

Joint Position Statement on Glasgow Electric Plant Board

Position Statement

The Barren County Economic Authority and the Glasgow-Barren County Chamber of Commerce are dedicated to supporting local business and industry and increasing the economic prosperity for the community. From this perspective, on behalf of the combined 35 Board of Directors of the Authority and Chamber and the 380 chamber members represented, we oppose the actions taken by the Glasgow Electric Plant Board to rescind and cancel the Long Term Contract with the Tennessee Valley Authority. If cancelled, it will negatively impact economic development and local industry.

In addition, we oppose any new rate structure that will result in unnecessary and significant increases to our local businesses, educational institutions, and non-profits. Imposing higher rates on employers will have unintended negative impacts that could result in reduced job numbers, higher prices, and decreased contributions in the community.

The Boards of Directors and chamber members are rightly concerned with the actions of the EPB Board of Directors and the inaction of the City Council to intervene as the oversight authority of the EPB Board of Directors and do what must be done to bring resolution to these issues without frivolous lawsuits that are costly, time consuming, and are without sufficient merit to win.

Position Platform

Negative Impact on Economic Development

By cancelling the contract with TVA, Glasgow will lose the top ranked public utility in the US. TVA's reliability, services and programs make them a vital partner in economic development and provide a strong competitive advantage. TVA's Economic Development team provides lead generation, technical assistance, online research services, training and development, community development programs, and grant funding. All these resources for economic development will be lost if the contract is cancelled, costing thousands of dollars to replace on a per cost basis.

The litigation – likely to stretch out over months or years – will create even more uncertainty and weaken the City as an attractive location for new job creation.

Negative Impact on Local Business and Industry

Businesses currently located in Glasgow, employing our citizens, that are receiving TVA incentives will lose their benefits, this includes energy credits and deposit securities costing them insurmountable dollars in higher rates and fees. Higher utility bills mean that in order to remain competitive, local companies will end up employing fewer workers, cutting benefits, shifting employment to lower cost markets, or raising prices—hurting existing employees and customers.

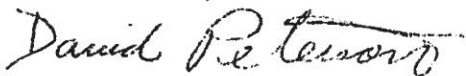
Employers trying to estimate their overhead or forecast supply chain costs will find it difficult to make sound choices when deciding when or where to grow, as employers will scramble to respond to this sudden change.

Call to Action

On behalf of business and industry, we are calling on the City Council members to intervene with the Glasgow Electric Plant Board, Board of Directors, and the Glasgow EPB Board of Directors to resolve these issues in a manner that will result in stability and sound judgement when it comes to the electric power supply for the businesses that support the local economy now and for generations to come.

Signed,

David Peterson, Chairman BCEA



Treva Shirley, President GBCCC

