

## FEDERAL RESERVE BANK OF NEW YORK

NEW YORK 45, N.Y.

RECTOR 2-5700

FISCAL AGENT OF THE UNITED STATES  
FOR THE TENNESSEE VALLEY AUTHORITY

July 23, 1963

Results of Bidding for \$25,000,000 of 127-Day  
Tennessee Valley Authority Power NotesTo Certain Commercial Banks, Trust Companies,  
and Dealers in Investment Securities:Following is the text of a statement, released today, by the Tennessee  
Valley Authority:

The Tennessee Valley Authority announced today that the tenders for the TVA Power Notes to be dated July 25, 1963, which were offered on July 16, were opened at the Federal Reserve Bank of New York today. Tenders were invited for \$25 million of 127-day TVA Power Notes. The details of the bidding are as follows:

<u>Range of Accepted Competitive Bids</u>		
	<u>Price</u>	<u>Approx. equivalent annual rate of discount (360-day basis)</u>
High	98.786	3.441%
Low	98.734	3.589%
Average	98.767	3.496%

100 percent of the amount bid for at the low price was accepted. Total bids received were \$86,200,000, and the total accepted, \$25,000,000.

The \$25 million issue of Power Notes bid for today represents the first in a series of issues which is expected to amount to approximately \$100 million within the next twelve months. Thereafter, TVA expects to offer four-month notes on a regular cycle each month or second month in amounts of between \$25 million and \$50 million.

The purpose of the Power Note borrowings is to provide that part of the construction funds required to meet growing electrical power requirements in the TVA area which is not provided by TVA's earnings. The Authority expects to continue to invest an average of about \$150 million a year in new facilities. As projects are completed, part of the cost will be funded by the use of long-term bonds.

ALFRED HAYES,  
President.