



CONSERVATION ALABAMA

November 15, 2010

Comments in response to Tennessee Valley Authority's release of its Draft Integrated Resource Plan and accompanying Environmental Impact Statement (No. 20100379) for public review and comment

Conservation Alabama respectfully submits these comments in response to TVA's request for review and comment on its draft Integrated Resource Plan (IRP) and accompanying Environmental Impact Statement (EIS).

As TVA's first integrated resource planning process since the release of its 1995 planning document, *Energy Vision 2020*, Conservation Alabama supports this process as necessary to ensure TVA's ability to meet the Tennessee Valley's future energy demand while fulfilling its statutory mandates to steward the environment, support economic development and be a leader in technological innovation. Conservation Alabama encourages TVA to make this IRP process the first in an iterative process that will be regularly repeated. Regular review and amendment of TVA's IRP will ensure continued dialogue between TVA and its constituents and maintain a resource plan that accounts for the technological advances and changing regulatory conditions that will characterize the electricity generation and distribution industries in coming years.

Conservation Alabama takes the organizational approach that the state of Alabama, including all public and private utilities that serve the state, needs to diversify its energy options in order to lessen our reliance on fossil fuels, create new economic opportunities, and protect our natural environment. While Conservation Alabama is resource neutral when it comes to our energy options, we strongly believe there is a continuum of energy sources, from most preferable to least preferable, that each utility should consider.

Emphasis should be placed on increasing conservation, efficiency, and renewables. Secondly, alternatives such as nuclear should be an option. Finally, fossil fuels should be deemphasized as priority fuels for TVA's energy portfolio. However, we realize the switch from a utility being majority coal-fired power plants to one that relies most heavily on renewables, efficiency, and conservation is not one that can happen in a short timeframe. TVA should consider stepping down its reliance on coal and move first toward cleaner burning natural gas while investing in research and development for other clean options such as renewables. Ultimately, we hope conservation, efficiency, and renewables will dominate TVA's energy portfolio.

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We are encouraged to see that the Diversity Focused Resource Portfolio and the EEDR and Renewables Focused Resource Portfolio received the highest rankings in the integrated resource plan. Despite our support of these strategies, Conservation Alabama is concerned that TVA did not give energy efficiency and renewables adequate consideration in evaluating the energy sources' potential for customers in the Tennessee Valley. Additionally, TVA should re-examine the cost associated with greenhouse gas emissions and take those costs into full consideration when comparing costs of each energy source.

Conservation Alabama also strongly encourages TVA to formalize this IRP process into an ongoing, iterative process with regular review and amendment of the IRP every three to five years to ensure that the Tennessee Valley maintains an environmentally and economically responsible plan for meeting energy demand in the Tennessee Valley. Only through regular review and amendment can residents be sure that TVA's plan to meet energy demand is taking into account the technological and regulatory changes that will impact the Valley's ability to meet energy demand in a cost-effective, environmentally responsible fashion.

Conservation Alabama respectfully submits these comments in response to TVA's release of its Draft IRP and EIS for public review and comment. While Conservation Alabama has not historically been engaged on TVA policies and issues in the past, we hope as the Authority moves forward with the IRP, we can work with you to find the best solutions so that citizens can enjoy energy options that are clean and responsible for current and future generations.

Sincerely,

A handwritten signature in black ink, reading "Adam R. Snyder". The signature is fluid and cursive, with the first letters of each name being capitalized and prominent.

Adam R. Snyder
Executive Director