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March 3, 2023

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Mayor of Holly Springs, Mississippi  
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Holly Springs, Mississippi 38635

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## REQUEST FOR RESPONSE – HOLLY SPRINGS UTILITY DEPARTMENT – REVIEW OF STORM RECOVERY EVENTS

Attached is the report for your review. Please advise us of your response and actions within 45 days. Once received, we will update the report to include your planned actions.

We appreciate your cooperation.

Melanie Farrell  
Vice President  
External Strategy & Regulatory Oversight

# **TVA Report**

## **HOLLY SPRINGS UTILITY DEPARTMENT**

Review of Storm Recovery Events in 2022 and 2023

Report Issue Date: March 3, 2023

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## Executive Summary

As a result of severe, inclement weather on April 13, 2022, the Holly Springs Utility Department (HSUD) service territory experienced widespread and prolonged power outages. Due to the nature of the damage across the system, restoration efforts lasted seven to ten days. Impacted HSUD customers contacted TVA's Complaint Resolution Process (CRP) to raise concerns about power restoration efforts. TVA also received comments from local and state officials, and the Mississippi Public Service Commission provided TVA with additional complaints received. In total, TVA received 171 complaints that were primarily related to delays in power restoration with some complaints alleging preferential treatment in the reestablishment of electric service.

The wholesale power contract between TVA and the City of Holly Springs, Mississippi includes non-discrimination provisions. For this reason, TVA initiated a review of restoration efforts. On June 1, 2022, TVA notified Mayor Gipson of the need to assess whether ratepayers were treated in a non-discriminatory manner during power restoration efforts. Additionally, the review included an evaluation of the effectiveness of HSUD's storm response and recovery efforts. TVA received information related to the review on October 17, 2022.

TVA requested comprehensive data related to the outages resulting from the storm. For various reasons outlined in the report, HSUD did not provide all the data that TVA requested, and TVA was unable to validate the reliability of some of the data that was provided. Due to the lack of information, the TVA review team relied on discussions with HSUD staff and on common practices used by other local power company peers.

Based on available information, and interviews, it does not appear that preferential treatment was applied in restoration activities. HSUD's efforts were directed at restoring power to the most critical infrastructure and facilities and repairing distribution lines to reestablish service to the largest number of HSUD customers as quickly as possible. However, the storm event effectiveness was impacted by the contributing factors listed in this report. Regulatory requirements and areas for improvement to reduce customer impacts for future storm recoveries are provided in this report, along with resource suggestions.

TVA exercises regulatory oversight of several aspects of a local power company's (LPC's) financial health and service practices, but each LPC served by TVA is responsible for managing its own electric system operations. How an LPC carries out that responsibility is largely a matter of local decision making and local accountability of the LPC's particular governing body. As part of operating and maintaining an electric distribution system, every LPC should be prepared to respond to storm events and outages and properly maintain its electric distribution system to provide safe, reliable power to its customers.

While this report was being drafted, a second storm occurred on January 30 - February 1, 2023, causing prolonged outages in the HSUD service territory. The prolonged restoration period lasted through February 10, 2023.

Based on information learned from both storms, TVA was made aware of deficiencies in both operational and financial practices that need to be addressed for long term reliable operation of the electric system. Overall, this report addresses significant areas of concern about the operation and maintenance of the

electric system that, in TVA's opinion, require immediate action on the part of Holly Springs' municipal government.

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## **Holly Springs Utility Department Overview**

HSUD is a municipal electric department that serves ratepayers within the city limits of Holly Springs and parts of Marshall, Benton, Lafayette, Hardeman and Fayette counties in Mississippi and Tennessee. Oversight of HSUD is provided by Holly Springs elected Board of Alderman and the Mayor of Holly Springs. The below statistical information is current as of June 30, 2021.

- 11,855 electric customers
- 1,435.50 miles of distribution lines
- 8.26 customers per mile
- 10.989 cents average residential rate
- 11.336 cents average total retail rate
- Most recent local rate adjustment was in October 2009

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## **Objectives and Methodology**

### **Objectives**

The wholesale power contract between TVA and the City of Holly Springs, Mississippi (City) includes non-discrimination provisions. Specifically, in Section 5 of the wholesale power contract, the City agrees that the power purchased from TVA will be sold and distributed to the ultimate consumer without discrimination among consumers of the same class, and that no discriminatory rate, rebate, or special concession will be made or given to any consumer, directly or indirectly. The primary objective of this review was to determine whether there is evidence of discriminatory treatment in power restoration after the April 2022 storm.

In addition, the team reviewed the effectiveness of HSUD's storm recovery efforts to identify actions HSUD should consider in improving its readiness for future storm recovery events.

While the original scope of this report was the April 2022 storm, HSUD experienced widespread service outages following an ice storm on January 30 - February 1, 2023. At that time, the TVA review team was still in the process of compiling the report for the April 2022 storm. Given the timing of the 2023 ice storm, TVA incorporated insights from those recovery efforts in the Requirements, Areas for Improvement, and Resource sections of this report.

### **Methodology**

The TVA team reviewed the data received on October 17, 2022. The table below shows what information was requested and what was provided by the city via transmittal letter from the mayor. In the transmittal letter, the mayor outlined additional information regarding restoration efforts (Appendix D).

