

106TH CONGRESS  
1ST SESSION

# H. R. 3130

To amend the Tennessee Valley Authority Act of 1933, to ensure that the Tennessee Valley Authority does not place the United States Treasury at risk for its financial instability, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 21, 1999

Mr. BAKER introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on 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

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## A BILL

To amend the Tennessee Valley Authority Act of 1933, to ensure that the Tennessee Valley Authority does not place the United States Treasury at risk for its financial instability, 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 AND DEFINITION.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “TVA Financial Integrity Act of 1999”.

6 (b) DEFINITION.—As used in this Act, the term  
7 “TVA” means the Tennessee Valley Authority.

1 **SEC. 2. TVA FINANCIAL INTEGRITY AND ACCOUNTABILITY.**

2 Section 15d of the Tennessee Valley Authority Act  
3 of 1933 (16 U.S.C. 831n-4), is hereby amended to read  
4 as follows:

5 **“SEC. 15d. BONDS FOR FINANCING POWER PROGRAM.**

6 “(a) AUTHORIZATION; AMOUNT, USE OF PROCEEDS;  
7 RESTRICTION ON CONTRACTS FOR SALE OR DELIVERY OF  
8 POWER; EXCHANGE POWER ARRANGEMENTS; PAYMENT  
9 OF PRINCIPAL AND INTEREST; BOND CONTRACTS.—The  
10 Corporation is authorized to issue and sell bonds, notes,  
11 and other evidences of indebtedness (hereinafter collec-  
12 tively referred to as ‘bonds’) in an amount not exceeding  
13 \$27,000,000,000 outstanding as of January 1, 2001, to  
14 assist in financing its power program and to refund such  
15 bonds. Such authorization shall be reduced in annual in-  
16 crements of \$1,000,000,000, such that TVA shall be au-  
17 thorized to issue and sell bonds, in an amount up to and  
18 not exceeding \$17,000,000,000 on and after January 1,  
19 2011. The Corporation shall certify to the Committee on  
20 Transportation and Infrastructure of the United States  
21 House of Representatives by January 1 of each year that  
22 the Corporation’s cumulative indebtedness is less than the  
23 bond authorization designated herein. The Corporation  
24 shall clearly provide on the face of such bonds the fol-  
25 lowing disclaimer:

1           “‘The United States General Accounting Office  
2           has determined that the Tennessee Valley  
3           Authority’s level of indebtedness may impair its fi-  
4           nancial flexibility in the future, that the United  
5           States Congress has expressly disclaimed any ex-  
6           press or implied support for such indebtedness, and  
7           that the sole means for payment of principal and in-  
8           terest thereon comes only from the Tennessee Valley  
9           Authority’s Power Program.’

10 The Corporation shall be prohibited from marketing or  
11 representing to the public that such bonds are backed, di-  
12 rectly or indirectly, expressly or implicitly, by the United  
13 States. Proceeds realized by the Corporation from  
14 issuance of such bonds and from power operations and the  
15 expenditure of such proceeds shall not be subject to appor-  
16 tionment under the provisions of subchapter II of chapter  
17 15 of title 31. The Corporation may, in performing func-  
18 tions authorized by this Act, use the proceeds of such  
19 bonds for the operation and maintenance of any plant or  
20 other facility used or to be used for the generation or  
21 transmission of electric power; as may be required in con-  
22 nection with the lease, lease-purchase, or any contract for  
23 the power output of any such plant or other facility. Un-  
24 less otherwise specifically authorized by Act of Congress  
25 the Corporation shall make no contracts for the sale or

1 delivery of power which would have the effect of making  
2 the Corporation or its distributors, directly or indirectly,  
3 a source of power supply outside the area for which the  
4 Corporation or its distributors were the primary source of  
5 power supply on July 1, 1957, and such additional area  
6 extending not more than five miles around the periphery  
7 of such area as may be necessary to care for the growth  
8 of the Corporation and its distributors within said area.

