



SPRING 2018 NEWSLETTER MARCH 2018

From the ATVG Executive Director Mike Arms

I hope you all make plans to attend our April ATVG meeting in Paris, TN. The agenda is on the insert pages in this newsletter. We will have a special tour of the “Land Between the Lakes” homeplace and history museum. An outstanding program is planned including learning about TVA’s Integrated Resource Plan updating process.

Please join us also for two great dinners: Blues Landing Cajun food on April 25th and all you can eat at the Fish Fry tent on April 26th.

At our Board meeting on April 25th we will approve a resolution recognizing TVA’s 85th anniversary. We will also review our July 18th ATVG meeting to be held at the Alabama Music Hall of Fame. A full program is already in place for that meeting, complete with another great local favorite’s dinner!!

Finally, we are pleased to let you know that ATVG will be hosting a breakfast for the TVA Board (with 5 new Board members) on May 10th at the TVA Board meeting in Muscle Shoals, Alabama. We have some unique ways planned to help TVA celebrate its 85th birthday that day in Muscle Shoals!

Below is additional information on our next two upcoming meetings:

- April 25/26/27 Paris Landing State Park
Some joint programming with Tennessee Development Districts
- July 18/19 Cold Creek Inn Tuscumbia/Muscle Shoals
Will include tour of Alabama Music Hall of Fame



SPRING 2018 NEWSLETTER MARCH 2018

Huntsville lands \$1.6 Billion Toyota-Mazda Manufacturing Plant

The TVA-certified megasite in Huntsville-Limestone County will be the future home for a new automotive manufacturing plant as part of a coveted \$1.6 billion investment between Toyota Motor Corporation and Mazda Motor Corporation. Toyota and Mazda ended a five-month national competition over their site selection for the joint venture at a news conference in Montgomery. Toyota President Akio Toyoda and Mazda President and CEO Masamichi Kogai joined Governor Kay Ivey, Huntsville Mayor Tommy Battle and Limestone County Commission Chair Mark Yarbrough in announcing plans for this monumental project.

The two companies will build their automotive manufacturing facility on 2,400 acres in the western portion of Huntsville, near I-565 and I-65. The plant will have the capacity to produce 300,000 cars annually and employ about 4,000 workers. Production will be evenly split into two lines for each company to produce Mazda's crossover model and the Toyota Corolla. Operations are expected to begin in 2021.

“With this announcement, our world changes overnight,” said Mayor Battle. “Toyota and Mazda, two of the world’s most innovative automakers, have created a legacy project that will provide jobs for decades to come for Huntsville and Alabama. It vaults Alabama to the top as an industry leader in producing the next generation of cars that will power our nation.”

For Toyota, this joint-venture plant will be its 11th U.S. manufacturing facility, which includes the Toyota Motor Manufacturing Alabama engine operation in North Huntsville. “Our investment to establish a new vehicle assembly plant with Mazda builds on the very success we have enjoyed in Alabama where we produce engines for the North American market,” Toyoda said. “Starting from 2021, I’m confident that we will run a highly competitive plant, by bringing together the expertise of Toyota and Mazda as well as the excellent Alabama workforce. We are committed to becoming a ‘best-in-town company’ in the city of Huntsville and the state of Alabama, a new hometown for Toyota and Mazda.”

For Mazda, the facility comes online in a significant year that will mark the start of the company’s second century of operation and second half-century of sales in the U.S. “Mazda makes cars with a clear vision of how we want to inspire people, contribute to society and help preserve the beauty of the earth,” Kogai said. “By making such cars here in Alabama, we hope that over time our plant will come to occupy a special place in the hearts of our employees and the local community. By making this plant a vibrant part of that community, we hope to work, learn and grow together with the people of Alabama and Huntsville.”

When Toyota and Mazda first announced their alliance in August 2017, the company cited the agreement as a milestone in the journey to further strengthen and accelerate the partnership in a sustainable way. Specifically, the companies agreed to: 1) establish a joint venture that produces vehicles in the United States, 2) jointly develop technologies for electric vehicles, 3) jointly develop connected-car technology, 4) collaborate on advanced safety technologies and 5) expand complementary products.

The decision between two major competitors to bring their remarkable alliance to Huntsville isn’t a surprise to a city that prides itself on “making things go.” “Huntsville made its mark on innovation and technology, and when you look at the Toyota-Mazda vision, it matches our community,” said Mayor Battle. “They are looking 10, 20, 40 years ahead in future mobility – into hydrogen cells, electric vehicles and autonomous driving vehicles. With Toyota-Mazda developing this expertise in our Rocket City, it makes us one of the most highly technical areas in the world.”