<b>Information Requested</b>	<b>Information Provided</b>	<b>Comments</b>
<i>System Outage data for 4/13/2022-4/23/2022</i>	<i>Outage data from Cooperative Response Center (CRC)</i>	<i>CRC data was not usable due to data reliability issues.</i>
<i>Work Order report for 4/13/2022 - 4/23/2022</i>	<i>Work Order report for 4/13/2022 - 4/23/2022</i>	<i>HSUD was not able to provide system outage data; therefore, the work order report could not be used for the evaluation.</i>
<i>Inventory Process/Plant Listing/Asset Management Report</i>	<i>Inventory report provided</i>	<i>HSUD did not provide inventory processes or plant listing/asset management reports.</i>
<i>Storm Response Plan</i>	<i>None</i>	<i>No storm response plan was provided due to HSUD not having a documented process in place.</i>
<i>Supply Chain Process</i>	<i>None</i>	<i>No supply chain information provided due to HSUD not having a documented procurement process.</i>
<i>GE contract for advanced metering infrastructure (AMI) system</i>	<i>Proposals from GE for GE Connect system from April and October 2013 with service agreement attached and implementation plan</i>	<i>TVA could not determine from the information received if the proposal and services agreement provided are for the current GE system.</i>
<i>Rights-of-Way (ROW) Clearing Process</i>	<i>None</i>	<i>HSUD did not provide a ROW clearing process because HSUD does not have a documented process in place.</i>

After an initial review of the information provided, on November 4, 2022, the TVA team reached out to Mayor Gipson requesting to meet to discuss the information and discuss additional questions. The mayor did not respond to the request; however, TVA reached out to Annie Mason, the HSUD accounting manager, to request additional information. Based on TVA's request, Annie Mason referred the team to HSUD General Manager Donald Warren (now retired) and HSUD Superintendent George Humphreys.

The review team evaluated the data provided along with information received through TVA's Complaint Resolution Process. However, the data provided by HSUD was insufficient to allow for a quantitative analysis of restoration efforts. Multiple factors contributed to HSUD failing to provide requested data, including the lack of technology on the HSUD system as well as data reliability issues with the CRC information. Without reliable data to conduct a review, or a documented storm recovery process, TVA could rely only on information gathered during interviews with HSUD employees.

TVA conducted interviews with George Humphreys and Donald Warren to understand how power was restored after the April 2022 storm. These individuals were primarily responsible for directing resources toward power restoration efforts, and both participated in the actual recovery work in the field. In addition to directing HSUD staff, these individuals coordinated efforts of other neighboring electric utilities who supported recovery efforts. During the storm response, a daily meeting was held with HSUD and other utility crews to communicate the daily plan for each crew's power restoration efforts. Both individuals stated Mayor Gipson's primary role was receiving storm recovery updates and relaying information to HSUD customers and local media.

Restoration efforts were prioritized by restoring power to the most critical infrastructure and facilities and repairing distribution lines to reestablish service to the largest number of HSUD customers as quickly as possible. Additional details of prioritization follow:

- Priority # 1 Communications – Cell phone towers served by electric distribution circuits in Holly Springs (limited radio capability was available in early stage; functioned only in the city limits)
- Priority # 2 Water and Water Treatment Systems - served by the Holly Springs Primary Substation
- Priority # 3 Hospital – served by North Holly Springs Substation; generators available but not reliable for long periods

After acting on priorities 1-3 above, HSUD sent workers across the system to assess damage. If the crews identified repairs that could be completed quickly while on their way to their assigned work area, they typically stopped to repair the damage. During the recovery efforts, City of Tupelo Water & Light Department (Tupelo) and New Albany Light, Gas, & Water (New Albany) crews arrived to assist, as well as Memphis Light, Gas, and Water Division (MLGW). Tupelo aided for approximately two days, and New Albany and MLGW worked until power was restored.

Throughout this power restoration process, employees reported back on what needed to be repaired as they assessed the damage. As they were working in the field, they progressively gained knowledge of the scope of the system damage.

The more rural areas with fewer customers per transmission mile took longer to restore due to rough terrain, wet ground, limited accessible areas, and the need for multiple bulldozers to clear paths with only one initially available. Damage also was identified in several areas along the same distribution line since the rural lines cover longer distances.

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## **Contributing Factors to the April 2022 Storm Recovery Delays**

Based on discussions and information from Mayor Gipson and HSUD staff, there were several contributing factors that caused the prolonged recovery in restoring power to customers:

1. HSUD has an insufficient vegetation management program. HSUD personnel have indicated inadequate and inconsistent Rights-of-Way (ROW) maintenance practices have been ongoing for several years. Without sufficient ROW maintenance, there is more vegetation that can disrupt power service.

Additionally, insufficient ROW maintenance caused an additional step in restoration by requiring crews to first clear the ROW to repair damaged lines, which prolongs restoration time.

2. At the time of the storm, HSUD was contracted with Cooperative Response Center (CRC) to serve as HSUD's after-hours call service. CRC is a nationwide, cooperatively owned, and operated 24/7 contact center, alarm monitoring center, and software provider. CRC data is not integrated electronically with HSUD, requiring a manual, slower, error-prone process. This process made it difficult to update outages in a timely manner.
3. HSUD staff's ability to communicate with workers during the restoration was hampered due to cellphone, telephone, and internet outages, as well as radio range limitations.
4. HSUD has had long-standing issues with the outage data reporting function of the advanced metering infrastructure (AMI) system, which has led to the inability to effectively use outage data when restoring power. An AMI system can be used to provide near real-time outage information to facilitate power restoration efforts and may have reduced the duration of time to determine where the outages occurred.
5. HSUD has no documented storm recovery policy or procedures to guide restoration efforts. A written storm recovery process can provide a predefined, organized approach to facilitate an effective and efficient response to restoration efforts.
6. HSUD lacks a geographic information system (GIS) and an effective outage management system (OMS). Based on conversations with HSUD staff, HSUD did not realize the magnitude of system damage in the early stages of the recovery process, which resulted in a delay in requesting appropriate levels of mutual aid assistance from neighboring LPCs. With improved technologies and processes, HSUD could perform a more timely and accurate system assessment to enable an efficient and effective response.

