



May 26, 2021

*SUBMITTED VIA EMAIL*

Jill M. Matthews  
Acting Inspector General  
Tennessee Valley Authority  
Office of the Inspector General  
400 West Summit Hill Drive WT 2C  
Knoxville, TN 37902-1401

**RE: Request for TVA OIG Investigation Regarding UARG, USWAG, UWAG, Clean Air Act Monitoring Service, and Climate Legal Group**

On behalf of Energy Alabama, the Center for Biological Diversity, Appalachian Voices, the Southern Alliance for Clean Energy, and their respective members (collectively, “Requestors”), we are again writing to request the Tennessee Valley Authority (TVA) Office of Inspector General (OIG) begin an investigation into TVA’s membership and use of ratepayer dollars for the Utility Air Regulatory Group (UARG) and other unincorporated trade groups including the Utility Solid Waste Activities Group (USWAG), and Utility Water Act Group (UWAG). As explained below, this time we request new unincorporated trade groups, the Clean Air Act Monitoring Service and Climate Legal Group, be included in your investigation. Our previous letter to you, dated May 14, 2019, is appended for your reference.

To summarize Requestors previous letter, we raised concerns with your office that TVA likely misused ratepayer funds in contradiction to a board directive from November of 2016. New information confirms Requestors’ concerns and new documents prove TVA staff members were involved in the use of ratepayer dollars for legal and lobbying work, despite the prohibition to do so.

The documents, which were provided to the Energy and Policy Institute as a result of a 2019 Freedom of Information Act request, show that the 2015 through mid-2018 budget documents for UARG’s Nonattainment Committee, which were approved by a senior program manager for environmental and

energy policy at TVA, were spent almost entirely on legal fees and not technical expenses.<sup>1</sup> In short, not only did an external organization spend ratepayer dollars on legal fees, but documents show the spending was approved by a TVA staff member.

As stated in the Requestors first letter to your office, TVA has admitted that the 2015 agreement TVA signed with UARG explicitly stated that TVA's dues are used in the service of litigation. "*TVA recognizes that the information and analyses developed by and exchanged among UARG members and its counsel on the matters identified above are developed in anticipation of litigation*".<sup>2</sup> In other words, the "legal and technical expertise" that TVA claimed UARG provided existed entirely for the purpose of suing the EPA in order to fight the Clean Air Act and public health regulations.

In May 2019, UARG announced it would dissolve over an undisclosed "wind down period".<sup>3</sup> However, the questions raised in Requestors letters to you regarding TVA's use of ratepayer dollars for lobbying and legal services persist because TVA remains a member of UWAG and USWAG and its expenses on those groups likely contain lobbying or legal services. In addition, reporting by the Energy and Policy Institute indicates that UARG is back, this time under new names the "Clean Air Act Monitoring Service" and "Climate Legal Group", housed in the law firm of McGuireWoods.<sup>4</sup> Requestors have reason to believe TVA is member of one or both new groups.

Based on the previous research of the Requestors, new information obtained by the Requestors since the original request, and the attached documents, we believe TVA misused ratepayer dollars for use in litigation and/or lobbying by UARG and its sister organizations. This activity would be in direct violation of TVA's board-approved policy and as such we ask that the OIG begin a formal investigation into this matter.

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<sup>1</sup> See: <https://www.energyandpolicy.org/foia-documents-tennessee-valley-authority-utility-air-regulatory-group/>

<sup>2</sup> 2015 TVA-UARG Agreement

<sup>3</sup> See: <https://www.politico.com/story/2019/05/10/epa-air-chief-323827>

<sup>4</sup> See: <https://www.energyandpolicy.org/uarg-the-sequel-clean-air-act-monitoring-service-and-climate-legal-group/>

We look forward to hearing back from you regarding this request.

Sincerely,

A handwritten signature in dark ink, appearing to read "D. L. Tait". The signature is fluid and cursive, with the first name "D." and last name "Tait" clearly distinguishable.

Daniel L Tait  
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Energy Alabama

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