SPRING 2018 NEWSLETTER

MARCH 2018

Chattanooga Pushes Multimodal to Solve Its Transportation Problems

The Chattanooga Area Regional Transportation Authority is launching multiple electric-vehicle charging stations in the region, a solar farm to power them and a car-share service. Studies show the most progressive transit systems are moving well beyond buses and trains, taking on projects supporting car-sharing and electric-vehicle infrastructure.

The Chattanooga Area Regional Transportation Authority (CARTA) is constructing an 80-kilowatt solar farm, installing 64 electric-vehicle charging ports across 22 sites and a car-sharing program powered by battery-electric Nissan LEAFs.

“CARTA has been very proactive in working to develop multimodal transportation solutions,” said Philip Pugliese, transportation system planner for CARTA. “This project was originally presented as an electric-vehicle public car-share solution. CARTA believed that such a program could extend the reach of our traditional bus network and promote transportation choice.”

The project has been singled out by Smart Cities Connect for a Smart 50 Award in the Mobility category. The awards are granted by Smart Cities Connect, Smart Cities Connect Foundation and US Ignite.

The mobility project began in late 2012 when CARTA explored the idea of adding car-sharing to its transit mix “to fill the gap between bike-share and public transit,” explained Pugliese. “As funding for the project evolved, the system changed to include both public EV charging, in addition to the EV car-share element,” said Pugliese, who added that the project was funded through a partnership with the Tennessee Valley Authority (TVA).

“With interest from an electric-vehicle car-share operator, CARTA entered into a funding agreement with TVA in February 2014 to provide for a minimum of 40 charging ports and a 20-vehicle car-share program,” said Pugliese. “It was actually in an effort to continue integration and promotion of the public bike-share system that led us into the development of the EV charging and car-share program.”

A second phase of the program, which included the additional charging stations, was completed in December 2017.

The car-share portion of the project is operated by Green Commuter, a membership-based car-sharing platform based in Los Angeles. Members rent the car for the time they need it, while the company pays for electricity to recharge the vehicles, as well as maintenance, parking and insurance costs. Rates are \$7 an hour or \$45 a day.



SPRING 2018 NEWSLETTER

MARCH 2018

TVA Gets Back to its Roots

When thinking of the Tennessee Valley Authority, a number of things may come to mind: electricity, economic development, flood control, hydropower dams, navigation, water quality and much more. But you may not realize that planting trees to improve both the land and water resources in the Tennessee Valley was a big part of TVA's primary mission in the beginning.

"To provide for the restoration and proper use of marginal lands in the Tennessee Valley" was listed as priority number two in the TVA Act of 1933. And so TVA personnel immediately went to work planting trees throughout the erosion-riddled Valley, having planted 200 million by 1949, and a million acres by 1967.

By the early 1960s, the forestry program had begun to emphasize quality over quantity, with tree geneticists starting to focus not only on cultivating and planting trees but cultivating and planting the hardiest and most disease resistant trees.

"They turned their attention to species with high ecological and economic value, such as walnuts, sugar maples, chestnuts, hemlocks and oaks," said Chris Cooper, manager of TVA's Natural Resources Management, East Operations. "They worked to create genetically superior trees that could better survive droughts, blight and pests that periodically challenge the health of the tree species in the southern Appalachian region."

From the 1974 TVA Annual Report:

"TVA maintains one of the few research teams in the U.S. concentrating on the genetics and physiology of high-value hardwood species with emphasis on improving the tree's genetic potential for growth rate, form and pest resistance. Seed orchards have been established containing selected species that will improve the forest resource base and foster better industrial and economic development."

Tree planting on dam reservations and other public lands throughout the Tennessee Valley continued until 1982 when TVA suspended the program. Certain species were picked up by the U.S. Forest Service, and five years later, by the Tree Improvement Program at the University of Tennessee and the Tennessee Division of Forestry.

Now, through an initiative led by UT's Scott Schlarbaum, professor of Forestry, Wildlife and Fisheries, Cooper and Tim Pruitt, watershed representative, 700 red oak seedlings are being planted in a beetle-decimated loblolly pine seed orchard on Norris Reservoir. And they're not just any red oaks. "These trees are a direct legacy from the TVA tree improvement program more than 50 years ago," Schlarbaum said. "They are directly descended from TVA's work at Wautaga Lake near the Cherokee National Forest."

The approximately two-year-old trees being planted at Norris are grown from a collection of seeds from the best trees cultivated over many years. They were meticulously selected for growth, form, acorn yield and other characteristics. "We will bring these to the field, plant them, put up deer cages and other precautions, and study them," Schlarbaum said. "We'll track them, grow them, select the genetically best and eventually collect seed acorns for general reforestation in the eastern Tennessee River Valley. These are the prototypes for other trees in the future." That future should be filled with beautiful, strong hardwoods our children, and their children can enjoy. "This is a sustainability project that will pay for hundreds of years," Cooper said. "It's not short term; it's not really for us. It's for a beautiful Valley ever after."