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## **Insights from the January 30 - February 1, 2023, Ice Storm**

As this report was being drafted, an ice storm significantly impacted the HSUD electric distribution system on January 30 - February 1, 2023. The most significant impacts to the electric distribution system and largest number of outages to HSUD customers occurred on the night of February 1, 2023. Many of the same factors that drove prolonged recovery in April 2022 impacted recovery from this ice storm. TVA regional staff engaged with HSUD immediately following this storm and assisted in coordination of resources needed to restore power. Ten neighboring LPCs responded to support storm recovery efforts, including New Albany Light, Gas & Water, Starkville Utilities, Columbus Light & Water, West Point Electric, Memphis Light, Gas & Water Division, North East Mississippi Electric Power Association, Northcentral Electric Cooperative, Tippah Electric Power Association, Tombigbee Electric Power Association, and Tallahatchie Valley Electric Power Association.

Public concerns were expressed about the restoration response, and to date TVA's CRP has received 1,376 complaints from HSUD customers related to the ice storm event. After the state of Mississippi declared a state of emergency, the Mississippi Emergency Management Agency (MEMA), designated a General Manager from a neighboring utility to lead the response. The prolonged restoration period lasted through February 10, 2023.



After the restoration was complete, TVA met with several LPCs that supported restoration work to gain insights about what was observed. Many of the observations are the same as those identified in the previous contributing factors section of this report. During TVA's conversation with these LPCs, significant concerns about safety were shared. Specifically, the current condition of the HSUD system created potentially unsafe working conditions for their crews. Several LPCs commented that they are not comfortable sending their employees to work on power restoration efforts for Holly Springs because of the condition of the system.

Additional contributing factors that delayed power restoration in the 2023 storm include:

1. Continued insufficient ROW maintenance significantly increased the scope of damages and delayed restoration efforts.
2. The HSUD General Manager position has been vacant since the end of December 2022. Without a person in that position, HSUD was not able to effectively coordinate a response to the damages. After the state of Mississippi declared a state of emergency, the Mississippi Emergency Management Agency (MEMA) was able to designate a General Manager from a neighboring utility to lead the response.
3. The only available system map to help with restoration planning was from a system study performed by a local engineering consulting firm in 2010. The absence of a current system map created logistical challenges for the restoration response team.
4. In addition to creating logistical challenges, the lack of an accurate system map also delayed restoration. Without an accurate map, crews were prevented from working after daylight hours because neighboring LPC crews could only safely work during the day.
5. The electric distribution system's overcurrent protection devices have been bypassed in some areas (e.g., reclosures) and oversized in other areas (e.g., fuses). This increases the potential for system faults to create more widespread outages that are more difficult and time consuming to troubleshoot.

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## **Requirements, Areas for Improvement, and Resources**

### **Requirements**

TVA provides regulatory oversight of local power company's (LPC's) financial health, rates, use of electric system funds, and service practices. Historically, HSUD has struggled to submit timely financial information and throughout the time of this review, HSUD has fallen significantly behind on the financial reporting that is required by the wholesale power contract. As of the date of this report, HSUD's fiscal year 2021 external audit report is currently 16 months past due. The fiscal year 2022 annual report is currently over six months past due, and the fiscal year 2022 external audit report is four months past due. Required monthly financial information for fiscal year 2023 (July 2022 – January 2023) has not been submitted. HSUD's reporting delinquency impacts TVA's ability to ensure that the electric department is in a healthy financial position to provide for the operation and maintenance of the electric system.

In evaluating HSUD's financial position as of June 30, 2021, the most recent reviewed and available annual report, TVA performed comparative analytics benchmarking HSUD financial data against similar LPCs in the valley. TVA's analysis shows that HSUD has not invested in its electric distribution system at a comparable rate, as compared to similar LPCs. Specifically, when compared to LPCs of similar size and customer makeup the following observations can be made:

- HSUD is spending 22% less on system support through operations and maintenance (O&M) expense versus similar LPCs' spending.
- HSUD is spending 33% less on the operations and maintenance of overhead lines versus similar LPCs' spending.
- Similar LPCs are investing in net electric system assets at ten times the rate of HSUD.
- HSUD's line losses are 75% higher versus similar LPCs' line losses, equaling approximately \$465K in additional annual losses. Line losses are the difference between energy (kilowatt hours) purchased from TVA at wholesale and sold to retail customers.
- HSUD's operating margins are 20% lower than similar LPCs' operating margins, equaling approximately \$2M less in annual operating funds.

TVA's financial review indicates that decisions made at the local level have resulted in inadequate investment (both capital and O&M) into the HSUD electric system, relative to its peers. This is a likely causal factor in reduced reliability and extended storm recovery durations.

