

TENNESSEE

TVA reverses outsourcing decision after Trump's scolding, executive order

Tyler Whetstone Knoxville News Sentinel

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It worked.

Three days after President Donald Trump made a spectacle of Tennessee Valley Authority management in the Cabinet Room inside the White House, the nation's largest public utility announced it would change course and not outsource technology jobs.

Trump signed an executive order forbidding federal agencies from outsourcing jobs overseas, a move that was a direct result of TVA's decision to send at least 120 information technology jobs to three software development contractors headquartered outside of the United States.

Thursday, TVA announced all previous layoffs have been rescinded and planned future layoffs have been canceled.

TVA CEO Jeff Lyash and interim board chair John Ryder met with White House Chief of Staff Mark Meadows and White House Counsel Pat Cipollone on Thursday before the announcement.

"We were wrong in not fully understanding the impact on our employees, especially during the pandemic," Lyash said in a statement. "We are taking immediate actions to address this situation. TVA fully understands and supports the Administration's commitment to preserving and growing American jobs.

"TVA will not lose sight of any facet of TVA's mission of service — providing low-cost, reliable power while also serving to protect American jobs and create economic development across the Tennessee Valley," he said.

More: President Trump pushed to oust TVA CEO: If you outsource jobs, 'you're fired'

"This is certainly a win for American workers, for TVA ratepayers, and for everyone who relies on the U.S. electrical grid," Gay Henson, president of the International Federation of

Professional and Technical Engineers, the union representing TVA workers, said in a statement.

“Our members will get their jobs back,” she continued. “TVA ratepayers will benefit from having skilled U.S. workers providing quality service. And the entire U.S. electrical grid will be more secure, with critical information remaining on U.S. soil.”

Henson added that anyone who lost their job to the outsourcing would be given an opportunity to return to their position.

While the employees can thank the president for sticking up for them, Trump inserting his political will into the process has worried onlookers. As he was signing the order Monday, Trump fired two board members and pushed for the TVA Board of Directors to remove Lyash.

“If the TVA does not move swiftly to reverse their decision to rehire their workers then more board members will be removed. We have the absolute right to remove board members, and the board makes that decision,” Trump said. “I don't make the decision.”

The action caused U.S. Rep. Steve Cohen, D-Tenn., an outspoken critic of both TVA and the president, to say the president’s “willy-nilly” firings went too far.

“He’s threatening other people on the board and that’s wrong,” he told Knox News. “The way it was set up is that the president recommends, and the Senate confirms. That’s the extent of the roles they’re supposed to have ... the idea that you’re going to fire them if they don’t do what you want is what an authoritarian leader does.”

Trump does not have the authority to fire TVA's CEO; that is a board decision. But, according to a TVA spokesperson, the nine-member board only needs five members for a quorum and just a majority of votes to make a decision like removing Lyash. It would take only three, then, to vote him out.

Email Tyler Whetstone at tyler.whetstone@knoxnews.com and follow him on Twitter @tyler_whetstone. If you enjoy Tyler's coverage, support strong local journalism by subscribing.