SPRING 2018 NEWSLETTER

MARCH 2018

TVA Boosts Browns Ferry Output in Clean Energy Nod

The Tennessee Valley Authority began increasing power output at the first of three units at the Browns Ferry Nuclear Plant in north Alabama to accommodate customer requests for more clean energy. The federal power producer also started planning for its power needs for the next five years, including a review of the effects of power-operations by-products and impacts of production on climate change.

Contractor Day & Zimmermann on Feb. 14 began upgrading Browns Ferry Unit 3 to increase the power output by 155 megawatts to 1,305 MW. Once all three units are upgraded by next spring, the plant's capacity will reach 3,952 MW. The U.S. Nuclear Regulatory Commission says its evaluation showed the plants' design could handle the 14% output boost based on its nuclear steam supply systems, instrumentation and control systems.

Increasing nuclear capacity gives the power producer more carbon-free baseload power, which TVA spokesman Jim Hopson says "will help bring in new business." Automakers Toyota and Mazda will build a \$1.6-billion factory in Alabama that will require 50 to 75 MW from TVA. The upgrades also add to the continuous source of power production needed to support more intermittent wind and solar power, he says.

Topre America Corporation Expanding In Smyrna

Topre America Corp. has announced plans to expand its existing facility in Smyrna, representing a \$37.8 million capital investment and the creation of 50 jobs.

The firm provides automotive stamping and body structure assemblies for Nissan, Honda and Toyota. The current announcement is the third phase of the company's expansion plans to meet the growing demand for its products. Phase I opened in 2017 and Phase II is currently under construction.

Topre America Vice President Brad Pepper said, "Between the talented workforce, geographic location and strong demand for our products, we've found an ideal spot in Rutherford County for our growing operation. We are excited to announce the third phase of our expansion and ready to continue moving forward."

Smyrna Mayor Mary Esther Reed commented, "Congratulations to Topre America on their decision to expand. We are pleased that the company has found a successful home in Smyrna, and look forward to many more years of continued success." Destination Rutherford Chairman Bill Jones noted, "We congratulate Topre America as they continue to expand their presence here. It's rewarding to know that Rutherford County continues to offer a vibrant business environment where companies can prosper."

TVA Senior Vice President of Economic Development John Bradley said, "TVA and Middle Tennessee Electric Membership Corporation congratulate Topre America on its latest expansion in Rutherford County. It's always an exciting day when a company is committed to continuing growth in the Valley and we are pleased to partner with the Rutherford County Chamber of Commerce, town of Smyrna and Tennessee Department of Economic and Community Development to celebrate this announcement."

Topre America was founded in 1935 and is headquartered in Tokyo, Japan. It began as a manufacturer of pressed components for automotive equipment.



SPRING 2018 NEWSLETTER MARCH 2018

Kentucky Permits Rapid Transfer of Utility Equipment During Emergencies

The Commonwealth of Kentucky Public Service Commission (PSC) has approved an agreement that will allow participating electric utilities to respond more rapidly to power outages and other emergencies by giving them greater flexibility to transfer equipment to each other.

The PSC agreed to pre-approve emergency transfers of large electric transmission system transformers with a value of more than \$1 million. State law requires PSC approval of equipment sales or purchases in excess of \$1 million.

The pre-approval, which extends to four Kentucky utilities under PSC's jurisdiction, will expedite the transfer of utility-owned transformers in connection with the Regional Equipment Sharing for Transmission Outage Restoration, or RESTORE, agreement. The agreement extends as well to other, less expensive equipment such as circuit breakers.

The RESTORE agreement was initiated in 2016 by Kentucky Utilities Co. (KU), Louisville Gas & Electric Co. (LG&E), PPL Electric Utilities, the Southern Company, and the Tennessee Valley Authority. KU, LG&E and PPL are sister companies within PPL Corp.

A total of 28 utilities in the South and Midwest now participate in the RESTORE agreement. Other Kentucky companies include Duke Energy Kentucky and East Kentucky Power Cooperative, both of which joined KU and LG&E in seeking PSC approval.

In the event of an outage or other event that threatens a utility's transmission system, the RESTORE agreement gives participating utilities the ability to quickly obtain the equipment needed to complete repairs. Because large transformers typically need to be ordered far in advance, the ability to purchase spares from other utilities without seeking PSC approval will greatly speed restoration, the utilities said in their application to the PSC.

The utilities stated in their application that the RESTORE agreement and the pre-approval of transformer transfers would give them "access to spare infrastructure necessary to restore the transmission grid in a timely manner following disruption caused by a catastrophic event."

The RESTORE agreement sets out the terms of any transactions, including matters such as shipping costs and tax liabilities. In today's order, the PSC required utilities to report within 30 days any transfers or acquisitions made under the agreement.



