporation's net power proceeds as hereinafter defined. Net power proceeds are defined for purposes of this section as the remainder of the Corporation's gross power revenues after deducting the costs of operating, maintaining, and administering its power properties (including costs applicable to that portion of its multiple-purpose properties allocated to power) and payments to States and counties in lieu of taxes but before deducting depreciation accruals or other charges representing the amortization of capital expenditures, plus the net proceeds of the sale or other disposition of any power facility or interest therein, and shall include reserve or other funds created from such sources. Notwithstanding the provisions of section 26 of this Act or any other provision of law, the Corporation may pledge and use its net power proceeds for payment of the principal of and interest on said bonds, for purchase or redemption thereof, and for other purposes incidental thereto, including creation of reserve funds and other funds which may be similarly pledged and used, to such extent and in such manner as it may deem necessary or desirable. The Corporation is authorized to enter into binding covenants with the holders of said bonds—and with the trustee, if any—under any indenture, resolution, or other agreement entered into in connection with the issuance thereof (any such agreement being hereinafter referred to as a "bond contract") with respect to the establishment of reserve funds and other funds, adequacy of charges for supply of power, application and use of net power proceeds, stipulations concerning the subsequent issuance of bonds or the execution of leases or lease-purchase agreements relating to power properties, and such other matters, not inconsistent with this Act, as the Corporation may deem necessary or desirable to enhance the marketability of said bonds. The issuance and sale of bonds by the Corporation and the expenditure of bond proceeds for the purposes specified herein, including the addition of generating units to existing power-producing projects and the construction of additional power-producing projects, shall not be subject to the requirements or limitations of any other law.

(b) Bonds issued by the Corporation hereunder shall not be obligations of, nor shall payment of the principal thereof or interest thereon be guaranteed by, the United States. Proceeds realized by the Corporation from issuance of such bonds and from power operations and the expenditure of such proceeds shall not be subject to apportionment under the provisions of Revised Statutes 3679, as amended (31 U. S. C. 665).

(c) Bonds issued by the Corporation under this section shall be negotiable instruments unless otherwise specified therein, shall be in such forms and denominations, shall be sold at such times and in such amounts, shall mature at such time or times not more than fifty years from their respective dates, shall be sold at such prices, shall bear such rates of interest, may be redeemable before maturity at the option of the Corporation in such manner and at such times and redemption premiums, may be entitled to such relative priorities of claim on the Corporation's net power proceeds with respect to principal and interest payments, and shall be subject to such other terms and conditions, as the Corporation may determine: *Provided*, That at least fifteen days before selling each issue of bonds hereunder (exclusive of any commitment shorter than one year) the Corporation shall advise the Secretary of the Treasury as to the amount, proposed date of sale, maturities, terms and conditions and expected rates of interest of the proposed issue in the fullest detail possible and, if the Secretary shall so request, shall consult with him or his designee thereon, but the sale and issuance of such bonds shall not be subject to approval by the Secretary of the Treasury except as to the time of issuance, and the maximum rates of interest to be borne by the bonds: *Provided further*, That if the Secretary of the Treasury does not approve a proposed issue of bonds hereunder within seven working days following the date on which he is advised of the proposed sale, the Corporation may issue to the Secretary interim obligations in the amount of the proposed

issue, which the Secretary is directed to purchase. In case the Corporation determines that a proposed issue of bonds hereunder cannot be sold on reasonable terms, it may issue to the Secretary interim obligations which the Secretary is authorized to purchase. Notwithstanding the foregoing provisions of this subsection, obligations issued by the Corporation to the Secretary shall not exceed \$150,000,000 outstanding at any one time, shall mature on or before one year from date of issue, and shall bear interest equal to the average rate (rounded to the nearest one-eighth of a percent) on outstanding marketable obligations of the United States with maturities from dates of issue of one year or less as of the close of the month preceding the issuance of the obligations of the Corporation. If agreement is not reached within eight months concerning the issuance of any bonds which the Secretary has failed to approve, the Corporation may nevertheless proceed to sell such bonds on any date thereafter without approval by the Secretary in amount sufficient to retire the interim obligations issued to the Treasury and such interim obligations shall be retired from the proceeds of such bonds. For the purpose of any purchase of the Corporation's obligations the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under the Second Liberty Bond Act, as amended, are extended to include any purchases of the Corporation's obligations hereunder. The Corporation may sell its bonds by negotiation or on the basis of competitive bids, subject to the right, if reserved, to reject all bids; may designate trustees, registrars, and paying agents in connection with said bonds and the issuance thereof; may arrange for audits of its accounts and for reports concerning its financial condition and operations by certified public accounting firms (which audits and reports shall be in addition to those required by sections 105 and 106 of the Act of December 6, 1945 (59 Stat. 599; 31 U. S. C. 850-851), may, subject to any covenants contained in any bond contract, invest the proceeds of any bonds and other funds under its control which derive from or pertain to its power program in any securities approved for investment of national bank funds and deposit said proceeds and other funds, subject to withdrawal by check or otherwise, in any Federal Reserve Bank or bank having membership in the Federal Reserve System; and may perform such other acts not prohibited by law as it deems necessary or desirable to accomplish the purposes of this section. Bonds issued by the Corporation hereunder shall contain a recital that they are issued pursuant to this section, and such recital shall be conclusive evidence of the regularity of the issuance and sale of such bonds and of their validity. The annual report of the Board filed pursuant to section 9 of this Act shall contain a detailed statement of the operation of the provisions of this section during the year.

(d) Bonds issued by the Corporation hereunder shall be lawful investments and may be accepted as security for all fiduciary, trust, and public funds, the investment or deposit of which shall be under the authority or control of any officer or agency of the United States. The Secretary of the Treasury or any other officer or agency having authority over or control of any such fiduciary, trust, or public funds, may at any time sell any of the bonds of the Corporation acquired by them under this section. Bonds issued by the Corporation hereunder shall be exempt both as to principal and interest from all taxation now or hereafter imposed by any State or local taxing authority except estate, inheritance, and gift taxes.

(e) From net power proceeds in excess of those required to meet the Corporation's obligations under the provisions of any bond or bond contract, the Corporation shall, beginning with fiscal year 1961, make payments into the Treasury as miscellaneous receipts on or before September 30, of each fiscal year as a return on the appropriation investment in the Corporation's power facilities, plus a repayment sum of not less than \$10,000,000 for each of the first five fiscal years, \$15,000,000 for each of the next five fiscal years, and \$20,000,000 for each fiscal year thereafter, which repayment sum shall be applied to reduction of said appropriation investment until a total of \$1,000,000,000 of said appropriation investment shall have been repaid.\* The said appropriation investment shall consist, in any fiscal year, of that part of the Corporation's total investment assigned to power as of the beginning of the fiscal year (including both completed plant and construction in progress) which has been provided from appropriations or by transfers of property from other Government agencies without reimbursement by the Corporation, less repayments of such appropriation investment made under title II of the Government Corporations Appropriation Act, 1948, this Act, or other ap-

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\*Section 114(b) of P.L. 94-274 directed TVA to make a payment of \$5,000,000 on September 30, 1976, as repayment of the appropriation investment plus a payment as a return on the appropriation investment for the fiscal year transition period from July 1, 1976, through September 30, 1976, computed at the average interest rate payable by the Treasury upon its total marketable public obligations as of July 1, 1976, applied to the balance of said appropriations as of July 1, 1976.

plicable legislation. The payment as a return on the appropriation investment in each fiscal year shall be equal to the computed average interest rate payable by the Treasury upon its total marketable public obligations as of the beginning of said fiscal year applied to said appropriation investment. Payments due hereunder may be deferred for not more than two years when, in the judgment of the Board of Directors of the Corporation, such payments cannot feasibly be made because of inadequacy of funds occasioned by drought, poor business conditions, emergency replacements, or other factors beyond the control of the Corporation.

(f) The Corporation shall charge rates for power which will produce gross revenues sufficient to provide funds for operation, maintenance, and administration of its power system; payments to States and counties in lieu of taxes; debt service on outstanding bonds, including provision and maintenance of reserve funds and other funds established in connection therewith; payments to the Treasury as a return on the appropriation investment pursuant to subsection (e) hereof; payment to the Treasury of the repayment sums specified in subsection (e) hereof; and such additional margin as the Board may consider desirable for investment in power system assets, retirement of outstanding bonds in advance of maturity, additional reduction of appropriation investment, and other purposes connected with the Corporation's power business, having due regard for the primary objectives of the Act, including the objective that power shall be sold at rates as low as are feasible. In order to protect the investment of holders of the Corporation's securities and the appropriation investment as defined in subsection (e) hereof, the Corporation, during each successive five-year period beginning with the five-year period which commences on July 1 of the first full fiscal year after the effective date of this section, shall apply net power proceeds either in reduction (directly or through payments into reserve or sinking funds) of its capital obligations, including bonds and the appropriation investment, or to reinvestment in power assets, at least to the extent of the combined amount of the aggregate of the depreciation accruals and other charges representing the amortization of capital expenditures applicable to its power properties plus the net proceeds realized from any disposition of power facilities in said period. As of October 1, 1975, the five-year periods described herein shall be computed as beginning on October 1 of that year and of each fifth year thereafter.

(g) Power generating and related facilities operated by the Corporation under lease and lease-purchase agreements shall constitute power property held by the Corporation within the meaning of section 13 of this Act, but that portion of the payment due for any fiscal year under said section 13 to a State where such facilities are located which is determined or estimated by the Board to result from holding such facilities or selling electric energy generated thereby shall be reduced by the amount of any taxes or tax equivalents applicable to such fiscal year paid by the owners or others on account of said facilities to said State and to local taxing jurisdictions therein. In connection with the construction of a generating plant or other facilities under an agreement providing for lease or purchase of said facilities or any interest therein by or on behalf of the Corporation, or for the purchase of the output thereof, the Corporation may convey, in the name of the United States by deed, lease, or otherwise, any real property in its possession or control, may perform necessary engineering and construction work and other services, and may enter into any necessary contractual arrangements.

(h) It is hereby declared to be the intent of this section to aid the Corporation in discharging its responsibility for the advancement of the national defense and the physical, social and economic development of the area in which it conducts its operations by providing it with adequate authority and administrative flexibility to obtain the necessary funds with which to assure an ample supply of electric power for such purposes by issuance of bonds and as otherwise provided herein, and this section shall be construed to effectuate such intent. [73 Stat. 280 as amended by 73 Stat. 338, 80 Stat. 346, 84 Stat. 915, 89 Stat. 750, and 90 Stat. 376, and P.L. 96-97 (October 31, 1979), 16 U. S. C. sec. 831n-4.]

Sec. 16. The board, whenever the President deems it advisable, is hereby empowered and directed to complete Dam Numbered 2 at Muscle Shoals, Alabama, and the steam plant at nitrate plant numbered 2, in the vicinity of Muscle Shoals, by installing in Dam Numbered 2 the additional power units according to the plans and specifications of said dam, and the additional power unit in the steam plant at nitrate plant numbered 2. [48 Stat. 67, 16 U. S. C. sec. 831o.]

Sec. 17. The Secretary of War, or the Secretary of the Interior, is hereby authorized to construct, either directly or by contract to the lowest responsible bidder, after due advertisement, a dam in and across Clinch River in the State of Tennessee, which has by long custom become known and designated as the Cove Creek Dam, together with a transmission line from Muscle Shoals, according to the latest and most approved designs, including power house and hydroelectric installations and equipment for the generation of power, in order that



the waters of the said Clinch River may be impounded and stored above said dam for the purpose of increasing and regulating the flow of the Clinch River and the Tennessee River below, so that the maximum amount of primary power may be developed at Dam Numbered 2 and at any and all other dams below the said Cove Creek Dam: *Provided, however,* That the President is hereby authorized by appropriate order to direct the employment by the Secretary of War, or by the Secretary of the Interior, of such engineer or engineers as he may designate, to perform such duties and obligations as he may deem proper, either in the drawing of plans and specifications for said dam, or to perform any other work in the building or construction of the same. The President may, by such order, place the control of the construction of said dam in the hands of such engineer or engineers taken from private life as he may desire: *And provided further,* That the President is hereby expressly authorized, without regard to the restriction or limitation of any other statute, to select attorneys and assistants for the purpose of making any investigation he may deem proper to ascertain whether, in the control and management of Dam Numbered 2, or any other dam or property owned by the Government in the Tennessee River Basin, or in the authorization of any improvement therein, there has been any undue or unfair advantage given to private persons, partnerships, or corporations, by any officials or employees of the Government, or whether in any such matters the Government has been injured or unjustly deprived of any of its rights. [48 Stat. 67, 16 U. S. C. sec. 831p.\*]

Sec. 18. In order to enable and empower the Secretary of War, the Secretary of the Interior, or the board to carry out the authority hereby conferred, in the most economical and efficient manner, he or it is hereby authorized and empowered in the exercise of the powers of national defense in aid of navigation, and in the control of the flood waters of the Tennessee and Mississippi Rivers, constituting channels of interstate commerce, to exercise the right of eminent domain for all purposes of this Act, and to condemn all lands, easements, rights of way, and other area necessary in order to obtain a site for said Cove Creek Dam, and the flowage rights for the reservoir of water above said dam, and to negotiate and conclude contracts with States, counties, municipalities, and all State agencies and with railroads, railroad corporations, common carriers, and all public utility commissions and any other person, firm, or corporation, for the relocation of railroad tracks, highways, highway bridges, mills, ferries, electric-light plants, and any and all other properties, enterprises, and projects whose removal may be necessary in order to carry out the provisions of this Act. When said Cove Creek Dam, transmission line, and power house shall have been completed, the possession, use, and control thereof shall be entrusted to the Corporation for use and operation in connection with the general Tennessee Valley project, and to promote flood control and navigation in the Tennessee River. [48 Stat. 67-68, 16 U. S. C. sec. 831q.]