The findings of this review and the delinquency in financial reporting highlight the importance of HSUD's compliance with TVA regulatory requirements. For TVA to fully assess HSUD's compliance with the wholesale power contract:

1. HSUD must immediately provide to TVA all delinquent monthly and annual financial reports. Without satisfactory resolution within 30 days from the date of this report, TVA will perform all work necessary to collect and process the delinquent reporting information at HSUD's expense.
2. HSUD must immediately provide to TVA the delinquent external audit reports for fiscal year 2021 and fiscal year 2022.
3. Due to the significance of the concerns associated with HSUD's failure to timely submit required financial information, TVA has designated this matter as a Significant Regulatory Issue (SRI) and will begin a full compliance assessment to ensure HSUD is compliant with all regulatory requirements in the TVA wholesale power contract. With designation as a significant regulatory issue, the TVA Board will be provided with regular updates to allow for increased oversight until all financial concerns are remediated.

Delinquent financial reporting could have additional implications beyond the scope of TVA's regulatory authority that affect HSUD's ability to fund future operations because TVA is not the only entity that may require up-to-date financial reporting. Both lending institutions and credit rating agencies require updated financial information to issue debt or maintain commercial credit ratings. Thus, the lack of timeliness in financial reporting could hinder HSUD's ability to raise capital to make needed investments in the electric system.

## **Areas for Improvement**

TVA exercises regulatory oversight of several aspects of a local power company's (LPC's) financial health and service practices, but each LPC served by TVA is responsible for managing its own electric system operations. How an LPC carries out that responsibility is largely a matter of local decision making and local accountability of the LPC's particular governing body. As part of operating and maintaining an electric distribution system, every LPC should be prepared to respond to storm events and outages and maintain its electric distribution system to provide safe, reliable power to its customers.

TVA recognizes it is HSUD's responsibility to operate and manage its electric system. Throughout this review, TVA has identified areas for improvement to share with the City of Holly Springs Mayor and Board of Aldermen to consider in carrying out that responsibility. TVA strongly urges the City of Holly Springs to implement the below areas for improvement as soon as feasible and in a financially prudent manner.

1. Immediately fill the General Manager role with someone who has knowledge of electric distribution systems. A personnel succession plan should be implemented to ensure appropriate resources are available to fill critical roles during vacancies.
2. Meet with the LPCs that supported the most recent restoration to gain insights about the challenges faced by the crews that assisted with restoring the system.
3. Implement an effective vegetation management program to address ROW issues.
4. Perform a full inspection of the electric distribution system to document the maintenance needs of rights-of-way, poles, substations, and other electrical distribution equipment, and develop a plan to correct safety and system issues that are found.
5. Develop a Storm Recovery Response Plan.
6. Develop a Communication Plan to improve communication with crews in the field so they can safely restore power in an expedited way.
7. Consider the technology capabilities of the current call center in relation to meeting needs of data collection and supporting storm recovery efforts. Ensure that the call center is appropriately staffed to receive and respond to questions from customers.
8. Develop a Communication Plan that includes how HSUD will communicate with customers to provide information about outages and restoration efforts.
9. Proactively reinforce a partnership/collaboration with multiple nearby LPCs to provide mutual aid in future significant power restoration efforts. Reinforced partnerships/collaboration with neighboring LPCs will allow for faster response times from these LPCs.
10. Identify a vendor for contract crews that will respond to outages to reduce HSUD's reliance on neighboring LPCs.
11. Maintain a sufficient level of critical distribution equipment to reduce the risk of equipment not being available due to supply chain issues, and benchmark and implement a procurement process appropriate for HSUD.
12. Evaluate effectiveness of HSUD's advanced metering infrastructure (AMI) outage system. An AMI system can be used to provide near real-time outage information to facilitate power restoration efforts and may have reduced the duration of time to determine where the outages occurred. An effective AMI system can also be used to provide additional customer service benefits.
13. Consider engaging with a rate consultant to determine if a local rate adjustment is needed.
14. Evaluate tools and technologies that allow for integrated, up-to-date mapping and outage management options of the HSUD service area, including location of meters, and real time data of system outages.

## Resources

TVA continues to be willing to assist HSUD in identifying opportunities and resources for improving the performance of HSUD.

1. TVA will provide best practices related to distribution system storm response and vegetation management.
2. TVA will work with HSUD to identify any federal or state funding available for improving the electric distribution system.
3. TVA's Regulatory Assurance staff is available to meet with the Holly Springs Mayor and Board of Alderman to discuss regulatory requirements of the City and HSUD.
4. Tennessee Valley Public Power Association (TVPPA), through Distributors Insurance, is offering to provide resources to HSUD to perform a full assessment of operations, engineering, maintenance, and safety at no additional cost to HSUD.

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## Conclusion

Over the last twelve months, customers of the Holly Springs Utility Department have experienced two weather events that resulted in prolonged electric power outages. TVA's Complaint Resolution Process has received an unprecedented number of complaints from customers of the Holly Springs Utility Department (HSUD) primarily related to power reliability issues and prolonged power outages. Through this review, it is apparent that HSUD has significant, long-standing challenges in the condition of the electric system that negatively impact the customers it serves.

Some complaints related to the April 2022 storm alleged preferential treatment in the reestablishment of electric service. Based on available information and interviews with HSUD staff, it does not appear that preferential treatment was applied in restoration activities related to the April 2022 storm.

HSUD has been challenged in fulfilling regulatory financial reporting requirements. Due to the significance of the concerns associated with HSUD's failure to timely submit required financial information, TVA has designated this matter as a significant regulatory issue and will begin a full compliance assessment to ensure HSUD is compliant with all regulatory requirements in the TVA wholesale power contract. With designation as a significant regulatory issue, the TVA Board will be provided with regular updates to allow for increased oversight until all financial concerns are remediated.

