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PURPA Standards
Attn: Carl Seigenthaler
Tennessee Valley Authority
26 Century Boulevard
Nashville, TN 37214

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Project Manager - Energy

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PROGRAM
IMPLEMENTATION

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Dear Mr. Seigenthaler:

BellSouth has an interest in many of the rate schedule options described under TVA's proposed Smart Metering standard. As a customer of utilities offering such options across the Southeastern U.S., BellSouth has a successful and long experience working with such rate options.

We have a number of facilities in the service territories of Georgia Power and Florida Power and Light. Both of these utilities offer interruptible service for amounts as low as 200 kW. BellSouth also has facilities with Alabama Power with interruptible power options. Since our facilities are, in general, fully backed up by generation and/or batteries, this allows BellSouth to reduce power costs while improving system reliability of our suppliers and your neighboring utilities. In addition, Florida Power and Light offers an automatic relay option that BellSouth finds attractive. Automatic relay control of interruptions avoids the need for additional personnel to comply with the utility's interruptions and gives the utility certain control.

At the same time, Georgia Power Company offers real time pricing at a number of our facilities, giving our facilities' managers information about the expected hourly price of power, and the option to avoid high cost power by changing operations.

In addition, Georgia Power Company offers time of day rates to smaller facilities that have a six-hour on-peak period, which is useful for operations. We also have other utilities, such as: Florida Power and Light, Duke Energy, Progress Energy Florida, Alabama Power, and Progress Energy Carolina which have useful time of day rates.

We have 273 facilities and 120,000 kW of capacity on various "smart meter" rates that have been beneficial to other Southeastern utilities and BellSouth. In TVA's territory, BellSouth has 45 facilities with 18,237 kW capacity available to TVA.

Our use of these rates demonstrates that customers of all sizes want such rates. The utilities which offer of such rates under strict regulatory requirements demonstrate the rate structures' practical and economic value.

We request TVA utilities adopt these best practices of "smart metering" rate schedules for small accounts as well to allow as much participation and positive impact as has been done with other Southeast utilities.

Sincerely,



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