9       “(b) BONDS NOT OBLIGATIONS OF OR GUARANTEED  
10 BY UNITED STATES; APPORTIONMENT OF PROCEEDS.—  
11 Bonds issued by the Corporation hereunder shall not be  
12 obligations of, nor shall payment of the principal thereof  
13 or interest thereon be guaranteed by, the United States.  
14 Proceeds realized by the Corporation from issuance of  
15 such bonds and from power operations and the expendi-  
16 ture of such proceeds shall not be subject to apportion-  
17 ment under the provisions of subchapter II of chapter 15  
18 of title 31. Securities issued by the Tennessee Valley Au-  
19 thority under authority of section 15d of this Act are sole-  
20 ly and exclusively obligations of the Tennessee Valley Au-  
21 thority. The holder of a security issued by the Tennessee  
22 Valley Authority shall have recourse only to the Tennessee  
23 Valley Authority directly and shall otherwise have no re-  
24 course, directly or indirectly, to the United States. No  
25 funds of the United States shall be appropriated, ex-

1 pending, applied, or otherwise used in any way to facilitate,  
2 directly or indirectly, the reissuance, refinancing, or pay-  
3 ment of interest or principal arising under or relating to  
4 securities or obligations of the Tennessee Valley Authority.

5 “(c) BONDS NO SPECIAL STATUS.—No law shall be  
6 construed or implemented to give special status or protec-  
7 tions to bonds issued by the Tennessee Valley Authority  
8 or owners of bonds issued by the Tennessee Valley Author-  
9 ity.

10 “(d) SALE; TERMS AND CONDITIONS; METHOD; LIM-  
11 ITATION ON AMOUNT; STATEMENT IN ANNUAL RE-  
12 PORT.—Bonds issued by the Corporation under this sec-  
13 tion shall be negotiable instruments unless otherwise spec-  
14 ified therein, shall be in such forms and denominations,  
15 shall be sold at such times and in such amounts, shall  
16 mature at such time or times not more than fifty years  
17 from their respective dates, shall be sold at such prices,  
18 shall bear such rates of interest, may be redeemable before  
19 maturity at the option of the Corporation in such manner  
20 and at such times and redemption premiums, may be enti-  
21 tled to such relative priorities of claim on the Corpora-  
22 tion’s net power proceeds with respect to principal and in-  
23 terest payments, and shall be subject to such other terms  
24 and conditions, as the Corporation may determine; pro-  
25 vided, that at least fifteen days before selling each issue

1 of bonds hereunder (exclusive of any commitment shorter  
2 than one year) the Corporation shall advise the Secretary  
3 of the Treasury as to the amount, proposed date of sale,  
4 maturities, terms and conditions and expected rates of in-  
5 terest of the proposed issue in the fullest detail possible  
6 and, if the Secretary shall so request, shall consult with  
7 him or his designee thereon, but the sale and issuance of  
8 such bonds shall not be subject to approval by the Sec-  
9 retary of the Treasury. The annual report of the Board  
10 filed pursuant to section 831h of this Act shall contain  
11 a detailed statement of the operation of the provisions of  
12 this section during the year.

13       “(e) PAYMENT OF EXCESS POWER PROCEEDS INTO  
14 TREASURY; DEFERRAL.—From net power proceeds in ex-  
15 cess of those required to meet the Corporation’s obliga-  
16 tions under the provisions of any bond or bond contract,  
17 or as Congress may or otherwise direct, the Corporation  
18 shall make payments into the Treasury as miscellaneous  
19 receipts on or before September 30, of each fiscal year  
20 as a return on the appropriation investment in the Cor-  
21 poration’s power facilities, plus a repayment sum of not  
22 less than \$10,000,000 for each of the first five fiscal  
23 years, \$15,000,000 for each of the next five fiscal years,  
24 and \$20,000,000 for each fiscal year thereafter, which re-  
25 payment sum shall be applied to reduction of said appro-

1 priation investment until such appropriation investment  
2 shall have been repaid. The said appropriation investment  
3 shall consist, in any fiscal year, of that part of the Cor-  
4 poration's total investment assigned to power as of the be-  
5 ginning of the fiscal year which has been provided from  
6 appropriations or by transfers of property from other Gov-  
7 ernment agencies without reimbursement by the Corpora-  
8 tion, less repayments of such appropriation investment  
9 made under title II of the Government Corporations Ap-  
10 propriation Act, 1948, this Act, or other applicable legisla-  
11 tion. The payment as a return on the appropriation invest-  
12 ment in each fiscal year shall be equal to the computed  
13 average interest rate payable by the Treasury upon its  
14 total marketable public obligations as of the beginning of  
15 said fiscal year applied to said appropriation investment.