In addition to not meeting financial reporting requirements, TVA observed that HSUD has significant deficiencies in their operating practices, capital investment program, financial discipline, and event response protocols that is not allowing HSUD to serve its customers safely and reliably in the near or long term.

Public power exists to serve local communities with safe and reliable power. Part of the long-standing success of public power is due to local control and the ability for each LPC to make decisions that are in the best interest of all their customers. An example showcasing the value of the valley's public power model was the response of neighboring LPCs who aided storm recovery efforts for the benefit of the HSUD customers.





TVA strongly urges Holly Springs to promptly develop a plan within 45 days to address the areas for improvement included in this report. TVA will update this report to include that response.

cc:

Jeannette Mills, Executive Vice President & Chief External  
Relations Officer

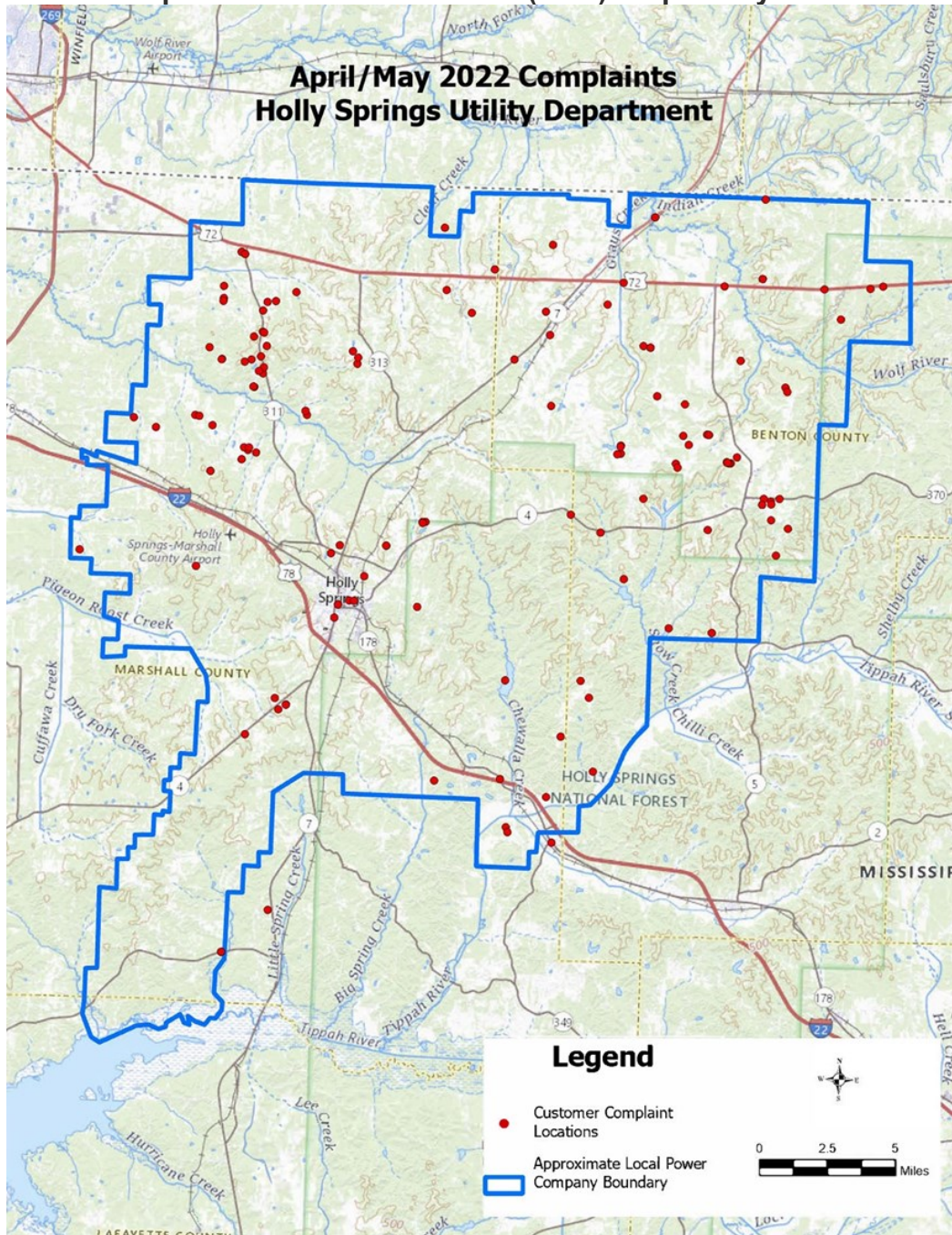
David Fountain, Executive Vice President & General Counsel