Sec. 19. The Corporation, as an instrumentality and agency of the Government of the United States for the purpose of executing its constitutional powers, shall have access to the Patent Office of the United States for the purpose of studying, ascertaining, and copying all methods, formulae, and scientific information (not including access to pending applications for patents) necessary to enable the Corporation to use and employ the most efficacious and economical process for the production of fixed nitrogen, or any essential ingredient of fertilizer, or any method of improving and cheapening the production of hydroelectric power, and any owner of a patent whose patent rights may have been thus in any way copied, used, infringed, or employed by the exercise of this authority by the Corporation shall have as the exclusive remedy a cause of action against the Corporation to be instituted and prosecuted on the equity side of the appropriate district court of the United States, for the recovery of reasonable compensation for such infringement. The Commissioner of Patents shall furnish to the Corporation, at its request and without payment of fees, copies of documents on file in his office: *Provided,* That the benefits of this section shall not apply to any art, machine, method of manufacture, or composition of matter, discovered or invented by such employee during the time of his employment or service with the Corporation or with the Government of the United States. [48 Stat. 68, 16 U. S. C. sec. 831r.]

Sec. 20. The Government of the United States hereby reserves the right, in case of war or national emergency declared by Congress, to take possession of all or any part of the property described or referred to in this Act for the purpose of manufacturing explosives or for other war purposes; but, if this right is exercised by the Government, it shall pay the reasonable and fair damages that may be suffered by any party whose contract for the purchase of electric power or fixed nitrogen or fertilizer ingredients is hereby violated, after the amount of the damages has been fixed by the United States Court of Claims in proceedings

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\*Text of Section 17 is omitted from the United States Code as having been executed.

instituted and conducted for that purpose under rules prescribed by the court. [48 Stat. 68, 16 U. S. C. sec. 831s.]

Sec. 21. (a) All general penal statutes relating to the larceny, embezzlement, conversion, or to the improper handling, retention, use, or disposal of public moneys or property of the United States, shall apply to the moneys and property of the Corporation and to moneys and properties of the United States entrusted to the Corporation.

(b) Any person who, with intent to defraud the Corporation, or to deceive any director, officer, or employee of the Corporation or a officer or employee of the United States (1) makes any false entry in any book of the Corporation, or (2) makes any false report or statement for the Corporation, shall, upon conviction thereof, be fined not more than \$10,000 or imprisoned not more than five years, or both.

(c) Any person who shall receive any compensation, rebate, or reward, or shall enter into any conspiracy, collusion, or agreement, express or implied, with intent to defraud the Corporation or wrongfully and unlawfully to defeat its purposes, shall, on conviction thereof, be fined not more than \$5,000 or imprisoned not more than five years, or both. [48 Stat. 68-69, 16 U. S. C. sec. 831t.]

Sec. 22. To aid further the proper use, conservation, and development of the natural resources of the Tennessee River drainage basin and of such adjoining territory as may be related to or materially affected by the development consequent to this Act, and to provide for the general welfare of the citizens of said areas, the President is hereby authorized, by such means or methods as he may deem proper within the limits of appropriations made therefor by Congress, to make such surveys of and general plans for said Tennessee basin and adjoining territory as may be useful to the Congress and to the several States in guiding and controlling the extent, sequence, and nature of development that may be equitably and economically advanced through the expenditure of public funds, or through the guidance or control of public authority, all for the general purpose of fostering an orderly and proper physical, economic, and social development of said areas; and the President is further authorized in making said surveys and plans to cooperate with the States affected thereby, or subdivisions or agencies of such States, or with cooperative or other organizations, and to make such studies, experiments, or demonstrations as may be necessary and suitable to that end. [48 Stat. 69, 16 U. S. C. sec. 831u.]

Sec. 23. The President shall, from time to time, as the work provided for in the preceding section progresses, recommend to Congress such legislation as he deems proper to carry out the general purposes stated in said section, and for the especial purpose of bringing about in said Tennessee drainage basin and adjoining territory in conformity with said general purposes (1) the maximum amount of flood control; (2) the maximum development of said Tennessee River for navigation purposes; (3) the maximum generation of electric power consistent with flood control and navigation; (4) the proper use of marginal lands; (5) the proper method of reforestation of all lands in said drainage basin suitable for reforestation; and (6) the economic and social well-being of the people living in said river basin. [48 Stat. 69, 16 U. S. C. sec. 831v.]

Sec. 24. For the purpose of securing any rights of flowage, or obtaining title to or possession of any property, real or personal, that may be necessary or may become necessary, in the carrying out of any of the provisions of this Act, the President of the United States for a period of three years from the date of the enactment of this Act, is hereby authorized to acquire title in the name of the United States to such rights or such property, and to provide for the payment for same by directing the board to contract to deliver power generated at any of the plants now owned or hereafter owned or constructed by the Government or by said Corporation, such future delivery of power to continue for a period not exceeding thirty years. Likewise, for one year after the enactment of this Act, the President is further authorized to sell or lease any parcel or part of any vacant real estate now owned by the Government in said Tennessee River Basin, to persons, firms, or corporations who shall contract to erect thereon factories or manufacturing establishments, and who shall contract to purchase of said Corporation electric power for the operation of any such factory or manufacturing establishment. No contract shall be made by the President for the sale of any of such real estate as may be necessary for present or future use on the part of the Government for any of the purposes of this Act. Any such contract made by the President of the United States shall be carried out by the board: *Provided*, That no such contract shall be made that will in any way abridge or take away the preference right to purchase power given in this Act to States, counties, municipalities, or farm organizations: *Provided further*, That no lease shall be for a term to exceed fifty years: *Provided further*, That any sale shall be on condition that said land shall be used for industrial purposes only. [48 Stat. 69-70, 16 U. S. C. sec. 831w.]



Sec. 25. The Corporation may cause proceedings to be instituted for the acquisition by condemnation of any lands, easements, or rights of way, which, in the opinion of the Corporation, are necessary to carry out the provisions of this Act. The proceedings shall be instituted in the United States district court for the district in which the land, easement, right of way, or other interest, or any part thereof, is located, and such court shall have full jurisdiction to divest the complete title to the property sought to be acquired out of all persons or claimants and vest the same in the United States in fee simple, and to enter a decree quieting the title thereto in the United States of America. [48 Stat. 70-71, as amended by 62 Stat. 991, 63 Stat. 107, 66 Stat. 591, and 82 Stat. 885, 16 U. S. C. sec. 831x.]

Sec. 26. Commencing July 1, 1936, the proceeds for each fiscal year derived by the board from the sale of power or any other products manufactured by the Corporation, and from any other activities of the Corporation including the disposition of any real or personal property, shall be paid into the Treasury of the United States on March 31 of each year, save and except such part of such proceeds as in the opinion of the board shall be necessary for the Corporation in the operation of dams and reservoirs, in conducting its business in generating, transmitting, and distributing electric energy and in manufacturing, selling, and distributing fertilizer and fertilizer ingredients.\* A continuing fund of \$1,000,000 is also expected from the requirements of this section and may be withheld by the board to defray emergency expenses and to insure continuous operation: *Provided*, That nothing in this section shall be construed to prevent the use by the board, after June 30, 1936, of proceeds accruing prior to July 1, 1936, for the payment of obligations lawfully incurred prior to such latter date. [48 Stat. 71, as amended by 49 Stat. 1079, and 90 Stat. 380, 16 U. S. C. sec. 831y.]

Sec. 26a. The unified development and regulation of the Tennessee River system requires that no dam, appurtenant works, or other obstruction, affecting navigation, flood control, or public lands or reservations shall be constructed, and thereafter operated or maintained across, along, or in the said river or any of its tributaries until plans for such construction, operation, and maintenance shall have been submitted to and approved by the board; and the construction, commencement of construction, operation, or maintenance of such structures without such approval is hereby prohibited. When such plans shall have been approved, deviation therefrom either before or after completion of such structures is prohibited unless the modification of such plans has previously been submitted to and approved by the board.

In the event the board shall, within sixty days after their formal submission to the board, fail to approve any plans or modifications, as the case may be, for construction, operation, or maintenance of any such structures on the Little Tennessee River, the above requirements shall be deemed satisfied, if upon application to the Secretary of War, with due notice to the Corporation, and hearing thereon, such plans or modifications are approved by the said Secretary of War as reasonably adequate and effective for the unified development and regulation of the Tennessee River system.

Such construction, commencement of construction, operation, or maintenance of any structures or parts thereof in violation of the provisions of this section may be prevented, and the removal or discontinuation thereof required by the injunction or order of any district court exercising jurisdiction in any district in which such structures or parts thereof may be situated, and the Corporation is hereby authorized to bring appropriate proceedings to this end.

The requirements of this section shall not be construed to be a substitute for the requirements of any other law of the United States or of any State, now in effect or hereafter enacted, but shall be in addition thereto, so that any approval, license, permit, or other sanction now or hereafter required by the provisions of any such law for the construction, operation, or maintenance of any structures whatever, except such as may be constructed, operated or maintained by the Corporation shall be required, notwithstanding the provisions of this section. [49 Stat. 1079, 16 U. S. C. sec. 831y-1.]

Sec. 27. All appropriations necessary to carry out the provisions of this Act are hereby authorized. [48 Stat. 71, 16 U. S. C. sec. 831z.]

Sec. 28. That all Acts or parts of Acts in conflict herewith are hereby repealed, so far as they affect the operations contemplated by this Act. [48 Stat. 71, 16 U. S. C. sec. 831aa.]

Sec. 29. The right to alter, amend, or repeal this Act is hereby expressly declared and reserved, but no such amendment or repeal shall operate to impair the obligation of any contract made by said Corporation under any power conferred by this Act. [48 Stat. 72, 16 U. S. C. sec. 831bb.]

\*Section 205(5) of P.L. 94-274 provided that for the purposes of Section 26 of the TVA Act the fiscal year transition period from July 1, 1976, through September 30, 1976, shall be treated as part of the fiscal year beginning October 1, 1976.

Sec. 30. The sections of this Act are hereby declared to be separable, and in the event any one or more sections of this Act be held to be unconstitutional, the same shall not affect the validity of other sections of this Act. [48 Stat. 72, 16 U. S. C. sec. 831cc.]\*

Sec. 31. This Act shall be liberally construed to carry out the purposes of Congress to provide for the disposition of and make needful rules and regulations respecting Government properties entrusted to the Authority, provide for the national defense, improve navigation, control destructive floods, and promote interstate commerce and the general welfare, but no real estate shall be held except what is necessary in the opinion of the board to carry out plans and projects actually decided upon requiring the use of such land: *Provided*, That any land purchased by the Authority and not necessary to carry out plans and projects actually decided upon shall be sold by the Authority as agent of the United States, after due advertisement, at public auction to the highest bidder, or at private sale as provided in section 4 (k) of this Act. [49 Stat. 1080, 16 U. S. C. sec. 831dd.]

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\*Section 15 of the 1935 amendments to the TVA Act (49 Stat. 1081) contained similar language applicable to the provisions enacted by those amendments.

AN ACT

To provide for the alteration, reconstruction, or relocation of certain highway and railroad bridges by the Tennessee Valley Authority

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That:*

"(a) Whenever, as the result of the construction of any dam, reservoir, or other improvement under the provisions of the Tennessee Valley Authority Act, or amendments thereto, including any improvement of the navigable channel to accommodate the growth of navigation or changes in navigation requirements within the reservoir created by any dam in the custody of the Tennessee Valley Authority, any bridge, trestle, or other highway or railroad structure located over, upon, or across the Tennessee River or any of its navigable tributaries, including approaches, fenders, and appurtenances thereto, is endangered or otherwise adversely affected and damaged, including any interference with or impairment of its use, or, in the judgment of the Board of Directors of the Tennessee Valley Authority, needs to be raised, widened, or otherwise altered to provide the navigation clearances required for completion of the navigable channel to be provided by such improvement, to the extent that protection, alteration, reconstruction, relocation, or replacement is necessary or proper to preserve its safety or utility or to meet the requirements of navigation or flood control, or both, the owner or owners of such bridge, trestle, or structure shall be compensated by the Tennessee Valley Authority in the sum of the reasonable actual cost of such protection, alteration, reconstruction, relocation, or replacement: *Provided*, That in arriving at the amount of such compensation the bridge owner shall be charged with a sum which shall equal the net value to the owner of any direct and special benefits accruing to the owner from any improvement or addition or betterment of the altered, reconstructed, relocated, or replaced bridge, trestle, or structure. The Tennessee Valley Authority is empowered to contract with such owner with respect to any such protection, alteration, reconstruction, relocation, or replacement, the payment of the cost thereof and its proper division, which contract may provide either for money compensation or for the performance of all or any part of the work by the Tennessee Valley Authority.