16       “(f) RATES FOR SALE OF POWER; APPLICATION OF  
17 NET PROCEEDS.—The Corporation shall petition the Fed-  
18 eral Energy Regulatory Commission for authority to  
19 charge rates for power which will produce gross revenues  
20 sufficient to provide funds for operation, maintenance, and  
21 administration of its power system; payments in lieu of  
22 taxes; debt service on outstanding bonds, including provi-  
23 sion and maintenance of reserve funds and other funds  
24 established in connection therewith; payments to the  
25 Treasury as a return on the appropriation investment;

1 payment to the Treasury of the repayment sums specified  
2 in subsection (e) of this section; and such additional mar-  
3 gin as the Board may consider desirable for investment  
4 in power system asset maintenance, retirement of out-  
5 standing bonds in advance of maturity, additional reduc-  
6 tion of appropriation investment, and other purposes con-  
7 nected directly with the Corporation's power business. In  
8 order to protect the investment of holders of the Corpora-  
9 tion's securities and the appropriation investment, the  
10 Corporation, during each successive five-year period begin-  
11 ning with the five-year period which commences on July  
12 1 of the first full fiscal year after the effective date of  
13 this section, shall apply net power proceeds either in re-  
14 duction (directly or through payments into reserve or sink-  
15 ing funds) of its capital obligations, including bonds and  
16 the appropriation investment, at least to the extent of the  
17 combined amount of the aggregate of the depreciation ac-  
18 cruals and other charges representing the amortization of  
19 capital expenditures applicable to its power properties plus  
20 the net proceeds realized from any disposition of power  
21 facilities in said period. The five-year periods described  
22 herein shall be computed as beginning on January 1, 2000  
23 and each fifth year thereafter.

24       “(g) POWER PROPERTY; LEASE AND LEASE-PUR-  
25 CHASE AGREEMENTS.—Power generating and related fa-

1 cilities operated by the Corporation under lease and lease-  
2 purchase agreements shall constitute power property held  
3 by the Corporation within the meaning of this Act.”.

4 **SEC. 3. APPLICABILITY OF THE ANTITRUST LAWS.**

5 The Tennessee Valley Authority Act of 1933 (16 U.  
6 S. C. 831 et seq.) is amended by inserting after section  
7 16 the following new section:

8 **“SEC. 17. APPLICABILITY OF THE ANTITRUST LAWS.**

9 “(a) DEFINITION OF ANTITRUST LAWS.—In this sec-  
10 tion, the term ‘antitrust laws’ means—

11 “(1) an antitrust law (within the meaning of  
12 section (1) of the Clayton Act (15 U.S.C. 12));

13 “(2) the Act of June 19, 1936 (commonly  
14 known as the ‘Robinson Patman Act’) (49 Stat.  
15 1526, chapter 323; 15 U.S.C. 13 et seq.); and

16 “(3) section 5 of the Federal Trade Commis-  
17 sion Act (15 U.S. C. 45), to the extent that the sec-  
18 tion relates to unfair methods of competition.

19 “(b) APPLICABILITY.—Nothing in this Act modifies,  
20 impairs, or supersedes the antitrust laws.

21 “(c) ANTITRUST LAWS.—

22 “(1) TVA DEEMED A PERSON.—The Tennessee  
23 Valley Authority shall be deemed to be a person, and  
24 not government, for purposes of the antitrust laws.

1           “(2) APPLICABILITY.—Notwithstanding any  
2 other provision of law, the antitrust laws (including  
3 the availability of any remedy for a violation of an  
4 antitrust law) shall apply to the Tennessee Valley  
5 Authority notwithstanding any determination that  
6 the Tennessee Valley Authority is a corporate agen-  
7 cy or instrumentality of the United States or is oth-  
8 erwise engaged in governmental functions.”.

9 **SEC. 4. TVA POWER SALES.**

10       Section 10 of the Tennessee Valley Authority Act of  
11 1933 (16 U.S.C. 831(i)) is amended by inserting “(a)”  
12 after “10.” and by adding the following new subsections  
13 at the end thereof:

14       “(b) The Corporation shall make no contract that has  
15 the effect, directly or indirectly, of making it a source of  
16 power supply to a retail customer that will consume the  
17 power within an area assigned by state law to a dis-  
18 tributor, unless—

19           “(1) the customer (or predecessor in interest to  
20 the customer) was purchasing electric power directly  
21 from the Corporation as a retail customer as of Jan-  
22 uary 1, 1998;

23           “(2) the distributor is purchasing firm power  
24 from the Corporation in an amount that is equal to

1 not more than 50 percent of the total retail sales of  
2 the distributor; and

3 “(3) the customer elects to continue such pur-  
4 chases.