Dan Pratt, Senior Vice President, Regional Relations

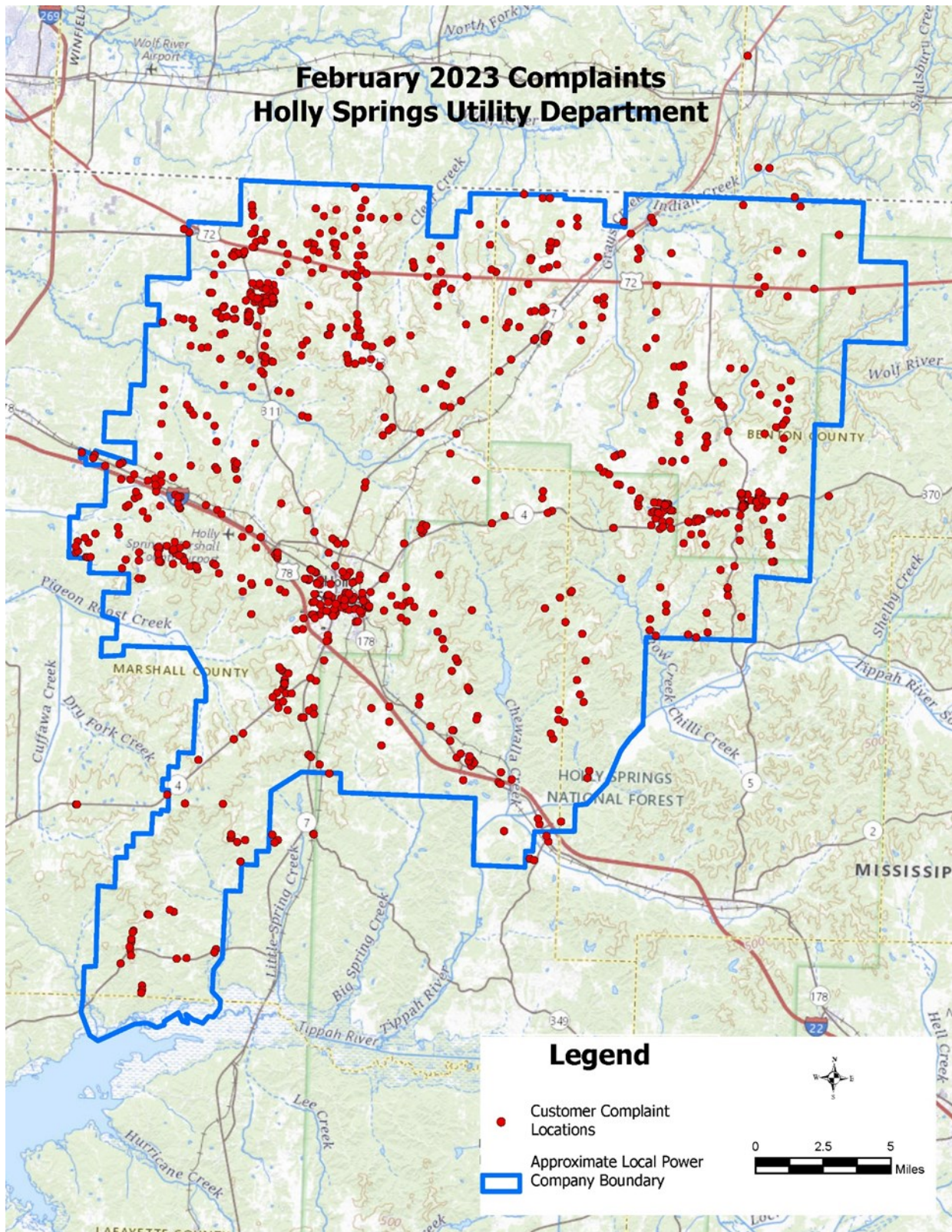
Mark Yates, Regional Vice President, West Region

## APPENDIX

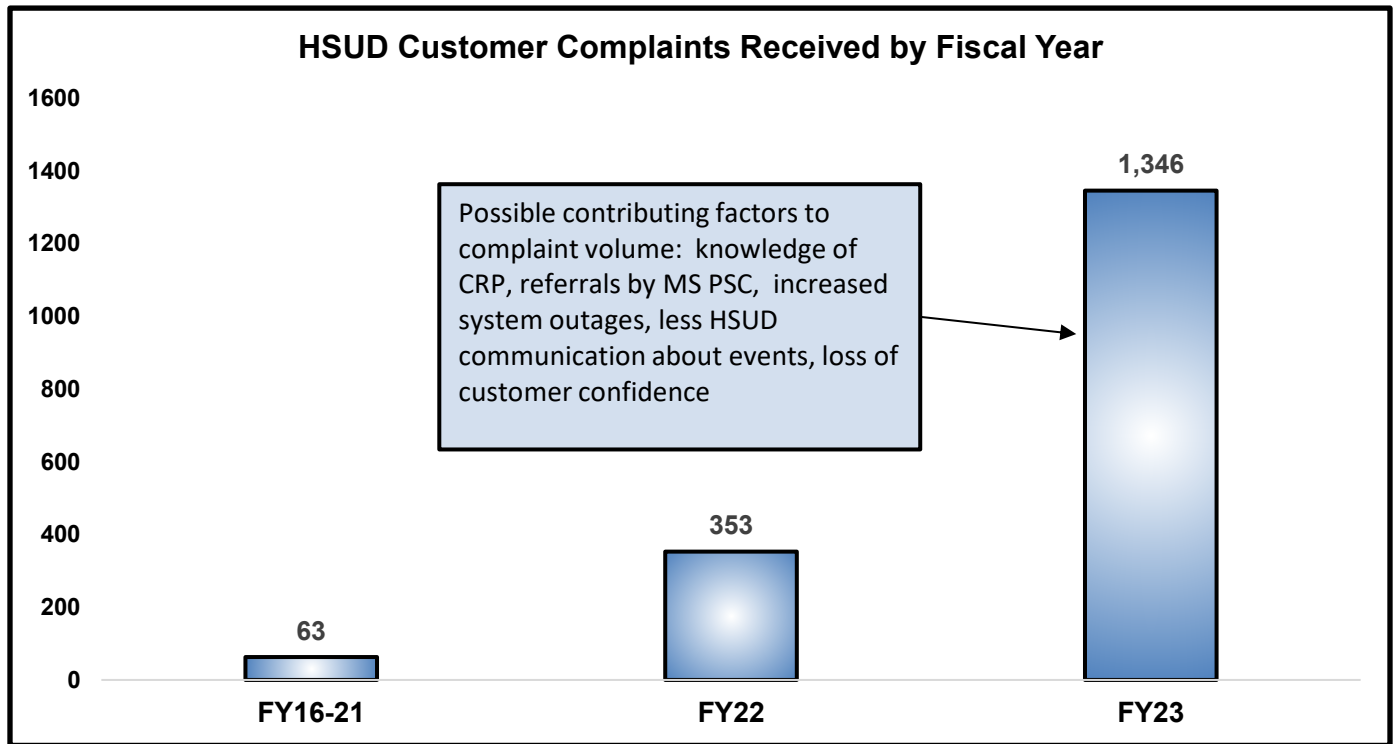
### Appendix A: Maps of HSUD Outage Complaints Plotted by Service Address Received by TVA's Complaint Resolution Process (CRP) – April/May 2022 and February 2023





