August 19, 2011

TVA Board of Directors
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Tennessee Valley Authority
400 West Summit Hill Drive
Knoxville, TN 37902

re: Bellefonte Nuclear Power Plant Construction and Energy Efficiency

Dear TVA Directors,

The following organizations would like to express our disappointment in your lack of diligence and your poor stewardship of Tennessee Valley Authority finances and of its people and environment, and to call on you to allocate 30% of your expansion budget to Energy Efficiency Programs, which will delay the need for additional power for two decades while creating construction jobs in the valley and lowering electric bills. Your unanimous vote to continue construction of a nuclear reactor at Bellefonte disregards uncertainties regarding TVA's financial status, the problems with the Bellefonte location, the questionable reactor design, and the future of the nuclear power industry in general. Many TVA management and director's statements in support of Bellefonte were misleading, and your decision to continue construction is premature.

TVA's management and your nuclear committee did not fully address the following issues, and neither did board member's questions to your two expert witnesses:

1. Extra safety measures from the Nuclear Regulatory Commission are still pending based on post-Fukushima lessons from the Fukushima meltdowns, explosions and evacuations. New NRC construction regulations will undoubtedly be forthcoming, so you are ignoring the additional costs of again retrofitting or redoing construction.

2. The added cost of a nuclear reactor at Bellefonte will cause TVA's debt to move near or over its Congressionally mandated debt limit of $30 billion. TVA debt is now $24.1 billion, interest on that debt is $24.8 billion. Long term total obligations including debt, interest on debt, fuel contracts, leases and power commitments are $68.8 billion dollars (May 3, 2011 SEC Form 10Q filing). This places TVA in a precarious financial condition, so BLN is a very unwise choice for TVA in the current political and economic climate.

3. Litigation with both the Nuclear Regulatory Commission and the TVA is currently challenging the improper procedures in NRC's reinstatement of the cancelled Bellefonte construction permits for nuclear reactor Units 1 and 2. Oral arguments are to be scheduled; therefore, your fiscally irresponsible vote may be negated by the U.S. Court.

4. We now know that the Bellefonte site is located in an earthquake zone with karst terrain and numerous sinkholes. Safe construction for this geology has not been considered in

the reinstated, previously cancelled 1970's construction permit currently under litigation.

5. TVA's scheme to sell a nuclear plant, Watts Bar, and a combined cycle gas plant, John Sevier, to pay for the final construction of the Bellefonte Nuclear Plant demonstrates financially irresponsible decision-making, and also is an example of a deliberative process outside of the public scrutiny required by the Federal Sunshine Act. This decision was made without allowing public comment, nor were the deliberations for this action made visible to the public. We believe the decision to sell TVA power generation resources to build the same power generation resources is evidence of failed financial management and unwise decisions – made in support of the nuclear construction industry and not TVA rate-paying citizens. Furthermore, TVA management is utilizing committees as decision-making tools and the TVA Board simply "rubber stamps" their approval, thus hiding the deliberative process of decision-making from the public.

Our groups think that you should have also included expert witnesses from at least one of three additional fields: scientific oversight groups, environmental oversight entities, and the economic entities whose job is to oversee the industry (your first witness) and the regulatory commission (your other witness being a retired employee of the NRC). There is good reason for independent oversight groups, such as: the Union of Concerned Scientists, who provide expert witnesses such as Ed Lyman or David Lochbaum; the Environmental Protection Agency, where you could have requested official input from the agency; and experts in the Government Accounting Office, who know that taxpayer backed loans to the nuclear industry have a 50% risk of default; and experts from the Congressional Budget Office, who know that nuclear power construction projects have a history of running over their declared budget by 300%.

Your choosing to hear only those witnesses who will tell you what you want to hear shows negligence of your duties as board members and a lack of consideration for the scientific, environmental, and economic seriousness of your decision. If an accident ensues, if environmental or human health damage is discovered, if there are budget overruns, if TVA runs into even more financial difficulties – we hold you nine individuals personally responsible – you who made this decision to continue construction of Bellefonte without exercising due diligence.

Once again, we remind you of the numerous reasons why you, as the Directors of the TVA, should reconsider this unwise choice. After all, nuclear power is dangerous, has a real possibility of unthinkable accidents, is expensive, and leaves a waste legacy without a solution. A nuclear plant uses an enormous amount of our precious resource fresh water, and places radiation in our water, air and soil on a routine basis. Nuclear power does produce fewer carbon emissions than coal, but to ignore the fuel cycle deaths and the routine and cumulative nuclear power plant radionuclide emissions, and to declare that nuclear power is 'clean' is simply false. Nuclear power is not clean. In addition to the uranium mining, milling, refining, enrichment and fuel fabrication workers' exposures, nuclear power plants pollute with routine radionuclide emissions, adding cumulative pollution to the air, water, and soil – now and for many generations. In fact, nuclear power causes tens of thousands of sick and dying nuclear fuel workers to be paid compensation by the American taxpayer – $7.3 billion dollars just since 2004.

TVA ratepayers are being required to pay for an unproven reactor design, when it is not needed.

Instead, we call on you to implement an aggressive Energy Efficiency Program, not just the 2-11% allocation over a 15 year period that your IRP plan suggests. Given that most United States far exceed our efficiencies and that a 30% increase in efficiency is quite achievable, we call for a 30% expansion fund's allocation for Energy Efficiency now.

A 30% Energy Efficiency Plan would require less investment than nuclear with greater returns for ratepayers, would create far more permanent jobs in our communities, and would save 5-8% for families on their electric bills. A 30% EE Plan would delay the need for power for 2 decades and save on contamination of our river and land; but most importantly, it would reduce the human suffering caused by the uranium fuel cycle and the radioisotopes released into our water and atmosphere at nuclear power plants and would reduce countless generations of suffering from radioactive contamination if future generations cannot afford to adequately sequester these dangerously toxic 30,000 year radioisotopes. Sixty to one hundred year storage is not enough.

You had the opportunity to change the course of TVA history with a vote against Bellefonte. Instead you chose the easier path, lauded by insiders and industry. In justifying your vote, you have encouraged young engineers to abandon the scientific method itself, and to continue an arrogance of certainty and narrowly focused pursuit of problem analysis and containment, without the humble scientific and biological awareness of the true dangers of atomic power.

In closing, we use the words of the great scientist who discovered the power of the atom, Albert Einstein, in his famous telegram sent to several hundred prominent Americans in 1946:
"Our world faces a crisis as yet unperceived by those possessing the power to make great decisions for good and evil. The unleashed power of the atom has changed everything, save our modes of thinking and thus we drift toward unparalleled catastrophe."

In the service of truth,

Mothers Against Tennessee River Radiation

Bellefonte Efficiency & Sustainability Team

Blue Ridge Environmental Defense League

Nuclear Watch South

Citizens Task Force

Citizens to ENDIT