"(b) In the event of a failure to agree upon the terms and conditions of any such contract, or upon any default in the performance of any contract entered into pursuant to this Act, the bridge owner or the Tennessee Valley Authority shall have the right to bring suit to enforce its rights or for a declaration of its rights under this Act, or under any such contract, in the district court of the United States for the district in which the property in question is located. In any such proceeding the court shall apportion the total cost of the work between the Tennessee Valley Authority and the owner in accord with the provisions contained in this section. The Tennessee Valley Authority's share of the cost of any such protection, alteration, reconstruction, relocation, or replacement, under any contract made or judgment, award, or decree rendered under the provisions of this section may be paid out of any funds available for carrying out the provisions of the Tennessee Valley Authority Act, as amended, and appropriations for that purpose are hereby authorized: *Provided*, That, prior to such alteration, reconstruction, or relocation of said bridges, the location and plans shall be submitted to and approved by the Secretary of Transportation in accordance with existing laws."

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\*This statute, while not technically a part of the TVA Act, has such a close connection with the program that it is included here for convenience.

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EXHIBIT E

MEMBERSHIP LIST OF UTILITIES COMPRISING THE  
BREEDER REACTOR CORPORATION AND THEIR RESPECTIVE  
CONTRIBUTIONS THERETO

|   |            |
|---|------------|
| Utilities Which Have Executed A Contribution Agreement, Letter Of Intent, Or Contributed Cash In Support Of The LMFBR Demonstration As Of December 31, 1981 | p. 1-13    |
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| List of TVA Municipal Distributors  | Appendix C |
| List of Cooperatives Included In The Contribution of a Cash Contributor   | Appendix D |



BREEDER REACTOR CORPORATION

UTILITIES WHICH HAVE EXECUTED A CONTRIBUTION AGREEMENT, LETTER OF  
INTENT, OR CONTRIBUTED CASH IN SUPPORT OF THE LMFR DEMONSTRATION  
December 31, 1981

| <u>Contribution Agreements</u>                         | <u>Total Pledge</u> |
|--|---------------------|
| Accomack-Norhampton Elec. Coop. (Va.)                  | \$ 8,746.05         |
| Adams-Marquette Elec. Coop. (Wis.)                     | 10,087.29           |
| Aiken Elec. Coop., Inc. (S.C.)                         | 29,500.00           |
| Alabama Power Co.                                      | 4,619,132.00        |
| Algar Delta Coop. Elec. Assn. (Mich.)                  | 4,586.34            |
| Allanakes-Clayton Elec. Coop., Inc. (Ia.)              | 16,403.23           |
| Alleghany Elec. Coop., Inc. (Pa.) (See Appendix A)     | 205,700.59          |
| Anza Elec. Coop., Inc. (Cal.)                          | 1,279.34            |
| Arizona Elec. Power Coop., Inc. (See Appendix A)       | 122,046.10          |
| Arizona Public Service Co.                             | 1,250,000.00        |
| Ark Valley Elec. Coop. Assn., Inc. (Kan.)              | 13,051.47           |
| Arkansas-Missouri Power Co.                            | 233,000.00          |
| Arkansas Power & Light Co.                             | 2,188,445.30        |
| Arkansas Valley Elec. Coop. Corp.                      | 24,662.80           |
| Arrowhead Elec. Coop., Inc. (Minn.)                    | 1,773.67            |
| Ashley-Chicot Elec. Coop. (Ark.)                       | 5,065.00            |
| Atlantic City Electric Co.                             | 884,460.00          |
| Baker Elec. Coop., Inc. (N.D.)                         | 11,986.00           |
| Baltimore Gas & Electric Co.                           | 2,977,720.00        |
| Barron Elec. Coop. (Wis.)                              | 15,000.00           |
| Beltrami Elec. Coop., Inc. (Minn.)                     | 11,102.90           |
| Benton REA (Wash.)                                     | 24,600.00           |
| Berkley Elec. Coop., Inc. (S.C.)                       | 39,709.00           |
| Big Bend Elec. Coop., Inc. (Wash.)                     | 17,500.00           |
| Blachly-Lane County Coop. Elec. Assn. (Ore.)           | 17,700.00           |
| Black River Elec. Coop. (Mo.)                          | 19,942.22           |
| Black River Elec. Coop., Inc. (S.C.)                   | 20,150.23           |
| Blue Ridge EMC (N.C.) (See Appendix A)                 | 83,000.00           |
| Boston Edison Company                                  | 1,740,000.00        |
| Brazos Elec. Power Coop., Inc. (Tex.) (See Appendix A) | 215,165.80          |

Contribution Agreements (continued)

Total Pledge

|  |              |
|--|--------------|
| Brown-Atchison Elec. Coop. Assn., Inc. (Kan.)      | \$ 5,250.00  |
| Buckeye Power, Inc. (Ohio) (See Appendix A)        | 421,172.00   |
| Buffalo Elec. Coop. (Wis.)                         | 9,151.83     |
| Burke-Divide Elec. Coop., Inc. (N.D.)              | 8,349.55     |
| Butler REC Assn., Inc. (Kan.)                      | 9,554.93     |
| C. & W. REC Assn., Inc. (Kan.)                     | 6,456.00     |
| California-Pacific Utilities Co.                   | 110,000.00   |
| Callaway Elec. Coop. (Mo.)                         | 6,431.70     |
| Canadian Valley Elec. Coop., Inc. (Okla.)          | 20,335.40    |
| Capital Electric Coop., Inc. (N.D.)                | 725.00       |
| Carolina Power & Light Co.                         | 3,450,000.00 |
| Carroll EMC (Ga.)                                  | 24,315.00    |
| Carroll Elec. Coop. Corp. (Ark.)                   | 28,978.00    |
| Carteret-Craven EMC (N.C.)                         | 17,779.00    |
| Cavalier REC, Inc. (N.D.)                          | 8,160.00     |
| Cedar Valley Elec. Coop. (Ia.)                     | 9,280.00     |
| Central Alabama Elec. Coop.                        | 23,380.00    |
| Central Hudson Gas & Elec. Co.                     | 677,800.00   |
| Central Illinois Light Co.                         | 676,000.00   |
| Central Illinois Public Service Co.                | 1,070,000.00 |
| Central Kansas Elec. Coop., Inc.                   | 30,750.00    |
| Central Lincoln People's Utility District (Ore.)   | 100,000.00   |
| Central Power & Light Co.                          | 1,824,000.00 |
| Central Wisconsin Elec. Coop.                      | 4,933.00     |
| Cheyenne Light, Fuel & Power Co.                   | 60,000.00    |
| Chippewa Valley Elec. Coop. (Wis.)                 | 8,850.00     |
| Choctawhatchee Elec. Coop., Inc. (Fla.)            | 23,824.50    |
| Choptank Elec. Coop., Inc. (Md.)                   | 35,560.00    |
| The Cincinnati Gas & Electric Co. (See Appendix B) | 2,353,000.00 |
| Citizens' Electric Co.                             | 16,649.00    |
| City of Foley, Utilities Board of The (Ala.)       | 26,705.80    |
| City of Forest Grove (Ore.)                        | 23,150.00    |
| City of Fort Collins (Colo.)                       | 45,820.00    |
| City of Idaho Falls (Idaho)                        | 52,900.00    |

Contribution Agreements (continued)

|  |               |
|--|---------------|
| City of McPherson, Kansas, Board of Public Utilities | \$ 33,014.00  |
| City of Richland (Wash.)                             | 71,680.00     |
| City of Seattle, Dept. of Lighting                   | 1,600,000.00  |
| Claiborne Elec. Coop., Inc. (La.)                    | 18,259.69     |
| Clark Elec. Coop. (Wis.)                             | 15,578.00     |
| Clay Elec. Coop., Inc. (Fla.)                        | 75,055.56     |
| Clay Elec. Coop., Inc. (Ill.)                        | 9,370.00      |
| Clearwater-Polk Elec. Coop., Inc. (Minn.)            | 4,684.60      |
| Clearwater Power Co. (Idaho)                         | 22,040.00     |
| The Cleveland Electric Illuminating Co.              | 3,413,000.00  |
| Coast Elec. Power Assn. (Miss.)                      | 38,963.22     |
| Coastal Elec. Coop., Inc. (S.C.)                     | 6,896.14      |
| Codington-Clark Elec. Coop., Inc. (S.D.)             | 7,126.60      |
| Columbia REA, Inc. (Wash.)                           | 21,510.00     |
| Columbus REC (Wis.)                                  | 6,638.73      |
| Columbus & Southern Ohio Electric Co.                | 1,425,600.00  |
| Commonwealth Edison Co.                              | 11,414,200.00 |
| The CMS Elec. Coop., Inc. (Kan.)                     | 5,609.00      |
| Concordia Elec. Coop., Inc. (La)                     | 17,299.69     |
| Consolidated Edison Co. of N. Y., Inc.               | 7,981,000.00  |
| Consumers Power Co.                                  | 4,548,888.00  |
| Consumers Power, Inc. (Ore.)                         | 39,650.00     |
| The Cooperative L & P Assn. of Lake County (Minn.)   | 3,646.00      |
| Cooperative Power Assn. (Minn.) (See Appendix A)     | 275,320.00    |
| Coos-Curry Elec. Coop., Inc. (Ore.)                  | 42,318.00     |
| Cotton Elec. Coop., Inc. (Okla.)                     | 47,500.00     |
| Cowlitz County FUD #1 (Wash.)                        | 294,150.00    |
| Craighead Elec. Coop. Corp. (Ark.)                   | 28,260.00     |
| Crawford Elec. Coop. (Wis.)                          | 5,667.00      |
| Cuivre River Elec. Coop., Inc. (Mo.)                 | 14,928.45     |
| Dallas Power & Light Co.                             | 1,965,800.00  |

Contribution Agreements (continued)

Total Pledge

|   |                 |
|---|-----------------|
| The Dayton Power & Light Co.                  | \$ 1,639,954.00 |
| D.E.K. REC (Iowa)                             | 9,449.98        |
| The Detroit Edison Co.                        | 6,920,000.00    |
| Dalmarva Power & Light Co.                    | 1,148,000.00    |
| Dixie EMC (La.)                               | 45,000.00       |
| Douglas Elec. Coop., Inc. (Ore.)              | 17,324.00       |
| D.S. & O. REC Assn., Inc. (Kan.)              | 9,648.00        |
| Duke Power Co.                                | 7,235,650.00    |
| Dunn County Elec. Coop. (Wis.)                | 11,873.50       |
| East Central Okla. Elec. Coop., Inc.          | 28,523.00       |
| East Kentucky Power Coop. (See Appendix A)    | 333,082.00      |
| Eastern Illinois Power Coop.                  | 19,713.27       |
| Eastern Utilities Associates (See Appendix B) | 552,500.00      |
| The Eastern Utilities Comm. (Md.)             | 15,690.00       |
| Eau Claire Elec. Coop. (Wis.)                 | 11,561.84       |
| Edison Sault Elec. Co.                        | 10,000.00       |
| El Paso Electric Co.                          | 518,600.00      |
| The Empire District Electric Co.              | 308,000.00      |
| Estes Park, Town of (Colo.)                   | 4,748.40        |
| Eugene Water & Electric Board (Ore.)          | 358,390.00      |
| Fairfield Elec. Coop., Inc. (S.C.)            | 12,834.51       |
| Farmers Mutual Elec. Co. (Ill.)               | 1,930.00        |
| First Elec. Coop. Corp. (Ark.)                | 59,150.00       |
| Fitchburg Gas & Electric Light Co.            | 66,320.00       |
| Flathead Elec. Coop., Inc. (Mont.)            | 11,869.00       |
| Flint Hills REC Assn. (Kan.)                  | 13,500.00       |
| Florida Power Corp.                           | 1,944,282.00    |
| Four County EMC (N.C.)                        | 25,592.00       |
| Franklin REC (Iowa)                           | 6,258.90        |
| Freeborn-Mower Elec. Coop. (Minn.)            | 17,632.00       |
| Fruit Belt Elec. Coop. (Mich.)                | 32,619.15       |
| Georgia Power Co.                             | 5,927,757.00    |

| <u>Contribution Agreements (continued)</u>                | <u>Total Pledge</u> |
|---|---------------------|
| Golden Valley Elec. Assn., Inc. (Alaska)                  | \$ 10,000.00        |
| Grand Elec. Coop., Inc. (S.D.)                            | 8,262.60            |
| Grant Elec. Coop. (Wis.)                                  | 14,040.00           |
| Great Plains Elec. Coop., Inc. (Kan.)                     | 5,539.40            |
| Grundy County REC (Iowa)                                  | 7,750.00            |
| Gulf Power Co.  | 766,404.00          |
| Gulf States Utilities Co.                                 | 3,210,000.00        |
| Halifax EMC (N.C.)  | 7,349.00            |
| Hardin County REC (Iowa)                                  | 9,401.27            |
| Harrison REA, Inc. (W. Va.)                               | 2,949.00            |
| Hart County EMC (Ga.)                                     | 24,596.00           |
| Hawkeye Tri-County Elec. Coop., Inc.                      | 15,575.75           |
| Hershey Electric Co.(merged with Penn. P&L Co. on 3-1-80) | 56,777.00           |
| Home Light & Power Co.                                    | 63,750.00           |
| Hood River Elec. Coop.(Ore.)                              | 13,100.00           |
| Horry Elec. Coop., Inc. (S.C.)                            | 17,227.20           |
| Houston Lighting & Power Co.                              | 5,620,000.00        |
| Howard Elec. Coop. (Mo.)                                  | 2,764.00            |
| Humboldt County REC (Iowa)                                | 6,457.70            |
| Idaho Power Co.   | 1,485,981.00        |
| Illini Elec. Coop. (Ill.)                                 | 9,029.35            |
| Illinois Power Company                                    | 1,993,200.00        |
| Illinois Rural Elec. Co.                                  | 16,357.70           |
| Indianapolis Power & Light Co.                            | 1,433,000.00        |
| Inland Power & Light Co. (Wash.)                          | 47,800.85           |
| Interstate Power Co.                                      | 509,200.00          |
| Iowa Electric Light & Power Co.                           | 580,000.00          |
| Iowa-Illinois Gas & Electric Company                      | 610,700.00          |
| Iowa Power & Light Co.                                    | 678,404.00          |
| Iowa Public Service Co.                                   | 408,690.00          |
| Iowa Southern Utilities Co.                               | 242,680.00          |