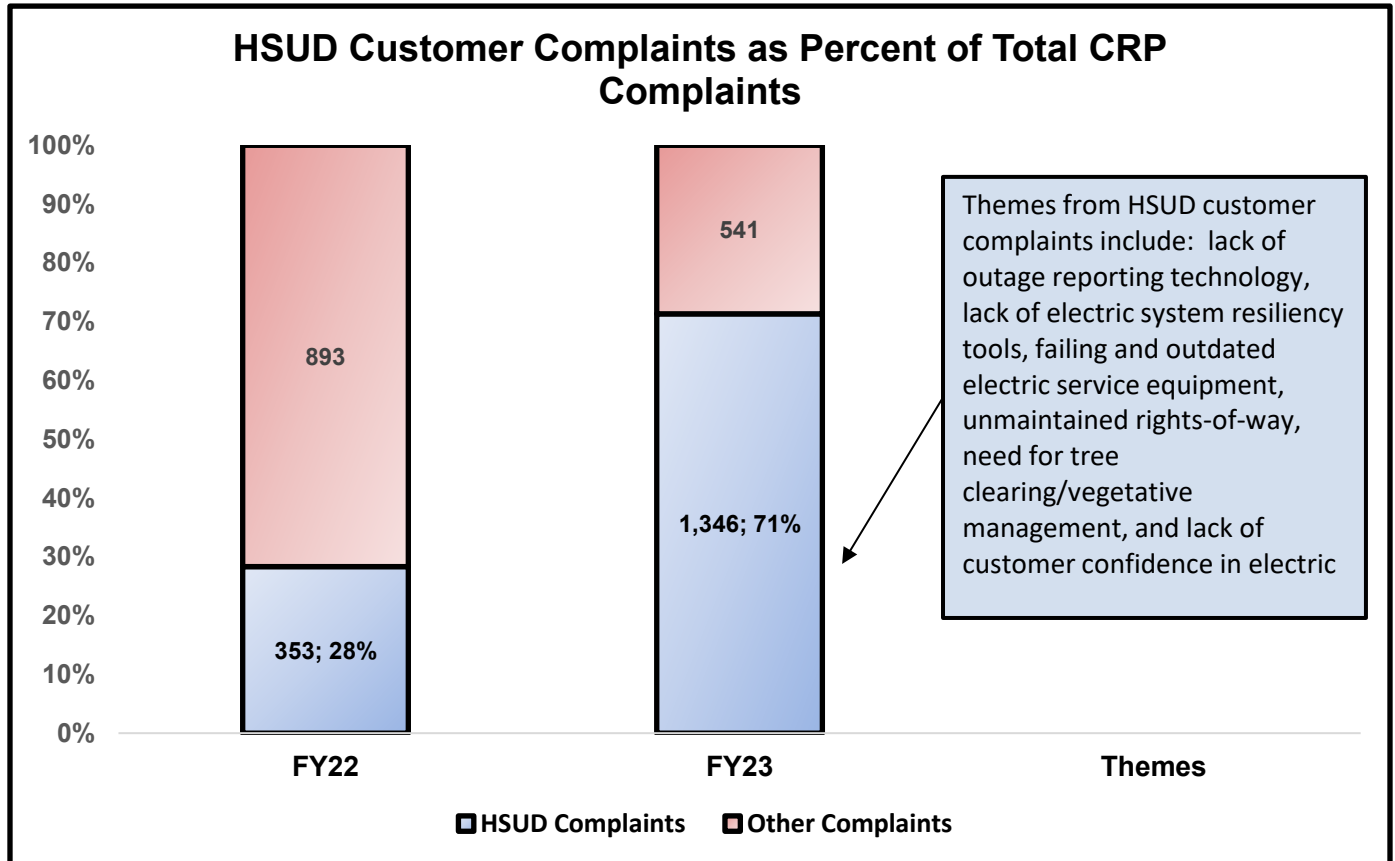


**Appendix B: HSUD Complaint Data Received by TVA's Complaint Resolution Process (CRP)**





**Appendix B (Continued): HSUD Complaint Data Received by TVA's Complaint Resolution Process (CRP)**



## **Appendix C:**

### **HSUD Complaints from April 2022 Storm and Alleged Preferential Treatment**

Specifically, during the storm period and immediately thereafter (April 13 through May 31, 2022), TVA received 171 complaints related to power outages, including allegations of prolonged delays and discriminatory treatment of ratepayers. The alleged discrimination was preferential treatment in favor of HSUD's customers within the city limits of Holly Springs and against HSUD's customers in the surrounding rural counties.