5 “(c) The Corporation shall not offer long-term, firm  
6 power to a new customer at rates or under terms and con-  
7 ditions that the Federal Energy Regulatory Commission  
8 determines are more favorable than those offered to any  
9 distributor for comparable power supply, unless the dis-  
10 tributor that is purchasing comparable power agrees to the  
11 sale to the new customer at those rates or under those  
12 terms and conditions.”.

13 **SEC. 5. FOREIGN OPERATIONS; PROTECTIONS.**

14 Section 15d of the Tennessee Valley Authority Act  
15 of 1933 (16 U.S.C. 831n-4) is amended by adding the  
16 following new subsection after subsection (f), as added by  
17 section 2 of this Act:

18 “(g) Notwithstanding the provisions of subsection (e),  
19 the Corporation may charge no rate nor recover any  
20 amount reflecting or facilitating, directly or indirectly, re-  
21 covery from power customers of any costs or expenses in-  
22 curred by or for the Corporation in the conduct of any  
23 activities or operations outside the United States.”.

1 **SEC. 6. TVA ACCOUNTABILITY.**

2 (a) APPLICATION OF FEDERAL POWER ACT.—Sec-  
3 tion 4 of the Tennessee Valley Authority Act of 1933 (16  
4 U.S.C. 831c) is amended by adding the following new sub-  
5 section (m) after subsection (l):

6 “(m) Except as provided in subsection (n) of this sec-  
7 tion hereof, notwithstanding any other provision of law,  
8 the Corporation shall be considered a ‘corporation’ under  
9 part I of the Federal Power Act and as both a ‘public  
10 utility’ and an ‘electric utility’ under parts II and III of  
11 the Federal Power Act.”.

12 **SEC. 7. PROVISION OF CONSTRUCTION EQUIPMENT CON-**  
13 **TRACTING AND ENGINEERING SERVICES.**

14 Section 4 of the Tennessee Valley Authority Act of  
15 1933 of 1933 (16 U.S.C. 831c) is amended by adding at  
16 the end the following:

17 “(n) PROVISION OF CONSTRUCTION EQUIPMENT,  
18 CONTRACTING, AND ENGINEERING SERVICES.—

19 “(1) IN GENERAL.—Notwithstanding any other  
20 provision of this Act, except as provided in this sub-  
21 section, the Corporation shall not have power to—

22 “(A) rent or sell construction equipment;

23 “(B) provide a construction equipment  
24 maintenance or repair service;

25 “(C) perform contract construction work;

26 or

1           “(D) provide a construction engineering  
2           service to any private or public entity.

3           “(2) ELECTRICAL CONTRACTORS.—The Cor-  
4           poration may provide equipment or a service de-  
5           scribed in paragraph (1) to a private contractor that  
6           is engaged in electrical utility work on an electrical  
7           utility project of the Corporation.

8           “(3) CUSTOMERS, DISTRIBUTORS, AND GOVERN-  
9           MENTAL ENTITIES.—The Corporation may provide  
10          equipment or a service described in subparagraph  
11          (1) to—

12                 “(A) a power customer served directly by  
13                 the Corporation;

14                 “(B) a distributor of Corporation power; or

15                 “(C) a Federal, State, or local government  
16                 entity;

17          that is engaged in work specifically related to an  
18          electrical utility project of the Corporation.

19           “(4) USED CONSTRUCTION EQUIPMENT.—

20                 “(A) DEFINITION OF USED CONSTRUCTION  
21                 EQUIPMENT.—In this paragraph, the term  
22                 ‘used construction equipment’ means construc-  
23                 tion equipment that has been in service for  
24                 more than 2,500 hours.

1           “(B) DISPOSITION.—The Corporation may  
2           dispose of used construction equipment by  
3           means of a public auction conducted by a pri-  
4           vate entity that is independent of the Corpora-  
5           tion.

6           “(C) DEBT REDUCTION.—The Corporation  
7           shall apply all proceeds of a disposition of used  
8           construction equipment under subparagraph  
9           (B) to the reduction of debt of the Corpora-  
10          tion.”.