Contribution Agreements (continued)

Total Pledge

|   |              |
|---|--------------|
| Jackson County REMC (Ind.)  | \$ 24,420.00 |
| Jackson Elec. Coop. (Wis.)  | 6,784.50     |
| James Valley Elec. Coop., Inc. (N.D.)   | 5,000.00     |
| Jasper-Newton Elec. Coop., Inc. (Tex.)  | 20,126.00    |
| Jefferson Davis Elec. Coop., Inc. (La.)   | 17,643.80    |
| Jersey Central Power & Light Co.  | 1,430,077.00 |
| Jones-Onslow EMC (N.C.)   | 37,415.20    |
| Jump River Elec. Coop., Inc. (Wis.)   | 6,285.00     |
| Kansas Gas & Electric Co.   | 889,254.00   |
| Kansas Power & Light Co.  | 943,000.00   |
| Kaw Valley Elec. Coop. Co., Inc. (Kan.)   | 8,017.20     |
| Kay Elec. Coop. (Okla.)   | 15,680.00    |
| Kosciusko County REMC (Ind.)  | 15,080.00    |
| Lake Superior District Power Co. (Wisc.)  | 101,220.00   |
| Lamar EMC (Ga.)   | 9,841.30     |
| Lane Elec. Coop., Inc. (Ore.)   | 43,010.00    |
| Lane-Scott Elec. Coop., Inc. (Kan.)   | 4,985.50     |
| Laurens Elec. Coop., Inc. (S.C.)  | 24,764.60    |
| Lee County Elec. Coop., Inc. (Fla.)   | 74,550.00    |
| Lighthouse Elec. Coop., Inc. (Tex.)   | 19,180.00    |
| The Little Ocmulgee EMC (Ga.)   | 10,490.00    |
| Little River Elec. Coop., Inc. (S.C.)   | 9,524.79     |
| Lone Wolf Elec. Coop., Inc. (Tex.)  | 4,228.76     |
| Long Island Lighting Co.  | 2,457,500.00 |
| Los Angeles Dept. of Water & Power (one-year agreement<br>subject to annual Board approval) | 4,000,000.00 |
| Lost River Elec. Coop., Inc. (Idaho)  | 4,100.00     |
| Louisiana Power & Light Co.   | 2,141,193.50 |
| Lower Valley Power & Light, Inc. (Wy.)  | 21,270.00    |
| Lynches River Elec. Coop., Inc. (S.C.)  | 14,331.26    |
| Lyntegar Elec. Coop., Inc. (Tex.)   | 32,905.60    |
| Madison Gas & Electric Co.  | 292,580.00   |

Contribution Agreements (continued)

Total Pledge

|   |              |
|---|--------------|
| Matanuska Elec. Assn., Inc. (Alaska)                | 12,000.00    |
| McCleary Light & Power (Wash.)                      | 6,340.00     |
| McDonough Power Coop. (Ill.)                        | 8,980.00     |
| Mecklenburg Elec. Coop. (Va.)                       | 29,766.78    |
| Menard Elec. Coop. (Ill.)                           | 13,572.50    |
| Metropolitan Edison Co.                             | 1,521,469.00 |
| Mid-Carolina Elec. Coop., Inc. (S.C.)               | 20,896.22    |
| Midstate Elec. Coop., Inc. (Ore.)                   | 14,320.00    |
| Midwest Elec. Coop., Inc. (Tex.)                    | 13,842.97    |
| Minnesota Power & Light Co. (See Appendix B)        | 841,200.00   |
| Mississippi Power Co.                               | 896,921.00   |
| Mississippi Power & Light Co.                       | 1,089,380.00 |
| Missoula Elec. Coop., Inc. (Mont.)                  | 8,860.00     |
| Monroe County Elec. Coop., Inc. (Ill.)              | 6,923.80     |
| Montana-Dakota Utilities Co.                        | 222,150.00   |
| Mor-Gran-Sou Elec. Coop., Inc. (N.D.)               | 9,924.25     |
| Mt. Carmel Public Utility Co.                       | 18,877.62    |
| Mountrail Elec. Coop., Inc. (N.D.)                  | 7,845.26     |
| N.C.K. Elec. Coop., Inc. (Kan.)                     | 6,666.00     |
| Nebraska Elec. G. & T. Coop., Inc. (See Appendix A) | 286,910.00   |
| Nebraska Public Power District                      | 272,982.25   |
| The Nemaha-Marshall Elec. Coop. Assn. (Kan.)        | 6,700.00     |
| Nespelem Valley Elec. Coop., Inc. (Wash.)           | 4,983.00     |
| New England Gas & Electric Assn. (See Appendix B)   | 524,510.00   |
| New England Power Co.                               | 2,727,830.00 |
| New Jersey Power & Light Co.                        | 572,892.00   |
| New Orleans Public Service, Inc.                    | 895,265.70   |
| New York State Electric & Gas Corp.                 | 1,825,000.00 |
| Newport Electric Corp.                              | 86,795.00    |
| Niagara Mohawk Power Co.                            | 5,000,000.00 |



Contribution Agreements (continued)Total Pledge

|   |               |
|---|---------------|
| Nodak REC, Inc. (N.D.)  | \$ 49,915.96  |
| North Arkansas Elec. Coop., Inc.                                      | 26,678.61     |
| North Star Elec. Coop., Inc. (Minn.)                                  | 5,420.00      |
| Northeast Louisiana Power Coop., Inc.                                 | 17,149.30     |
| Northeast Missouri Elec. Power Coop. (See Appendix A)                 | 67,510.00     |
| Northeast Oklahoma Elec. Coop., Inc.                                  | 21,208.00     |
| Northeast Utilities Service Co. (See Appendix B)                      | 3,510,560.00  |
| Northern Lights, Inc. (Idaho)   | 14,500.00     |
| Northern Michigan Elec. Coop., Inc. (See Appendix A)                  | 52,973.50     |
| Northern Neck Elec. Coop. (Va.)                                       | 11,667.50     |
| Northern Piedmont Elec. Coop. (Va.)                                   | 15,386.00     |
| Northern States Power Co. (See Appendix B)                            | 3,540,000.00  |
| Northwest Iowa Power Coop. (See Appendix A)                           | 73,172.22     |
| N. W. Elec. Power Coop., Inc. (Mo.) (See Appendix A)                  | 84,870.00     |
| Northwestern Public Service Co.                                       | 125,000.00    |
| Oakdale Elec. Coop. (Wis.)  | 13,361.00     |
| The Oconee EMC (Ga.)  | 13,293.20     |
| Oconto Elec. Coop. (Wis.)   | 8,340.30      |
| Ohio Edison Co.   | 3,326,000.00  |
| Oliver-Marcus Elec. Coop., Inc. (N.D.)                                | 5,256.19      |
| Oklahoma Elec. Coop.  | 24,628.00     |
| Omaha Public Power District (Neb.) (Subject to annual Board approval) | 865,095.00    |
| Orange and Rockland Utilities, Inc. (See Appendix B)                  | 543,900.00    |
| Osage Valley Elec. Coop. Assn. (Mo.)                                  | 15,260.00     |
| Otter Tail Power Co.  | 276,672.00    |
| Ouachita Elec. Coop., Corp. (Ark.)                                    | 12,051.00     |
| Pacific Gas & Electric Co.  | 10,121,077.00 |
| Pacific Power & Light Co.   | 3,060,000.00  |
| Palmetto Elec. Coop., Inc. (S.C.)                                     | 15,312.00     |
| Pedernales Elec. Coop., Inc. (Tex.)                                   | 55,097.10     |
| Pea Dee EMC (N.C.)  | 16,910.00     |



Contribution Agreements (continued)

Total Pledge

|  |                 |
|--|-----------------|
| Pennsylvania Electric Co.                  | \$ 1,820,035.00 |
| Pennsylvania Power Co.                     | 636,000.00      |
| Pennsylvania Power & Light Co.             | 3,600,000.00    |
| People's Coop. Power Assn., Inc. (Minn.)   | 23,941.10       |
| Philadelphia Electric Co. (See Appendix B) | 5,681,900.00    |
| P.K.M. Elec. Coop., Inc. (Minn.)           | 7,675.00        |
| Planters EMC (Ga.)                         | 15,480.00       |
| Plumas-Sierra REC, Inc. (Cal.)             | 7,153.44        |
| Pocahontas REC (Iowa)                      | 8,286.10        |
| Polk Burnett Elec. Coop. (Wis.)            | 12,516.70       |
| Portland General Electric Co.              | 2,193,400.00    |
| Potomac Electric Power Co.                 | 2,890,000.00    |
| Price Elec. Coop., Inc. (Wis.)             | 4,787.30        |
| The P.R.&W. Elec. Coop. Assn., Inc. (Kan.) | 3,964.30        |
| Public Service Co. of Colorado             | 1,670,000.00    |
| Public Service Co. of Indiana, Inc.        | 2,276,120.00    |
| Public Service Co. of New Hampshire        | 709,650.00      |
| Public Service Co. of Oklahoma             | 1,279,000.00    |
| Public Service Electric & Gas Co.          | 6,254,934.00    |
| PUD #1 of Chelan County (Wash.)            | 112,640.00      |
| PUD #1 of Clark County (Wash.)             | 350,590.53      |
| PUD #1 of Douglas County (Wash.)           | 36,750.00       |
| PUD #1 of Franklin County (Wash.)          | 70,700.00       |
| PUD #1 of Grays Harbor County (Wash.)      | 192,090.00      |
| PUD #1 of Kittitas County (Wash.)          | 5,980.00        |
| PUD #1 of Klickitat County (Wash.)         | 29,950.00       |
| PUD #1 of Lewis County (Wash.)             | 76,060.00       |
| PUD #1 of Pend Oreille County (Wash.)      | 5,000.00        |
| PUD #1 of Snohomish County (Wash.)         | 739,960.00      |
| PUD #2 of Grant County (Wash.)             | 161,690.00      |
| PUD #2 of Pacific County (Wash.)           | 3,934.00        |
| PUD #3 of Mason County (Wash.)             | 51,900.00       |
| Puget Sound Power & Light Co.              | 1,835,438.00    |

Contribution Agreements (continued)

Total Pledge

|   |              |
|---|--------------|
| Radiant Elec. Coop., Inc. (Kan.)  | \$ 7,425.00  |
| Rundolph EMC Corp. (N.C.)   | 22,723.59    |
| The Bayle EMC (Ga.)   | 14,823.42    |
| Red Lake Elec. Coop., Inc. (Minn.)  | 8,205.54     |
| Red River Valley Coop. Power Assn. (Minn.)  | 10,112.78    |
| Richland Elec. Coop., Inc. (Ark.)   | 5,318.10     |
| Rich Mountain Elec. Coop., Inc. (Ark.)  | 5,000.00     |
| Ryanoke EMC (N.C.)  | 12,807.91    |
| Rochester Gas & Elec. Corp.   | 950,000.00   |
| Rosser Elec. Coop., Inc. (Minn.)  | 6,330.00     |
| R.S.R. Elec. Coop., Inc. (N.D.) (includes an additional cash contribution of \$1,000) | 3,500.00     |
| St. Croix County Elec. Coop. (Wis.)   | 11,014.30    |
| St. Joseph Light & Power Co.  | 171,110.00   |
| Salmon River Elec. Coop., Inc. (Idaho)  | 3,750.00     |
| Salt River Project Agricultural Improvement & Power District (Ariz.)                  | 1,080,225.00 |
| San Diego Gas & Electric Co.  | 1,490,000.00 |
| Santee Elec. Coop., Inc. (S.C.)   | 37,580.00    |
| Sedgwick County Elec. Coop. Assn. (Kan.)  | 8,516.00     |
| Shelby Elec. Coop. (Ill.)   | 16,449.10    |
| Shenandoah Valley Elec. Coop. (Va.)   | 34,000.00    |
| Sherrard Power System   | 10,000.00    |
| Shyenne Valley Elec. Coop., Inc. (N.D.)   | 5,000.00     |
| Sho-Ne Power Corp. (Mo.)  | 19,330.00    |
| Sierra Pacific Power Co.  | 408,730.00   |
| Sioux Center Municipal Utilities (Iowa)   | 3,569.91     |
| Sioux Valley Empire Elec. Assn., Inc. (S.D.)  | 28,137.10    |
| Slash Pine EMC (Ga.)  | 7,313.00     |
| Slope Elec. Coop., Inc. (N.D.)  | 5,996.70     |
| Smoky Hill Elec. Coop., Inc. (Kan.)   | 4,280.00     |
| Smoky Valley Elec. Coop. Assn., Inc. (Kan.)   | 1,425.00     |
| South Carolina Electric & Gas Co.   | 1,582,381.00 |

Contribution Agreements (continued)

