

117TH CONGRESS
2D SESSION

H. R. 9042

To amend the Federal Power Act and the Tennessee Valley Authority Act of 1933 to reform the Tennessee Valley Authority’s ratemaking authorities, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 29, 2022

Mr. COHEN introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Federal Power Act and the Tennessee Valley Authority Act of 1933 to reform the Tennessee Valley Authority’s ratemaking authorities, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “TVA Reform and Con-
5 sumer Protection Act”.

6 **SEC. 2. TENNESSEE VALLEY AUTHORITY REFORMS.**

7 (a) FEDERAL POWER ACT AMENDMENTS.—

1 (1) APPLICABILITY OF PART.—Section 201(f)
 2 of the Federal Power Act (16 U.S.C. 824(f)) is
 3 amended by inserting “(other than the Tennessee
 4 Valley Authority)” after “instrumentality”.

5 (2) CERTAIN WHEELING AUTHORITY.—Section
 6 211 of the Federal Power Act (16 U.S.C. 824j) is
 7 amended by adding at the end the following:

8 “(f) TRANSFER OF CONTROL OF TRANSMITTING FA-
 9 CILITIES.—Nothing in this section authorizes the Commis-
 10 sion to require the Tennessee Valley Authority to transfer
 11 control or operational control of its transmitting facilities
 12 to a Transmission Organization that is designated to pro-
 13 vide nondiscriminatory transmission access.”.

14 (3) PROVISIONS REGARDING CERTAIN ORDERS
 15 REQUIRING INTERCONNECTION OR WHEELING.—Sec-
 16 tion 212(j) of the Federal Power Act (16 U.S.C.
 17 824k(j)) is repealed.

18 (b) TENNESSEE VALLEY AUTHORITY ACT OF 1933
 19 AMENDMENTS.—

20 (1) DUTIES OF THE BOARD OF DIRECTORS.—
 21 Section 2(g)(1)(L) of the Tennessee Valley Author-
 22 ity Act of 1933 (16 U.S.C. 831a(g)(1)(L)) is amend-
 23 ed by inserting “, subject to approval by the Federal
 24 Energy Regulatory Commission” before the semi-
 25 colon.

1 (2) SALE OF SURPLUS POWER.—Section 10 of
2 the Tennessee Valley Authority Act of 1933 (16
3 U.S.C. 831i) is amended—

4 (A) by striking “for a term not exceeding
5 twenty years”;

6 (B) by striking “all contracts made with
7 private companies or individuals for the sale of
8 power, which power is to be resold for a profit,
9 shall contain a provision authorizing the Board
10 to cancel said contract upon five years’ notice
11 in writing, if the Board needs said power to
12 supply the demands of States, counties, or mu-
13 nicipalities. In order” and inserting “in order”;

14 (C) by striking “at reasonable rates and to
15 make such rules and regulations governing such
16 sale and distribution of such electric power as
17 in its judgment may be just and equitable” and
18 inserting “at just and reasonable rates, and to
19 make rules and regulations governing such sale
20 and distribution of such electric power that are
21 just and reasonable, subject to approval by the
22 Federal Energy Regulatory Commission”; and

23 (D) by striking “and in case the purchaser
24 shall fail to comply with any such terms and
25 conditions, or violate any such rules and regula-

tions, said contract may provide that it shall be voidable at the election of the Board” and inserting “subject to approval by the Federal Energy Regulatory Commission”.

(3) RATES WHEN SOLD FOR RESALE AT PROFIT.—Section 12 of the Tennessee Valley Authority Act of 1933 (16 U.S.C. 831k) is amended by striking “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 inserting “as just and reasonable, subject to approval by the Federal Energy Regulatory Commission”.

(4) RESTRICTION ON CONTRACTS FOR SALE OR DELIVERY OF POWER.—Section 15d(a) of the Tennessee Valley Authority Act of 1933 (16 U.S.C. 831n–4(a)) is amended—

(A) by striking “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, di-

rectly 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 2½ 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.”;

(B) by striking “Nothing in this subsection shall prevent the Corporation or its distributors from supplying electric power to any customer

1 within any area in which the Corporation or its
2 distributors had generally established electric
3 service on July 1, 1957, and to which electric
4 service was not being supplied from any other
5 source on the effective date of this Act.”; and

6 (C) by striking “Nothing in this subsection
7 shall prevent the Corporation, when economi-
8 cally feasible, from making exchange power ar-
9 rangements with other power-generating organi-
10 zations with which the Corporation had such
11 arrangements on July 1, 1957” and inserting
12 “Nothing in this Act shall prevent the Corpora-
13 tion or its distributors from supplying electric
14 power to any customer within any area, nor
15 prevent the Corporation, when economically fea-
16 sible, from making exchange power arrange-
17 ments with other power-generating organiza-
18 tions”.

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