11 **SEC. 8. LIMITATIONS ON NEW GENERATION AND TAX**  
12 **EQUIVALENCY.**

13          (a) RESTRICTIONS.—Notwithstanding Sections 4, 5,  
14 9a or any other provision of the Tennessee Valley Author-  
15 ity Act of 1933 (16 U.S.C. 831), TVA shall not acquire,  
16 construct, own, lease, maintain or operate, directly or indi-  
17 rectly, any new or newly expanded or refurbished major  
18 generating resource after the date of enactment of this  
19 Act unless and until each of the following requirements  
20 are satisfied:

21           (1) The generating resource proposed is com-  
22           pletely subscribed in advance by distributors and the  
23           output thereof will be used only within the area for  
24           which TVA or its distributors were the actual and

1 exclusive source of power supply on January 1,  
2 2000.

3 (2) Contractual or other financial arrangements  
4 have been made to ensure that distributors on whose  
5 behalf the resource may be acquired commit to pay  
6 the full costs of the resource.

7 (3) There is no reasonable basis to conclude  
8 that the acquisition, construction, ownership, lease,  
9 or operation will necessitate the use of TVA's au-  
10 thority to recover otherwise nonrecoverable costs  
11 provided in this Act.

12 (4) Any bonds, bond anticipation obligations or  
13 any other forms or evidence of indebtedness issued  
14 in association with such acquisition, construction,  
15 ownership or operation, expressly disclaims and af-  
16 firmatively prohibits payment, directly or indirectly,  
17 by the United States and expressly provides that  
18 such obligations shall be exclusive obligations of the  
19 TVA, payable as to both principal and interest solely  
20 from the net proceeds of the generating resource fi-  
21 nanced thereby, and shall not otherwise be payable  
22 from the proceeds of TVA's power program, gen-  
23 erally.

24 (5) TVA yields to the taxing authority of the  
25 local, county and state governments where such gen-

1       eration resource is located and with regard to such  
2       facility makes property and other non-income tax  
3       payments on the same basis as are otherwise appli-  
4       cable to other public utilities. Such payments shall  
5       be in addition to and shall not off-set payments  
6       made by TVA to state and local governments in lieu  
7       of taxes under 16 U.S.C. 831e.

8               (6) At least fifty one percent (51%) of the cap-  
9       ital requirements of any such venture or project is  
10      provided in the form of equity.

11      (b) WAIVER OF IMMUNITY.—The Tennessee Valley  
12      Authority is hereby authorized to submit to the jurisdic-  
13      tion and taxing authority of State and local governments  
14      respecting taxation and related assessments relating to  
15      new major generating resources, as well as State and local  
16      laws and regulatory authority, process and sanctions re-  
17      specting power generation and supply.

18      (c) TAXATION EQUIVALENCY.—The first paragraph,  
19      and the first clause of the first sentence of the second  
20      paragraph of section 13 of the Tennessee Valley Authority  
21      Act of 1933 (16 U.S.C. 831l) are amended to read as fol-  
22      lows:

23             “In order to render financial assistance to those  
24      States and local governments in which the power oper-  
25      ations of the Corporation are carried on and in which the

1 Corporation has acquired properties previously subject to  
2 state and local taxation, and to provide for Federal tax-  
3 ation equivalence between the Corporation and private in-  
4 dustry, the Board is authorized and directed to pay the  
5 States and the counties therein, and to the United States  
6 Treasury, the following percentages of the gross proceeds  
7 derived from the sale of power by the Corporation for the  
8 preceding fiscal year, together with such additional  
9 amounts as may be payable pursuant to the provisions  
10 hereinafter set forth, said payments to constitute a charge  
11 against the power operations of the Corporation: To states  
12 and counties, for the first fiscal year after the effective  
13 date and each year thereafter, 10 percent; and to the  
14 United States Treasury 15 percent. The term 'Gross Pro-  
15 ceeds' as used in this section means the total gross pro-  
16 ceeds derived by the Corporation from the sale of power  
17 and associated services for the preceding fiscal year. The  
18 payments herein authorized are in lieu of taxation, and  
19 the Corporation, its property and income are expressly ex-  
20 empted from taxation in any manner or form by any state,  
21 county, municipality or any subdivision or district thereof.  
22 The Corporation also shall pay to the United States  
23 Treasury each fiscal year (beginning as of the first month  
24 after the effective date) an amount sufficient to com-  
25 pensate for the support given to the Corporation's bonds

1 by virtue of its status as a Federal corporation. The  
2 amount to be paid shall be calculated by determining the  
3 difference between the total cost of money paid by the Cor-  
4 poration during the preceding year for money borrowed  
5 for investment in power program facilities and the average  
6 cost of capital of electric utilities of comparable size regu-  
7 lated by the Federal Energy Regulatory Commission.  
8 Such differential shall be calculated by the Federal Energy  
9 Regulatory Commission by June 1 of each year and shall  
10 be transmitted to the Corporation in writing. The Federal  
11 Energy Regulatory Commission's determination shall be  
12 final and binding upon the Corporation, without oppor-  
13 tunity for judicial review. Such differential shall be multi-  
14 plied by the total authorized indebtedness of the Corpora-  
15 tion to determine the compensation required to be paid.