Total Pledge

|  |               |
|--|---------------|
| South Mississippi Elec. Power Assn. (See Appendix A) | \$ 233,767.57 |
| South Plaines Elec. Coop., Inc. (Tex.)               | 33,752.72     |
| Southern California Edison Co.                       | 10,555,000.00 |
| Southern Indiana Gas & Electric Co.                  | 466,340.00    |
| Southern Maryland Elec. Coop., Inc.                  | 129,440.00    |
| Southside Elec. Coop. (Va.)                          | 44,076.86     |
| Southwest Arkansas Elec. Coop. Corp.                 | 28,465.00     |
| Southwest Texas Elec. Coop., Inc.                    | 8,485.00      |
| Southwestern Electric Power Co.                      | 1,143,917.00  |
| Springfield Utility Board (Ore.)                     | 43,950.00     |
| Stamford Elec. Coop., Inc. (Tex.)                    | 10,110.00     |
| Sumner-Cowley Elec. Coop., Inc. (Kan.)               | 10,518.62     |
| Surprise Valley Elec. Corp. (Cal.)                   | 8,680.00      |
| Surry-Yadkin EMC (N.C.)                              | 17,653.77     |
| Swisher County Elec. Coop., Inc. (Tex.)              | 19,000.00     |
| Talquin Elec. Coop., Inc. (Fla.)                     | 30,865.00     |
| Tanner Elec. (Wash.)                                 | 1,900.00      |
| Taylor County Elec. Coop. (Wis.)                     | 5,720.00      |
| Taylor Elec. Coop., Inc. (Tex.)                      | 13,628.26     |
| Tennessee Valley Authority (See Appendix C)          | 21,700,000.00 |
| Texas Electric Service Co.                           | 2,744,500.00  |
| Texas Power & Light Co.                              | 2,220,000.00  |
| Three Notch EMC (Ga.)                                | 18,549.00     |
| Three Rivers Elec. Coop. (Mo.)                       | 17,660.00     |
| Tideland EMC (N.C.)                                  | 10,904.62     |
| Tillamook People's Utility District (Ore.)           | 54,645.00     |
| Tipmont REMC (Ind.)                                  | 24,683.00     |
| Tongue River Elec. Coop., Inc. (Mont.)               | 5,864.00      |
| Trempealeau Elec. Coop. (Wis.)                       | 13,316.00     |
| Tri-County Elec. Coop., Inc. (Ill.)                  | 20,895.83     |
| Tri-County Elec. Coop. (Minn.)                       | 24,000.00     |
| Tri-County Elec. Coop. (Va.)                         | 8,293.23      |
| U.G.I. Corporation                                   | 113,059.70    |
| Umatilla Elec. Coop. Assn. (Ore.)                    | 26,320.00     |

Contribution Agreements (continued)

Total Pledge

|   |                         |
|---|-------------------------|
| Union Electric Co. (See Appendix B)           | \$ 4,073,000.00         |
| The United Illuminating Co.                   | 996,800.00              |
| Utah Power & Light Co.                        | 1,284,200.00            |
| Vera Irrigation District #15 (Wash.)          | 16,290.00               |
| Verdigris Valley Elec. Coop., Inc. (Okla.)    | 20,000.00               |
| The Victory Elec. Coop. Ar . (Kan.)           | 6,187.50                |
| Vigilante Elec. Coop., Inc. (Mont.)           | 7,660.16                |
| Virginia Elec. Coop. (Va.)                    | 43,167.90               |
| Virginia Electric & Power Co.                 | 5,253,500.00            |
| Walton EMC (Ga.)                              | 36,000.00               |
| Washington Elec. Coop., Inc. (Vt.)            | 8,510.00                |
| Washington Water Power Co.                    | 1,021,110.00            |
| Waterford Electric Light Co.                  | 3,413.00                |
| Waushara County Elec. Coop., Inc. (Wis.)      | 5,535.46                |
| Wayne White Counties Elec. Coop. (Ill.)       | 46,813.30               |
| West Central Elec. Coop., Inc. (S.D.)         | 12,640.00               |
| West Plains Elec. Coop., Inc. (N.D.)          | 11,465.00               |
| West River Elec. Assn., Inc. (S.D.)           | 11,520.93               |
| West Texas Utilities Co.                      | 536,000.00              |
| Western Illinois Elec. Coop.                  | 7,294.71                |
| Wheatland Elec. Coop., Inc. (Kan.)            | 44,012.35               |
| White River Valley Elec. Coop., Inc.          | 20,519.10               |
| Wild Rice Elec. Coop., Inc. (Minn.)           | 12,673.80               |
| Winnebago REC Assn. (Iowa)                    | 7,090.00                |
| Wisconsin Electric Power Co. (See Appendix B) | 2,881,250.00            |
| Wisconsin Power & Light Co.                   | 810,880.00              |
| Wisconsin Public Service Corp.                | 858,300.00              |
| Withlacoochee River Elec. Coop., Inc. (Fla.)  | 27,978.00               |
| Wright County REC (Iowa)                      | 8,618.00                |
| Total (377 Agreements)                        | <u>\$256,899,260.00</u> |

| <u>Letters of Intent</u>                        | <u>Total Pledge</u>     |
|---|-------------------------|
| City of Bandon (Ore.)                           | \$ 4,190.00(1)          |
| City of McMinnville, Water & Light Dept. (Ore.) | 39,810.00               |
| Total (2 letters of intent)                     | \$ 44,000.00            |
| Total (379 pledges)                             | \$256,943,269.99        |
| <u>Cash Contributions</u>                       |                         |
| Central Iowa Power Coop. (Appendix D)           | \$ 20,232.13            |
| Central Kansas Power Co.                        | 24,000.00               |
| Corn Belt Assn. of Elec. Coops. (Appendix D)    | 13,948.32               |
| Dixie REC (Utah)                                | 47.40                   |
| Indian Elec. Coop., Inc. (Okla.)                | 100.00                  |
| Newberry Elec. Coop., Inc. (S.C.)               | 5,430.96                |
| Oklahoma Gas & Elec. Co.                        | 572,598.07              |
| Osceola Elec. Coop., Inc. (Iowa)                | 100.00                  |
| Total (8 cash contributions)                    | \$ 636,456.88           |
| GRAND TOTAL                                     | <u>\$257,579,726.87</u> |

(1) Withdrew from the Project on December 3, 1981 with \$4,190 remaining on pledge.

|   | <u>Number of<br/>Utilities<br/>Represented</u> | <u>Total Support</u>    |
|---|--|-------------------------|
| Contribution Agreements (377 executed<br>representing utilities listed above<br>and in Appendices A, B and C) | 724  | \$256,899,269.99        |
| Letters of Intent   | 2  | 44,000.00               |
| Cash Contributions (8 contributions<br>representing utilities shown in<br>Appendix D)                         | 27   | 636,456.88              |
| Total   | <u>753</u>                                     | <u>\$257,579,726.87</u> |



Utilities Included in the Pledge of a Member That Has Executed a Contribution Agreement in Support of the LEPB Demonstration Plant Project

Cooperatives

**Allegheny Electric Cooperative, Inc. (Pa.):**

Adams Elec. Coop., Inc. (Pa.)  
Bedford REC, Inc. (Pa.)  
Central Elec. Coop., Inc. (Pa.)  
Claverack Elec. Coop., Inc. (Pa.)  
New Enterprise REC (Pa.)  
N.W. REC Assn., Inc. (Pa.)  
Somerset REC, Inc. (Pa.)  
Sullivan County REC, Inc. (Pa.)  
Sussex Rural Elec. Coop. (N.J.)  
S.W. Central REC Corp. (Pa.)  
Tri-County REC, Inc. (Pa.)  
United Elec. Coop., Inc. (Pa.)  
Valley REC, Inc. (Pa.)  
Warren Elec. Coop., Inc. (Pa.)

**Arizona Electric Power Cooperative, Inc.:**

Duncan Valley Elec. Coop., Inc.  
Graham County Elec. Coop., Inc.  
Mohave Elec. Coop., Inc.  
Sulphur Springs Valley Elec. Coop.  
Trico Elec. Coop., Inc.

**Blue Ridge REC (N.C.):**

New River L&P. Co.

**Brazos Electric Power Coop., Inc. (Tex.):**

Bartlett Elec. Coop., Inc.  
Belleville Elec. Coop., Inc.  
B-Z Elec. Coop., Inc.  
Comanche County Elec. Coop.  
Cooke County Elec. Coop., Assn.  
Denton County Elec. Coop., Inc.  
Erath County Elec. Coop. Assn.  
Fort Belknap Elec. Coop., Inc.  
Hamilton County Elec. Coop., Inc.  
Hill County Elec. Coop., Inc.  
J-A-C Elec. Coop. Assn.  
Johnson County Elec. Coop. Assn.  
Limestone County Elec. Coop., Inc.  
McLennan County Elec. Coop., Inc.  
Mid-South Elec. Coop., Assn.  
Navarro County Elec. Coop., Inc.  
Robertson Elec. Coop., Inc.  
Tri-County Elec. Coop., Inc.  
Wise Elec. Coop., Inc.

**Buckeye Power, Inc. (Ohio):**

Adams REC, Inc.  
Belmont Electric Coop., Inc.  
Buckeye REC, Inc.  
Butler REC, Inc.  
Carroll Electric Coop., Inc.  
Darke REC, Inc.  
Delaware REC, Inc.  
Firelands Electric Coop., Inc.  
The Frontier Power Co.  
Guernsey-Muskingum Elec. Coop., Inc.  
Hancock-Wood Elec. Coop., Inc.

Holmes-Wayne Elec. Corp., Inc.  
Licking Rural Electrification, Inc.  
Logan Co. Coop. P.M. Assn., Inc.  
Lorain-Madina Rural Elec. Coop., Inc.  
Marion REC, Inc.  
Midwest Electric, Inc.  
Morrow Elec. Coop., Inc.  
North Central Elec. Coop., Inc.  
North Western Elec. Coop., Inc.  
Paulding-Putnam Electric Coop., Inc.  
Pioneer REC, Inc.  
South Central Power Company  
Southeastern Michigan REC, Inc.  
Tricounty REC, Inc.  
Union REC, Inc.  
United REC, Inc.  
Washington Elec. Coop., Inc.

**Cooperative Power Association (Minn.):**

Agra-Lite Coop.  
Blue-Earth-Nicollet Coop. Elec. Assn.  
Brown County REC  
Dakota Elec. Assn.  
Faribault County Coop. Elec. Assn.  
Federated REC  
Goodhue County Coop. Elec. Assn.  
Lake Region Coop. Elec. Assn.  
McLeod Coop. Power Assn.  
Meeker Coop. L&P. Assn.  
Minnesota Valley Elec. Coop.  
Nobles Coop. Elec.  
Redwood Elec. Coop.  
Runestone Elec. Assn.  
South Central Elec. Assn.  
Stearns Coop. Elec. Assn.  
Steele-Mason Coop. Elec.  
Todd-Madison Elec. Coop.  
Wells Elec. Assn.

**East Kentucky Power Coop.:**

Big Sandy REC Corp.  
Blue Grass REC Corp.  
Clark REC Corp.  
Cumberland Valley REC Corp.  
Farmers REC Corp.  
Fleming Mason REC Corp.  
Fox Creek REC Corp.  
Grayson REC Corp.  
Harrison County REC  
Inter-County REC Corp.  
Jackson Co. REC, Corp.  
Licking Valley REC Corp.  
Nolin REC Corp.  
Owen County REC Corp.  
Salt River REC Corp.  
Shelby REC Corp.  
South Kentucky REC Corp.  
Taylor Co. REC Corp.

BREEDER REACTOR CORPORATION

Utilities Included in the Pledge of a Member That Has Executed a Contribution Agreement in Support of the LMFBR Demonstration Plant Project

Cooperatives (Continued)

**Nebraska Electric Generation & Transmission  
Coop., Inc.:**

Burt County P.P.D.  
Butter County Rural P.P.D.  
Cornhusker Rural P.P.D.  
Cuming County P.P.D.  
Custer P.P.D.  
Dawson County P.P.D.  
Elkhorn P.P.D.  
Franklin County P.P.D.  
Howard Greeley Rural P.P.D.  
K-B-R Rural P.P.D.  
Loup Valley Rural P.P.D.  
McCook P.P.D.  
Niobrara Valley P.P. Corp.  
North Central P.P.D.  
Northeast Nebraska Rural P.P.D.  
Polk County Rural P.P.D.  
Seward County Rural P.P.D.  
South Central P.P.D.  
Southern Nebraska Rural P.P.D.  
Southwest P.P.D.  
Stanton County P.P.D.  
Twin Valleys P.P.D.  
Wayne County P.P.D.  
York County Rural Public Power District

**N.W. Electric Power Cooperative (Mo.):**

Atchison-Mills Elec. Coop.  
Farmer's Elec. Coop., Inc.  
Grundy Elec. Coop., Inc.  
Hodaway-North Elec. Coop., Inc.  
North Central Mo. Elec. Coop., Inc.  
N.W. Missouri Elec. Coop.  
Platte-Clay Elec. Coop., Inc.  
West-Central Elec. Coop., Inc.

**Northeast Missouri Electric Power Cooperative:**

Chariton Valley Elec. Coop. (Ia.)  
Lewis County REC (Mo.)  
Macon Elec. Coop. (Mo.)  
Missouri REC (Mo.)  
Rolls County Elec. Coop. (Mo.)  
S.E. Iowa Coop. (Ia.)  
Southern Iowa Elec. Coop. (Ia.)  
Tri-County Elec. Assn. (Mo.)