### **HSUD Complaints from January/February 2023 Storm**

TVA has received 1,376 complaints from HSUD customers for the period from January 30, 2023, to February 24, 2023. In some cases, complainants may contact the CRP multiple times given the ongoing outages and additional reported concerns. The CRP continues to receive complaints from HSUD ratepayers.

## Appendix D: Mayor Gipson Letter



**HONORABLE SHARON D. GIPSON, MAYOR**

October 17, 2022

Ms. Melanie E. Farrell  
Vice President of External Strategy &  
Regulatory Oversight  
Tennessee Valley Authority  
1101 Market Street  
Chattanooga, TN 37402

Dear Ms. Farrell,

I received your letter dated September 28, 2022. As I previously expressed, the City of Holly Springs takes the allegations and complaints very seriously, as we respect all our customers. I previously met with you via Zoom and discussed the City of Holly Springs Utility Department. Subsequently, you made an unscheduled visit to the area, and I was not available. However, I requested future dates of your availability to compare with my calendar, but I have not received them. Also, members of our team and I have met with and communicated with various TVA representatives in person, via email, Zoom and telephone so we are always open to communicating with TVA.

The City of Holly Springs experienced several severe storms during the month of April, and earlier in the year we were also affected by a winter storm. And each time our team worked diligently to restore service to everyone regardless of whether the customer was in the City limits or one of our rural customers.

The April 2022 storms included lightning, heavy rains, flooding, heavy winds and fallen trees. The storm left some areas devastated, and the system in a state that required major repairs and even reinstallation in some of the more rural areas. Even after the initial brunt of the storm, trees and poles continued to fall and collapse from the root due to the excessive moisture. The City had to utilize chain saws, bulldozers and other heavy equipment to access most rural areas. In fact, our entire electrical service was affected, along with cellphone and telephone service, internet service, cable TV and satellites. We also had to make repairs to gas lines that were damaged due mainly to fallen trees. Thus, the ability to communicate and disburse teams were hampered by the storm damage and delayed the ability to safely repair or access the damage. We also experienced issues with the GE meters not adequately reading or notifying the City of

**"THE CITY OF HISTORY AND HOSPITALITY"**

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outages. Services provided by AT&T and other providers were also greatly hampered, as they also experienced the same damage with falling trees, poles and damaged lines. In fact, it was an AT&T pole that fell and damaged one of our gas lines.

Many vendors expressed limited inventory due to this storm, COVID-19 and other storms. Thus, in an effort to serve our customers, the City did seek certain inventory from other suppliers and providers due to the drastic damage. We also discussed assistance with obtaining various materials from the Public Service Commissioner and Tennessee Valley Authority. In an effort to expedite restoration, we contacted other service areas, including Oxford, Mississippi, but their team never arrived. However, Tupelo assisted the City for two days. And the City of New Albany quickly responded and served for several days. We were also very grateful to receive assistance from Memphis Light Gas & Water (MLG&W), whose team came and diligently assisted us. We are appreciative of the service we received from all our sister cities during our time of need.

Most importantly, we at the City of Holly Springs have opted to learn as much as possible from the storms and are concentrating on how we can become better. Prior to the storm we had already made changes regarding vegetative and right-of-way issues, but the storm further illuminated the issues. Our evaluation revealed many service areas had not been adequately processed by the previous right-a-way provider. Thankfully, the City will now have in-house right-of-way crews, which will focus on specific locations throughout our coverage area. We also have taken the steps to implement an inhouse Call-Center to better address the needs of our customers. Additionally, the City also retained the services of an Engineering firm to further evaluate our system, and provide guidance regarding enhancements. Additionally, we have been researching alternative smart meter systems.

Per the request of TVA, attached please find the City's Inventory Report, Outage and Restorative Report, along with other reports, which reflect the City's inventory was more than adequate prior to the storm. Please also find other information requested by your representatives. We are also planning to implement other changes described herein to better serve our customers.

Although the April storms were challenging, our team did a superb job, and worked around the clock to accommodate all our customers. The most rewarding part for those of us serving the City of Holly Springs Utility Department is that our customers are our family, friends, and neighbors, whether the customer lives in Holly Springs, Benton County or Marshall County. Considering the conditions our customers and the city endured during the storm, we are disappointed in individuals, such as the Public Service Commissioner and former employees, who have taken this moment as an opportunity for political gain and to disparage our great City and even irresponsibly encouraged individuals to file complaints regarding an "Act of God".

As always, the City of Holly Springs provided equal restorative action to our entire service area. Customers in the County endured more damage due to the rural topography. In fact, my 104-

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Fax: 662-252-4651



year-old great aunt was one on the individuals affected due to fallen trees, wet grounds, and the location of the pole in an area resembling a swamp. Our employees were strategically divided and strategically sent to all our coverage areas. I am very proud of the response of the Holly Springs team under those very extreme circumstances. We acted immediately and decisively to ensure the best and most effective response to all our customers.

We appreciate your assistance, and we are also looking forward to receiving the assistance we discussed from TVA. TVA is our largest vendor so we appreciate any assistance you can provide regarding reducing bills, reducing the "fuel cost" assessment, and right-of-way assistance that will enhance our ability to further improve our service.

Again, we appreciate your service, and look forward to hearing from you soon.

Sincerely,



Sharon D. Gipson, Esq.  
Mayor

**"THE CITY OF HISTORY AND HOSPITALITY"**

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