16 “The payment to States for each fiscal year shall be  
17 apportioned among the states in the following manner:”.

18 **SEC. 9. AMENDMENTS TO TENNESSEE VALLEY AUTHORITY**

19 **ACT TO PROVIDE COMPETITIVE EQUALITY.**

20 (a) Section 4 of the Tennessee Valley Authority Act  
21 of 1933 (16 U.S.C. 831c), is amended by adding the fol-  
22 lowing new subsections after subsection (l):

23 “(m) The Corporation shall be subject to the same  
24 legal and regulatory requirements over its operations as  
25 apply generally to electric utility companies, including but

1 not limited to the following laws, including amendments,  
2 and applicable rules and regulations:

3 “(1) The Securities Act of 1933 (7 U.S.C. 77a  
4 and following).

5 “(2) The Securities Exchange Act of 1934 (7  
6 U.S.C. 78a and following)

7 “(3) The Toxic Substances Control Act (15  
8 U.S.C. 2601 and following).

9 “(4) The Antiquities Act (16 U.S.C. 461 and  
10 following).

11 “(5) The Soil and Water Resources Conserva-  
12 tion Act (16 U.S.C. 2001 and following).

13 “(6) The Federal fraud statute (18 U.S.C.  
14 1001).

15 “(7) The Racketeer Influenced and Corrupt Or-  
16 ganizations Act (18 U.S.C. 1961).

17 “(8) The Federal Water Pollution Control Act  
18 (33 U.S.C. 1251 and following).

19 “(9) The Solid Waste Disposal Act (42 U.S.C.  
20 6901 and following).

21 “(10) The Comprehensive Environmental Re-  
22 sponse, Compensation, and Liability Act (42 U.S.C.  
23 9601 and following).

24 “(11) The Clean Air Act (42 U.S.C. 7401 and  
25 following).

1       “(n) Notwithstanding the foregoing or any other pro-  
2 vision of this Act, to the extent the Corporation makes  
3 any contract that has the direct or indirect effect of mak-  
4 ing it a source of power supply—

5               “(1) the Corporation’s eminent domain author-  
6 ity provided for in this Act shall not be exercised to  
7 construct any new or expanded facilities or to other-  
8 wise acquire franchises or facilities of any other per-  
9 son or entity or government for the purpose of satis-  
10 fying any obligations under such contract; and

11               “(2) notwithstanding any inconsistent provision  
12 of section 9(a) (16 U.S.C. 831c–2) or otherwise, the  
13 Corporation shall be subject to State and Federal  
14 regulation, civil tort and contract liability, including  
15 punitive liability, and rate-making accounting and  
16 rate regulation requirements that are otherwise ap-  
17 plicable to shareholder-owned public utilities and  
18 transmission owning utilities doing business in the  
19 areas where Tennessee Valley Authority power is  
20 supplied, directly or indirectly.”.

21 **SEC. 10. SAVINGS PROVISIONS; INCONSISTENT LAWS.**

22       (a) SAVINGS.—Nothing in this Act or any amend-  
23 ment made by this Act—

1           (1) subjects any Tennessee Valley Authority  
2 distributor to regulation by the Federal Energy Reg-  
3 ulatory Commission;

4           (2) abrogates or affects any law in effect on the  
5 date of enactment of this Act that applies to a Ten-  
6 nessee Valley Authority distributor;

7           (3) shall be construed or implemented to give  
8 bonds issued by Tennessee Valley Authority any spe-  
9 cial status under law; or

10          (4) shall modify the Tennessee Valley  
11 Authority's obligations to investors under its bonds  
12 and associated resolutions.

13          (b) TVA ACT PROVISIONS.—The provisions of this  
14 Act shall supersede the provisions of the Tennessee Valley  
15 Authority Act of 1933 and any other provisions of law  
16 to the extent that such provisions are inconsistent with  
17 the provisions of this Act.

○