**Northern Michigan Electric Cooperative, Inc.:**

Cherryland REC  
Presque Isle Elec. Coop., Inc.  
Top O'Michigan Rural Elec. Co.  
Wolverine Elec. Coop., Inc.

**Northwest Iowa Power Cooperative:**

Cherokee County REC  
Harrison County REC  
Ida County REC  
Monona County REC  
Nishnabotus Valley REC  
O'Brien County REC  
Plymouth Elec. Coop. Assn.  
Sioux Elec. Coop. Assn.  
South Crawford REC  
Woodbury Co. REC Assn.

**South Mississippi Electric Power Association:**

Dixie Elec. Power Assn.  
Magnolia Elec. Power Assn.  
Pearl River Valley Elec. Power Assn.  
Singing River Elec. Power Assn.  
Southern Pine Elec. Power Assn.  
Southwest Mississippi Elec. Power Assn.

Total - 164 cooperatives included in pledges of members

BREEDER REACTOR CORPORATION

Utilities Included in the Pledge of a Member That has Executed a Contribution Agreement in support of the LAFBR Demonstration Plant Project

Investor-Owned Utilities

The Cincinnati Gas & Electric Co.:  
 Union Light, Heat & Power Co. (Ky.)

Eastern Utilities Associates:  
 Blackstone Valley Electric Co. (R.I.)  
 Brockton Edison Co. (Mass.)  
 Fall River Electric Light Co. (Mass.)

Minnesota Power & Light Co.:  
 Superior Water, Light and Power Co. (Wisc.)

New England Gas & Electric Association:  
 Cambridge Electric Light Co. (Mass.)  
 Cape & Vineyard Elec. Co. (Mass.)  
 New Bedford Gas & Edison Light Co. (Mass.)

New England Power Company:  
 Granite State Electric Co. (N.H.)  
 Massachusetts Electric Co. (Mass.)  
 Narragansett Electric Co. (R.I.)  
 New England Power Co. (Mass.)

Northeast Utilities Service Company:  
 Connecticut Light & Power Co. (Conn.)  
 Hartford Electric Light Co. (Conn.)  
 Holyoke Water Power Co. (Mass.)  
 Western Massachusetts Electric Co. (Mass.)

Northern States Power Company:  
 Northern States Power Co. (Wisc.)

Orange and Rockland Utilities, Inc.:  
 Rockland Electric Co. (N.J.)

Philadelphia Electric Company:  
 Conowingo Power Co. (Md.)

Union Electric Company:  
 Missouri Power & Light Co.  
 Missouri Edison Co.

Wisconsin Electric Power Co.  
 Wisconsin Michigan Power Co. (Wisc.)

Total - 22 utilities included in pledges of members

BREEDER REACTOR CORPORATION

Utilities Included in the Pledge of a Member That has Executed a Contribution Agreement in Support of the LEPR Demonstration Plant Project

Tennessee Valley Authority

Municipal Distributors

|                       |           |                       |           |
|-----------------------|-----------|-----------------------|-----------|
| Aberdeen, Miss.       | \$ 25,268 | Lebanon, Tenn.        | 42,764    |
| Albertville, Ala.     | 35,627    | Lenoir City, Tenn.    | 71,336    |
| Alcoa, Tenn.          | 50,963    | Lewisburg, Tenn.      | 25,575    |
| Amory, Miss.          | 17,698    | Lexington, Tenn.      | 48,181    |
| Athens, Ala.          | 74,817    | Loudon, Tenn.         | 19,892    |
| Athens, Tenn.         | 53,226    | Louisville, Miss.     | 21,250    |
| Benton, Ky.           | 9,557     | Macon, Miss.          | 4,360     |
| Benton County, Tenn.  | 24,678    | Maryville, Tenn.      | 52,367    |
| Bessemer, Ala.        | 35,601    | Mayfield, Ky.         | 22,674    |
| Bolivar, Tenn.        | 30,160    | McMinnville, Tenn.    | 35,896    |
| Bowling Green, Ky.    | 80,363    | Memphis, Tenn.        | 1,610,619 |
| Bristol, Tenn.        | 115,487   | Milan, Tenn.          | 36,220    |
| Bristol, Va.          | 60,928    | Monticello, Ky.       | 7,120     |
| Brownsville, Tenn.    | 13,110    | Morristown, Tenn.     | 64,398    |
| Carroll County, Tenn. | 55,678    | Mt. Pleasant, Tenn.   | 13,588    |
| Chattanooga, Tenn.    | 1,061,118 | Murfreesboro, Tenn.   | 82,654    |
| Chickamauga, Ga.      | 10,865    | Murphy, N.C.          | 21,642    |
| Clarksville, Tenn.    | 88,452    | Murray, Ky.           | 42,817    |
| Cleveland, Tenn.      | 117,463   | Muscle Shoals, Ala.   | 22,338    |
| Clinton, Tenn.        | 63,430    | Nashville, Tenn.      | 1,455,287 |
| Columbia, Tenn.       | 72,901    | New Albany, Miss.     | 26,637    |
| Columbus, Miss.       | 66,220    | Newbern, Tenn.        | 4,991     |
| Cookeville, Tenn.     | 39,992    | Newport, Tenn.        | 50,307    |
| Courtland, Ala.       | 2,564     | Oak Ridge, Tenn.      | 68,428    |
| Covington, Tenn.      | 16,571    | Okolona, Miss.        | 11,546    |
| Cullman, Ala.         | 42,793    | Oxford, Miss.         | 14,254    |
| Dayton, Tenn.         | 22,277    | Paducah, Ky.          | 72,774    |
| Decatur, Ala.         | 180,042   | Paris, Tenn.          | 58,486    |
| Dickson, Tenn.        | 53,874    | Philadelphia, Miss.   | 14,049    |
| Dyersburg, Tenn.      | 50,951    | Princeton, Ky.        | 10,343    |
| Elizabethton, Tenn.   | 77,285    | Pulaski, Tenn.        | 40,171    |
| Erwin, Tenn.          | 30,786    | Ripley, Tenn.         | 25,726    |
| Etowah, Tenn.         | 16,840    | Rockwood, Tenn.       | 36,297    |
| Fayetteville, Tenn.   | 49,718    | Russellville, Ala.    | 17,090    |
| Florence, Ala.        | 136,870   | Russellville, Ky.     | 16,816    |
| Ft. Payne, Ala.       | 20,832    | Scottsboro, Ala.      | 31,347    |
| Franklin, Ky.         | 18,030    | Sevierville, Tenn.    | 65,891    |
| Fulton, Ky.           | 7,406     | Sheffield, Ala.       | 77,547    |
| Gallatin, Tenn.       | 36,523    | Shelbyville, Tenn.    | 46,611    |
| Glasgow, Ky.          | 24,877    | Smithville, Tenn.     | 8,186     |
| Greenville, Tenn.     | 100,965   | Somerville, Tenn.     | 5,584     |
| Guntersville, Ala.    | 27,667    | Sparta, Tenn.         | 12,075    |
| Harriman, Tenn.       | 63,719    | Springfield, Tenn.    | 23,071    |
| Hartselle, Ala.       | 16,786    | Starkville, Miss.     | 31,271    |
| Hickman, Ky.          | 2,099     | Sweetwater, Tenn.     | 19,665    |
| Holly Springs, Miss.  | 23,397    | Tarrant City, Ala.    | 15,265    |
| Hopkinsville, Ky.     | 54,916    | Trenton, Tenn.        | 10,055    |
| Humboldt, Tenn.       | 25,016    | Tullahoma, Tenn.      | 38,945    |
| Huntsville, Ala.      | 487,775   | Tupelo, Miss.         | 71,229    |
| Jackson, Tenn.        | 138,320   | Tuscumbia, Ala.       | 20,581    |
| Jellico, Tenn.        | 8,610     | Union City, Tenn.     | 41,779    |
| Johnson City, Tenn.   | 193,441   | Water Valley, Miss.   | 7,561     |
| Knoxville, Tenn.      | 735,771   | Weakley County, Tenn. | 69,420    |
| La Follette, Tenn.    | 35,341    | West Point, Miss.     | 13,244    |
| Lawrenceburg, Tenn.   | 54,615    | Winchester, Tenn.     | 13,962    |

BREEDER REACTOR CORPORATION

Utilities Included in the Pledge of a Member That Has Executed a Contribution Agreement in Support of the LMFBR Demonstration Plant Project

Tennessee Valley Authority

Cooperative Distributors

Summary

|                               |                |
|-------------------------------|----------------|
| Alcorn County EPA, Miss.      | \$ 56,755      |
| Appalachian EC, Tenn.         | 89,475         |
| Arab EC, Ala.                 | 27,477         |
| Blue Ridge, Mtn. EMC, Ga.     | 31,766         |
| Caney Fork EC, Tenn.          | 63,424         |
| Central EPA, Miss.            | 38,421         |
| Cherokee EC, Ala.             | 28,135         |
| Chickasaw EC, Tenn.           | 21,567         |
| Cullman EC, Ala.              | 64,501         |
| Cumberland EMC, Tenn.         | 135,851        |
| Duck River EMC, Tenn.         | 134,225        |
| East Miss. EPA, Miss.         | 24,916         |
| Forked Deer EC, Tenn.         | 15,481         |
| Fort Loudoun EC, Tenn.        | 37,891         |
| 4-County EPA, Miss.           | 78,203         |
| Franklin EC, Ala.             | 16,118         |
| Gibson County EMC, Tenn.      | 106,020        |
| Hickman Fulton Cos. RECC, Ky. | 26,773         |
| Holston EC, Tenn.             | 71,243         |
| Joe Wheeler EMC, Ala.         | 82,057         |
| Marshall DeKalb EC, Ala.      | 35,113         |
| Meriwether Lewis EC, Tenn.    | 109,248        |
| Middle Tenn EMC, Tenn.        | 152,762        |
| Monroe County EPA, Miss.      | 16,670         |
| Mountain EC, Tenn.            | 47,820         |
| Natchez Trace EPA, Miss.      | 38,157         |
| N. Alabama EC, Ala.           | 60,490         |
| Northcentral Miss. EPA, Miss. | 14,362         |
| N. E. Miss. EPA, Miss.        | 39,945         |
| North Georgia EMC, Ga.        | 196,386        |
| Pennyrile RECC, Ky.           | 125,287        |
| Pickwick EC, Tenn.            | 44,547         |
| Plateau EC, Tenn.             | 25,745         |
| Pontotoc EPA, Miss.           | 33,138         |
| Powell Valley EC, Va.         | 38,949         |
| Prentiss County EPA, Miss.    | 30,773         |
| Sand Mountain EC, Ala.        | 49,703         |
| Sequachee Valley EC, Tenn.    | 75,157         |
| S. W. Tenn. EMC, Tenn.        | 77,272         |
| Tallahatchie V. EPA, Miss.    | 46,527         |
| Tenn. Valley EC, Tenn.        | 41,752         |
| Tippah EPA, Miss.             | 29,189         |
| Tishomingo County EPA, Miss.  | 25,303         |
| Tombigbee EPA, Miss.          | 65,815         |
| Tri-County EMC, Tenn.         | 94,981         |
| Tri-State EMC, Tenn.          | 26,841         |
| Upper Cumberland EMC, Tenn.   | 85,070         |
| Volunteer EC, Tenn.           | 138,279        |
| Warren RECC, Ky.              | 130,235        |
| W. Kentucky RECC, Ky.         | <u>105,068</u> |

|   |                     |
|---|---------------------|
| 110 Municipalities                                  | \$ 9,752,461        |
| 50 Cooperatives                                     | 3,151,383           |
| 1 Pvt. Company                                      |                     |
| (Franklin P&L)                                      | <u>23,201</u>       |
| <u>161 Total-TVA Distributors</u>                   | <u>\$12,927,045</u> |
| (included in TVA's contribution<br>of \$21,700,000) |                     |



BREEDER REACTOR CORPORATIONUtilities Included in the Contribution of a Cash Contributor

Central Iowa Power Coop.  
 Adams County Coop. Electric Co.  
 Benton County Electric Coop. Assn.  
 Buchanan County Rural Electric Coop.  
 Clarke Electric Coop., Inc.  
 Farmers Electric Coop., Inc.  
 Greene County Rural Electric Coop.  
 Guthrie County Rural Electric Coop.  
 Linn County Rural Electric Coop.  
 Maquoketa Valley Rural Electric Coop.  
 Marshall County Rural Electric Coop.  
 Ryan Electric Coop., Inc.  
 Tella Coop. Electric Assn.  
 Wadena Electric Coop., Inc.  
 T.I.P. Rural Electric Coop.