SPRING 2018 NEWSLETTER

MARCH 2018

Kentucky's Pro-Growth Policies Accelerate

Kentucky is picking up the pace as pro-growth policies are accelerating job creation in the Commonwealth. In fact, last year, they hit a record \$9.2 billion in corporate expansions and location projects, with 17,200 new job commitments.

Kentucky leaders continually strategize methods to enhance their economic attractiveness in a competitive global marketplace. These strategies are crafted to bring the Commonwealth on an equal plane with surrounding states, like Tennessee. Our neighbors in Tennessee now have more much competition when it comes to persuading companies and job site selectors to invest. Bipartisan legislation in Frankfort is gaining momentum and could have a big positive impact for the county.

House Bill 114 and its companion Senate Bill 9, are known as the Kentucky TVA Counties Economic Development bills. Both would return money to 39 counties in southern, western, and eastern Kentucky that are powered by or distribute for the Tennessee Valley Authority (TVA). The TVA region in Kentucky includes Adair, Allen, Ballard, Barren, Bell, Butler, Caldwell, Calloway, Carlisle, Christian, Clinton, Cumberland, Edmonson, Fulton, Graves, Grayson, Harlan, Hart, Henderson, Hickman, Livingston, Logan, Lyon, Marshall, McCracken, McCreary, Metcalfe, Monroe, Muhlenberg, Ohio, Russell, Simpson, Todd, Trigg, Union, Warren, Wayne, Webster and Whitley counties.

As a publicly-owned utility created by the federal government, the Tennessee Valley Authority is exempt from taxation, but instead makes payments to the State of Kentucky. HB114/SB9 would adjust the TVA in-lieu-of tax payment formula to ensure more dollars from the payments stay in the 39-county region for economic development needs. This means up to \$153,000 additional dollars could be sent to each TVA county to be used for job-attracting activities like land prep for industrial sites or infrastructure upgrades. These investments would come at a critical time as communities must continually ready sites and upgrade critical infrastructure to attract business and create jobs. HB114/SB9 are game changers for smaller rural counties that have seen less economic success in recent years compared to metro areas.



SPRING 2018 NEWSLETTER

MARCH 2018

Association of Tennessee Valley Governments

Spring Meeting April 25, 26 & 27, 2018

Paris Landing State Park – Buchanan, TN– 1-731-642-4311

April 25, 2018 (Central Time Zone)

ATVG Program

3:00 p.m. ATVG Board Meeting *(Separate agenda will be provided)*
5:30 p.m. Bus departure for Blues Landing Restaurant

April 26, 2018

7:30 a.m. Breakfast at Paris Landing State Park
8:15 a.m. Prompt bus departure for LBL Tour
9:00 a.m. Two hour tour of “Land Between the Lakes” Homeplace Working
Farm and History Museum *(see www.landbetweenthe lakes.us)*
12:00 Noon Lunch at Paris Landing State Park

ATVG/Development Districts Program:

1:00 p.m. Call to order and introductions - Mayor John Gentry
1:15 p.m. TVA Update - Bert Robinson
1:45 p.m. TVA Integrated Resource Plan: What is an IRP?
2:15 p.m. Advanced Metering Infrastructure & AMI Meters: “Building Credibility”
– Wyatt Glover, Energy Service Consultants
3:00 p.m. Break
3:15 p.m. TVA Economic Development Activities
3:45 p.m. TVA Stewardship: Land and Shore
4:30 p.m. Adjourn
5:30 p.m. Prompt bus departure for “Fish Fry Tent”- *all you can eat at the “World’s Biggest
Fish Fry” (includes rodeo and carnival, see www.worldsbiggestfishfry.com)*

April 27, 2018

10:00 a.m. All are invited to the Grand Parade in downtown Paris

Please help us make necessary arrangements by letting us know if you will be attending. Send the enclosed registration form by email to: registration@atvg.org or by U.S. mail to: ATVG, P.O. Box 3578, Clarksville, TN 37043.



SPRING 2018 NEWSLETTER MARCH 2018

Association of Tennessee Valley Governments Meeting Registration Form

Registration Fee: \$40.00 for members and affiliates; \$95.00 for non-members

Name: _____

E-Mail: _____

Spouse's Name: _____

Registration Fee for spouse is included/No additional charge

Company/Organization: _____

Full Address: _____

Make checks payable to: Association of Tennessee Valley Governments- P.O. Box 3578 – Clarksville, TN 37041

ATVG Report:

A quarterly publication of the Association of
Tennessee Valley Governments:

P.O. Box 3578

Clarksville, TN 37043-3578

Telephone (931) 553-4265

Email: memberservices@atvg.org

ATVG is a 501(c) (4), not-for-profit, public interest
organization.

ATVG advocates for the interests of county and city/town
governments residing within the seven-state TVA region
and their partners in the public and private sectors.

*For details about ATVG's mission and program of work,
visit us on line at: www.atvg.org*