Corn Belt Assn. of Elec. Coops. (Iowa)  
 Boone Valley Elec. Coop.  
 Buena Vista County REC  
 Butler County REC  
 The Calhoun County Elec. Coop. Assn.  
 Glidden REC  
 Hancock County REC  
 Sac County REC

Total - 21 cooperatives

CRBP TOTAL PLANT COST ESTIMATE - BASE COST  
In Millions of 1974 Dollars  
Escalated at 8% Compounded

|                          | 74    | 75    | 76    | 76T   | 77    | 78    | 79    | 80    | 81    | 82    | 83    | 84    | 85    | 86    | 87    | 88    | 89    | 90     | 91     | 92     | 93      | 94      | 95      | TOTAL   |
|--------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|--------|--------|---------|---------|---------|---------|
| PLANT INVESTMENT         |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        |         |         |         |         |
| FEES                     |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        |         |         |         |         |
| FEI EQUIPMENT            | .1    | 3.3   | 11.6  | 4.5   | 41.8  | 30.7  | 22.1  | 19.5  | 29.1  | 48.2  | 60.8  | 46.4  | 21.9  | 8.3   |       |       |       |        |        |        |         |         |         | 348.3   |
| AE EQUIPMENT             |       |       |       |       |       |       |       |       | 1.4   | 3.5   | 14.3  | 8.6   | 1.6   | .2    | .4    |       |       |        |        |        |         |         |         | 30.0    |
| CONSTRUCTION             |       |       | .3    | .6    | 1.6   | 1.2   | 1.5   | 2.1   | 2.6   | 4.0   | 17.1  | 32.1  | 45.9  | 64.2  | 59.4  | 32.7  | 10.1  | 1.6    | (2.8)  |        |         |         |         | 274.2   |
| FEI ENGINEERING          | 4.9   | 6.4   | 8.0   | 2.2   | 9.6   | 8.6   | 13.7  | 9.0   | 9.8   | 10.0  | 5.5   | 4.7   | 5.1   | 4.4   | 4.0   | 3.0   | 3.0   | 3.6    |        |        |         |         |         | 115.5   |
| AE ENGINEERING           | 4.3   | 7.7   | 10.8  | 3.6   | 13.0  | 11.9  | 12.3  | 11.9  | 10.3  | 6.4   | 2.1   | 1.9   | 2.3   | 2.6   | 2.7   | 2.2   | 1.0   | .7     |        |        |         |         |         | 107.7   |
| ESCALATION               |       | 1.4   | 5.1   | 1.9   | 18.7  | 20.1  | 24.7  | 26.2  | 39.6  | 63.9  | 103.2 | 112.1 | 105.6 | 124.4 | 117.6 | 75.3  | 31.5  | 14.5   | (7.9)  |        |         |         |         | 877.9   |
| SUBTOTAL                 | 9.3   | 18.8  | 35.8  | 12.8  | 84.7  | 72.5  | 74.3  | 68.7  | 92.8  | 136.0 | 203.0 | 205.8 | 182.4 | 204.1 | 184.1 | 113.2 | 45.6  | 20.4   | (10.7) |        |         |         |         | 1,753.6 |
| BOF                      |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        |         |         |         |         |
| EQUIPMENT                |       |       | .6    |       | 2.0   | 2.2   | .2    | 1.2   | 1.5   | 3.8   | 15.5  | 9.3   | 1.7   | .2    | .4    |       |       |        |        |        |         |         |         | 38.6    |
| CONSTRUCTION             |       |       | .1    | .2    | .8    | .5    | 1.1   | .9    | 1.3   | 2.0   | 8.4   | 15.8  | 22.6  | 31.6  | 29.2  | 16.1  | 5.0   | .8     | (1.4)  |        |         |         |         | 135.0   |
| AE ENGINEERING           | 2.8   | 2.4   | 1.1   | .4    | 3.0   | 2.6   | 3.7   | 2.6   | 2.2   | 1.4   | .4    | .4    | .5    | .5    | .6    | .5    | .2    | .1     |        |        |         |         |         | 25.4    |
| ESCALATION               |       | .2    | .3    | .1    | 1.6   | 2.1   | 2.5   | 2.8   | 3.7   | 6.4   | 25.3  | 30.6  | 34.1  | 50.7  | 53.6  | 33.0  | 11.6  | 2.4    | (3.9)  |        |         |         |         | 257.1   |
| SUBTOTAL                 | 2.8   | 2.6   | 2.1   | .7    | 7.4   | 7.4   | 7.5   | 7.5   | 8.7   | 13.6  | 49.6  | 56.1  | 58.9  | 83.0  | 83.8  | 49.6  | 16.8  | 3.3    | (5.3)  |        |         |         |         | 456.1   |
| PLANT COST TOTAL         | 12.1  | 21.4  | 37.9  | 13.5  | 92.1  | 79.9  | 81.8  | 76.2  | 101.5 | 149.6 | 252.6 | 261.9 | 241.3 | 287.1 | 267.9 | 162.8 | 62.4  | 23.7   | (16.0) |        |         |         |         | 2,209.7 |
| FUEL FAB (INITIAL)       |       |       | .1    | .1    | .2    | .1    |       |       |       | .3    | 1.0   | 1.4   | 2.1   | 13.2  | 12.7  | 3.3   | 3.1   |        |        |        |         |         |         | 37.6    |
| ESCALATION               |       |       |       |       | .1    |       |       |       |       | .3    | 1.0   | 1.6   | 3.1   | 20.8  | 22.7  | 6.7   | 6.8   |        |        |        |         |         |         | 63.1    |
| SPECIAL NUCLEAR MATERIAL |       |       |       |       |       |       |       |       |       |       |       |       | 1.0   | 5.7   | 3.3   |       |       |        |        |        |         |         |         | 10.0    |
| PLANT INVESTMENT TOTAL   | 12.1  | 21.4  | 38.0  | 13.6  | 92.4  | 80.0  | 81.8  | 76.2  | 101.5 | 150.2 | 254.6 | 264.9 | 247.5 | 326.8 | 306.6 | 172.8 | 72.3  | 23.7   | (16.0) |        |         |         |         | 2,320.4 |
| DEVELOPMENT              |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        |         |         |         |         |
| FEI ENGINEERING          | 13.0  | 26.5  | 32.1  | 8.8   | 37.3  | 29.9  | 28.4  | 32.6  | 24.6  | 19.1  | 10.7  | 4.8   | 2.1   | .5    | .1    | .1    |       |        |        |        |         |         |         | 270.6   |
| RESEARCH & DEVELOPMENT   | .4    | 15.1  | 20.5  | 7.7   | 29.5  | 28.6  | 30.7  | 33.4  | 22.4  | 3.7   | 1.5   | .5    |       |       |       |       |       |        |        |        |         |         |         | 194.0   |
| PROJECT OFFICE           | 4.4   | 3.5   | 5.1   | 1.5   | 4.9   | 3.6   | 3.2   | 4.0   | 4.2   | 5.4   | 5.2   | 5.0   | 4.5   | 4.9   | 4.3   | 4.1   | 2.9   |        |        |        |         |         |         | 70.7    |
| ESCALATION               |       | 3.6   | 9.6   | 3.3   | 20.3  | 24.1  | 31.0  | 43.2  | 37.5  | 24.8  | 17.9  | 12.5  | 9.3   | 8.8   | 8.1   | 8.5   | 6.6   |        |        |        |         |         |         | 269.1   |
| DEVELOPMENT TOTAL        | 17.8  | 48.7  | 67.3  | 21.3  | 92.0  | 86.2  | 93.3  | 113.2 | 88.7  | 53.0  | 35.3  | 22.8  | 15.3  | 14.2  | 12.5  | 12.7  | 9.5   |        |        |        |         |         |         | 804.4   |
| OPERATING                |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        |         |         |         |         |
| PROJECT OFFICE           |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       | 2.0    | 1.4    | 1.0    | .8      | .7      | .4      | 6.3     |
| OPER. & MAINTENANCE      |       |       |       |       |       |       |       |       | .1    |       |       |       | 1.1   | 3.4   | 4.2   | 4.8   | 5.9   | 9.7    | 11.8   | 11.4   | 11.3    | 11.3    | 11.1    | 86.1    |
| FUEL FAB (RELOAD)        |       |       |       |       |       |       |       |       |       |       |       |       | .3    | .5    | 5.9   | 6.7   | 12.4  | 12.8   | 8.0    | 4.9    | 2.4     |         |         | 53.9    |
| ESCALATION               |       |       |       |       |       |       |       |       |       | .1    |       |       | 2.1   | 6.4   | 18.1  | 23.0  | 40.8  | 61.1   | 58.6   | 53.2   | 49.3    | 45.0    | 47.5    | 405.2   |
| SUBTOTAL                 |       |       |       |       |       |       |       |       | .1    | .1    |       |       | 3.5   | 10.3  | 28.2  | 34.5  | 59.1  | 85.6   | 79.8   | 70.5   | 63.8    | 57.0    | 59.0    | 551.1   |
| REVENUE                  |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       | (5.7)  | (18.5) | (23.0) | (31.4)  | (36.2)  | (36.3)  | (151.1) |
| ESCALATION               |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       | (14.2) | (51.1) | (70.5) | (106.7) | (135.9) | (149.7) | (528.1) |
| OPERATING TOTAL          |       |       |       |       |       |       |       |       | .1    | .1    |       |       | 3.5   | 10.3  | 28.2  | 34.5  | 59.1  | 65.7   | 10.2   | (23.0) | (74.3)  | (115.1) | (127.0) | (127.7) |
| ESCALATION TOTAL         |       | 5.2   | 15.0  | 5.3   | 40.7  | 46.3  | 58.2  | 72.2  | 80.8  | 95.4  | 147.5 | 156.8 | 154.2 | 211.1 | 220.1 | 146.5 | 97.3  | 63.8   | (4.3)  | (17.3) | (57.4)  | (90.9)  | (102.2) | 344.3   |
| PROJECT TOTAL            | 29.9  | 70.1  | 105.3 | 34.9  | 184.4 | 166.2 | 175.1 | 189.4 | 190.2 | 203.3 | 290.0 | 287.7 | 266.9 | 351.3 | 347.3 | 220.0 | 140.9 | 89.4   | (5.8)  | (23.0) | (74.3)  | (115.1) | (127.6) | 2,997.1 |
| ESCALATION FACTORS       | 1.000 | 1.080 | 1.166 | 1.188 | 1.283 | 1.386 | 1.497 | 1.616 | 1.746 | 1.885 | 2.036 | 2.199 | 2.375 | 2.565 | 2.770 | 2.992 | 3.231 | 3.489  | 3.769  | 4.070  | 4.396   | 4.742   | 5.121   |         |

CRBP TOTAL PLANT COST ESTIMATE - CONTINGENCY ALLOWANCE  
In Millions of 1974 Dollars  
Escalated at 8% Compounded

|                          | 74    | 75    | 76    | 76T   | 77    | 78    | 79    | 80    | 81    | 82    | 83    | 84    | 85    | 86    | 87    | 88    | 89    | 90    | 91    | 92    | 93    | 94    | 95    | TOTAL |
|--------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| PLANT INVESTMENT         |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| FSS                      |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| FM EQUIPMENT             |       |       |       |       |       |       |       |       |       | 1.4   | 2.1   | 1.4   | .5    | .2    |       |       |       |       |       |       |       |       |       | 5.6   |
| AE EQUIPMENT             |       |       |       |       |       |       |       |       |       | .2    | .3    | .2    | .1    |       |       |       |       |       |       |       |       |       |       | .8    |
| CONSTRUCTION             |       |       |       |       |       |       |       |       |       |       | 2.0   | 5.1   | 6.0   | 8.0   | 7.5   | 3.7   | 1.0   | .1    |       |       |       |       |       | 33.4  |
| FM ENGINEERING           |       |       |       |       |       |       |       |       | .6    | 2.1   | 1.2   | .9    | .5    | .3    | .3    | .2    | .2    | .1    |       |       |       |       |       | 6.4   |
| AE ENGINEERING           |       |       |       |       |       |       |       |       | .9    | 1.1   | .6    | .5    | .3    | .1    | .1    | .1    | .1    |       |       |       |       |       |       | 3.8   |
| ESCALATION               |       |       |       |       |       |       |       |       | 1.1   | 4.3   | 6.4   | 9.6   | 10.2  | 13.5  | 14.0  | 9.0   | 2.6   | 1.0   |       |       |       |       |       | 70.7  |
| SUBTOTAL                 |       |       |       |       |       |       |       |       | 2.6   | 9.1   | 12.6  | 17.7  | 17.6  | 22.1  | 21.9  | 12.0  | 3.9   | 1.2   |       |       |       |       |       | 120.7 |
| BOP                      |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| EQUIPMENT                |       |       |       |       |       |       |       |       |       | .2    | .3    | .2    | .1    |       |       |       |       |       |       |       |       |       |       | .8    |
| CONSTRUCTION             |       |       |       |       |       |       |       |       |       |       | 1.0   | 2.5   | 2.9   | 3.9   | 3.7   | 1.8   | .5    | .1    |       |       |       |       |       | 16.4  |
| AE ENGINEERING           |       |       |       |       |       |       |       |       | .3    | .2    | .1    | .1    |       |       |       |       |       |       |       |       |       |       |       | .7    |
| ESCALATION               |       |       |       |       |       |       |       |       | .2    | .4    | 1.6   | 3.4   | 4.3   | 6.4   | 6.7   | 3.6   | 1.0   | .2    |       |       |       |       |       | 27.8  |
| SUBTOTAL                 |       |       |       |       |       |       |       |       | .5    | .8    | 3.0   | 6.2   | 7.3   | 10.3  | 10.4  | 5.4   | 1.5   | .3    |       |       |       |       |       | 45.7  |
| PLANT COST TOTAL         |       |       |       |       |       |       |       |       | 3.1   | 9.9   | 15.6  | 23.9  | 24.9  | 32.4  | 32.3  | 17.4  | 5.4   | 1.5   |       |       |       |       |       | 166.4 |
| FUEL FAB (INITIAL)       |       |       |       |       |       |       |       |       |       |       | .1    | .2    | .3    | 1.9   | 1.9   | 1.1   | .4    |       |       |       |       |       |       | 5.9   |
| ESCALATION               |       |       |       |       |       |       |       |       |       |       | .1    | .1    | .5    | 3.1   | 3.5   | 2.3   | .9    |       |       |       |       |       |       | 10.5  |
| SPECIAL NUCLEAR MATERIAL |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| PLANT INVESTMENT TOTAL   |       |       |       |       |       |       |       |       | 3.1   | 9.9   | 15.8  | 24.2  | 25.7  | 37.4  | 37.7  | 20.8  | 6.7   | 1.5   |       |       |       |       |       | 182.8 |
| DEVELOPMENT              |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| FM ENGINEERING           |       |       |       |       |       |       |       |       | 2.9   | 1.0   | .4    | .2    | .1    |       |       |       |       |       |       |       |       |       |       | 4.6   |
| RESEARCH & DEVELOPMENT   |       |       |       |       |       |       |       |       | .1    | .1    | .1    |       |       |       |       |       |       |       |       |       |       |       |       | .3    |
| PROJECT OFFICE           |       |       |       |       |       |       |       |       | .6    | .2    | .2    | .2    | .2    | .2    | .1    | .2    | .1    |       |       |       |       |       |       | 2.0   |
| ESCALATION               |       |       |       |       |       |       |       |       | 2.6   | 1.1   | .8    | .5    | .4    | .4    | .3    | .4    | .3    |       |       |       |       |       |       | 6.8   |
| DEVELOPMENT TOTAL        |       |       |       |       |       |       |       |       | 6.2   | 2.4   | 1.5   | .9    | .7    | .6    | .4    | .6    | .4    |       |       |       |       |       |       | 13.7  |
| OPERATING                |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| PROJECT OFFICE           |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       | .1    | .1    | .1    |       |       |       | .3    |
| OPER. & MAINTENANCE      |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       | .3    | .1    |       |       |       |       | .4    |
| FUEL FAB (RELOAD)        |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       | 1.0   | .6    | .1    | .2    | .2    | .1    | 2.2   |
| ESCALATION               |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       | 1.4   | .8    | .2    | .2    | .2    | .1    | 2.9   |
| SUBTOTAL                 |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| REVENUE                  |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| ESCALATION               |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| OPERATING TOTAL          |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       | 1.4   | .8    | .2    | .2    | .2    | .1    | 2.9   |
| ESCALATION TOTAL         |       |       |       |       |       |       |       |       | 3.9   | 5.8   | 8.9   | 13.6  | 15.4  | 23.4  | 24.5  | 14.3  | 4.8   | 2.2   | .6    | .1    | .2    | .2    | .1    | 118.0 |
| PROJECT TOTAL            |       |       |       |       |       |       |       |       | 9.3   | 12.3  | 17.3  | 25.1  | 26.4  | 38.0  | 38.1  | 21.4  | 7.1   | 2.9   | .8    | .2    | .2    | .2    | .1    | 199.4 |
| ESCALATION FACTORS       | 1.000 | 1.080 | 1.116 | 1.185 | 1.283 | 1.386 | 1.497 | 1.616 | 1.746 | 1.885 | 2.036 | 2.119 | 2.375 | 2.565 | 2.770 | 2.992 | 3.231 | 3.489 | 3.769 | 4.070 | 4.396 | 4.742 | 5.121 |       |

CIBBP TOTAL PLANT COST ESTIMATE - BASE COST PLUS CONTINGENCY  
In Millions of 1974 Dollars  
Escalated at 8% Compounded

|                          | 74    | 75    | 76    | 76T   | 77    | 78    | 79    | 80    | 81    | 82    | 83    | 84    | 85    | 86    | 87    | 88    | 89    | 90     | 91     | 92     | 93      | 94      | 95      | TOTAL   |
|--------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|--------|--------|---------|---------|---------|---------|
| <b>PLANT INVESTMENT</b>  |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        |         |         |         |         |
| NEES                     |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        |         |         |         |         |
| IN EQUIPMENT             | .1    | 3.3   | 11.6  | 4.5   | 41.8  | 30.7  | 22.1  | 19.5  | 29.1  | 49.6  | 62.9  | 47.8  | 22.4  | 8.5   |       |       |       |        |        |        |         |         |         | 353.9   |
| AE EQUIPMENT             |       |       |       |       |       |       |       |       | 1.4   | 3.7   | 14.6  | 8.8   | 1.7   | .2    | .4    |       |       |        |        |        |         |         |         | 30.8    |
| CONSTRUCTION             |       |       | .3    | .6    | 1.6   | 1.2   | 1.5   | 2.1   | 2.6   | 4.0   | 19.1  | 37.2  | 51.9  | 72.2  | 66.9  | 36.4  | 11.1  | 1.7    | (2.8)  |        |         |         |         | 307.6   |
| RM ENGINEERING           | 4.9   | 6.4   | 8.0   | 2.2   | 9.6   | 8.6   | 13.7  | 9.0   | 10.4  | 12.1  | 6.7   | 5.6   | 5.6   | 4.7   | 4.3   | 3.2   | 3.2   | 3.7    |        |        |         |         |         | 121.9   |
| AE ENGINEERING           | 4.3   | 7.7   | 10.8  | 3.6   | 13.0  | 11.9  | 12.3  | 11.9  | 11.2  | 7.5   | 2.7   | 2.4   | 2.6   | 2.7   | 2.8   | 2.3   | 1.1   | .7     |        |        |         |         |         | 111.5   |
| ESCALATION               |       | 1.4   | 5.1   | 1.9   | 18.7  | 20.1  | 24.7  | 26.2  | 40.7  | 68.2  | 109.6 | 121.7 | 115.8 | 137.9 | 131.6 | 83.3  | 34.1  | 15.5   | (7.9)  |        |         |         |         | 948.6   |
| SUBTOTAL                 | 9.3   | 18.8  | 35.8  | 12.8  | 84.7  | 72.5  | 74.3  | 68.7  | 95.4  | 145.1 | 215.6 | 223.5 | 200.0 | 226.2 | 206.0 | 125.2 | 49.5  | 21.6   | (10.7) |        |         |         |         | 1,874.3 |
| <b>BOB</b>               |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        |         |         |         |         |
| EQUIPMENT                |       |       | .6    |       | 2.0   | 2.2   | .2    | 1.2   | 1.5   | 4.0   | 15.8  | 9.5   | 1.8   | .2    | .4    |       |       |        |        |        |         |         |         | 39.4    |
| CONSTRUCTION             |       |       | .1    | .2    | .8    | .5    | 1.1   | .9    | 1.3   | 2.0   | 9.4   | 18.3  | 25.5  | 35.5  | 32.9  | 17.9  | 5.5   | .9     | (1.4)  |        |         |         |         | 151.4   |
| AE ENGINEERING           | 2.8   | 2.4   | 1.1   | .4    | 3.0   | 2.6   | 3.7   | 2.6   | 2.5   | 1.6   | .5    | .5    | .5    | .6    | .5    | .2    | .1    |        |        |        |         |         |         | 26.1    |
| ESCALATION               |       | .2    | .3    | .1    | 1.6   | 2.1   | 2.5   | 2.8   | 3.9   | 6.8   | 26.9  | 34.0  | 38.4  | 57.1  | 60.3  | 36.6  | 12.6  | 2.6    | (3.9)  |        |         |         |         | 284.9   |
| SUBTOTAL                 | 2.8   | 2.6   | 2.1   | .7    | 7.4   | 7.4   | 7.5   | 7.5   | 9.2   | 14.4  | 52.6  | 62.3  | 66.2  | 93.3  | 94.2  | 55.0  | 18.3  | 3.6    | (5.3)  |        |         |         |         | 501.8   |
| PLANT COST TOTAL         | 12.1  | 21.4  | 37.9  | 13.5  | 92.1  | 79.9  | 81.8  | 76.2  | 104.6 | 159.5 | 268.2 | 285.8 | 266.2 | 319.5 | 300.2 | 180.2 | 67.8  | 25.2   | (16.0) |        |         |         |         | 2,376.1 |
| FUEL FAB (INITIAL)       |       |       | .1    | .1    | .2    | .1    |       |       |       | .3    | 1.1   | 1.6   | 2.4   | 15.1  | 14.6  | 4.4   | 3.5   |        |        |        |         |         |         | 43.5    |
| ESCALATION               |       |       |       |       | .1    |       |       |       |       | .3    | 1.1   | 1.7   | 3.6   | 23.9  | 26.2  | 9.0   | 7.7   |        |        |        |         |         |         | 73.6    |
| SPECIAL NUCLEAR MATERIAL |       |       |       |       |       |       |       |       |       |       |       |       | 1.0   | 5.7   | 3.3   |       |       |        |        |        |         |         |         | 10.0    |
| PLANT INVESTMENT TOTAL   | 12.1  | 21.4  | 38.0  | 13.6  | 92.4  | 80.0  | 81.8  | 76.2  | 104.6 | 160.1 | 270.4 | 289.1 | 273.2 | 364.2 | 344.3 | 193.6 | 79.0  | 25.2   | (16.0) |        |         |         |         | 2,503.2 |
| <b>DEVELOPMENT</b>       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        |         |         |         |         |
| RM ENGINEERING           | 13.0  | 26.5  | 32.1  | 8.8   | 37.3  | 29.9  | 28.4  | 32.6  | 27.5  | 20.1  | 11.1  | 5.0   | 2.2   | .5    | .1    | .1    |       |        |        |        |         |         |         | 275.2   |
| RESEARCH & DEVELOPMENT   | .4    | 15.1  | 20.5  | 7.7   | 29.5  | 28.6  | 30.7  | 33.4  | 22.5  | 3.8   | 1.6   | .5    |       |       |       |       |       |        |        |        |         |         |         | 194.3   |
| PROJECT OFFICE           | 4.4   | 3.5   | 5.1   | 1.5   | 4.9   | 3.6   | 3.2   | 4.0   | 4.8   | 5.6   | 5.4   | 5.2   | 4.7   | 5.1   | 4.4   | 4.3   | 3.0   |        |        |        |         |         |         | 72.7    |
| ESCALATION               |       | 3.6   | 9.6   | 3.3   | 20.3  | 24.1  | 31.0  | 43.2  | 40.1  | 25.9  | 18.7  | 13.0  | 9.7   | 9.2   | 8.4   | 8.9   | 6.9   |        |        |        |         |         |         | 275.9   |
| DEVELOPMENT TOTAL        | 17.8  | 48.7  | 67.3  | 21.3  | 92.0  | 86.2  | 93.3  | 113.2 | 94.9  | 55.4  | 36.8  | 23.7  | 16.6  | 14.8  | 12.9  | 13.3  | 9.9   |        |        |        |         |         |         | 818.1   |
| <b>OPERATING</b>         |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |        |        |        |         |         |         |         |
| PROJECT OFFICE           |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       | 2.1    | 1.5    | 1.1    | .8      | .7      | .4      | 6.6     |
| OPER. & MAINTENANCE      |       |       |       |       |       |       |       |       | .1    |       |       |       | 1.1   | 3.4   | 4.2   | 4.8   | 5.9   | 9.7    | 11.8   | 11.4   | 11.3    | 11.3    | 11.1    | 86.1    |
| FUEL FAB (BELOW)         |       |       |       |       |       |       |       |       |       |       |       |       | .3    | .5    | 5.9   | 6.7   | 12.4  | 13.1   | 8.1    | 4.9    | 2.4     |         |         | 54.3    |
| ESCALATION               |       |       |       |       |       |       |       |       |       |       | .1    |       | 2.1   | 6.4   | 18.1  | 23.0  | 40.8  | 62.1   | 59.2   | 53.3   | 49.5    | 45.2    | 47.6    | 407.4   |
| SUBTOTAL                 |       |       |       |       |       |       |       |       | .1    | .1    |       |       | 3.5   | 10.3  | 28.2  | 34.5  | 59.1  | 87.0   | 80.6   | 70.7   | 64.0    | 57.2    | 59.1    | 554.4   |
| REVENUE                  |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       | (5.7)  | (18.5) | (23.0) | (31.4)  | (36.2)  | (36.3)  | (151.1) |
| ESCALATION               |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       | (14.2) | (51.1) | (70.5) | (106.7) | (135.9) | (149.7) | (528.1) |
| OPERATING TOTAL          |       |       |       |       |       |       |       |       | .1    | .1    |       |       | 3.5   | 10.3  | 28.2  | 34.5  | 59.1  | 67.1   | 11.0   | (22.8) | (74.1)  | (114.9) | (126.9) | (124.8) |
| ESCALATION TOTAL         |       | 5.2   | 15.0  | 5.3   | 40.7  | 46.3  | 58.2  | 72.2  | 84.7  | 101.2 | 156.4 | 170.4 | 169.6 | 234.5 | 244.6 | 160.8 | 102.1 | 66.0   | (3.7)  | (17.2) | (57.2)  | (90.7)  | (102.1) | 1,462.3 |
| PROJECT TOTAL            | 29.9  | 70.1  | 105.3 | 34.9  | 184.4 | 166.2 | 175.1 | 189.4 | 199.5 | 215.6 | 307.3 | 312.8 | 293.3 | 389.3 | 385.4 | 241.4 | 148.0 | 92.3   | (5.0)  | (22.8) | (74.1)  | (114.9) | (126.9) | 3,196.5 |
| ESCALATION FACTORS       | 1.000 | 1.080 | 1.166 | 1.188 | 1.283 | 1.386 | 1.497 | 1.616 | 1.746 | 1.885 | 2.036 | 2.199 | 2.375 | 2.565 | 2.770 | 2.992 | 3.231 | 3.489  | 3.769  | 4.070  | 4.396   | 4.742   | 5.121   |         |