



TENNESSEE
VALLEY
AUTHORITY

Board Meeting

August 18, 2021
Knoxville, Tennessee



President's Report

Jeff Lyash
President and CEO

August 18, 2021



Mike Skaggs

EVP & Advisor to the CEO

Don Moul

EVP & Chief Operating Officer



President's Report

Jeff Lyash
President and CEO

August 18, 2021

Finance, Rates, and Portfolio Committee

A.D. Frazier, Chair

Financial Update

John Thomas
Executive Vice President
Chief Financial & Strategy Officer
Financial Services

August 18, 2021

Q3 Fiscal Year 2021

Base Revenue of \$5.5B is \$216M favorable to budget

O&M of \$2.1B is \$165M favorable to budget

Net Income of \$909M is \$455M favorable to budget

Investing Cash Flow of \$1.7B is \$336M favorable to budget

Total Financing Obligations (TFO) is \$932M favorable to budget

Q3 Summary Income Statement

\$ million	FYTD21			FYTD20	
	Actual	Budget	Variance Fav/(Unfav)	Actual	'21 v '20 Fav/(Unfav)
Base Revenue	\$ 5,486	\$ 5,270	\$ 216	\$ 5,510	\$ (24)
Fuel Revenue*	1,808	1,722	86	1,727	81
Other Revenue	109	107	2	113	(4)
Total Operating Revenue	\$ 7,403	\$ 7,099	\$ 304	\$ 7,350	\$ 53
Fuel & Purchased Power	1,892	1,836	(56)	1,844	(48)
Total O&M	2,106	2,271	165	2,014	(92)
Taxes, Depreciation, Other	1,672	1,706	34	1,981	309
Interest	824	832	8	859	35
Net Income (Loss)	\$ 909	\$ 454	\$ 455	\$ 652	\$ 257

* Includes off-system sales

Q3 Summary Cash Flow Statement

\$ million

	FYTD21			FYTD20	
	Actual	Budget	Variance	Actual	'21 v '20
Net Cash Provided by / (Used in)					
Operating Activities	\$ 2,227	\$ 1,696	\$ 531	\$ 2,496	\$ (269)
Investing Activities	(1,698)	(2,034)	336	(1,467)	(231)
Financing Activities	(531)	338	(869)	(528)	(3)
Net Change in Cash	\$ (2)	\$ -	\$ (2)	\$ 501	\$ (503)
Beginning Total Financing Obligations	\$ 21,421	\$ 21,475	\$ 54	\$ 22,818	\$ 1,397
Change in Debt and Financing Obligations	(517)	361	878	(515)	2
Ending Total Financing Obligations	\$ 20,904	\$ 21,836	\$ 932	\$ 22,303	\$ 1,399

Recap of Financial Results

For nine months ended June 30, 2021 – comparison to prior year

Minimal COVID-19 impacts

Lowest effective rates in over a decade

Continuing to benefit from lower debt

FY22 Pandemic Recovery Credit

August 18, 2021

Purpose and Background

Purpose: Action item. Seek Board approval of the FY22 Pandemic Recovery Credit.

Background: Based on TVA's strong performance in FY21, TVA is positioned to offer a credit in FY22. The proposed FY22 Pandemic Recovery Credit is estimated to be approximately \$220 million and will be applied as a 2.5 percent base rate credit to local power companies (LPCs) and directly-served (DS) customers beginning in October 2021 through the end of FY22.

In the fourth quarter, the Finance, Rates, and Portfolio Committee recommends the above listed item to the full Board for approval. A formal recommendation has been made by the Committee leading up to the August Board meeting.

Pandemic Recovery Credit

Public Power Benefit

- TVA employees delivered positive results as the Valley continues to recover from the pandemic, enabling approximately \$220 million to support ongoing recovery and infrastructure in the Valley

FY22 Pandemic Recovery Credit will apply as follows:

- Wholesale non-fuel rate credit of 2.5% for LPCs (applied to Partners and Non-Partners)
- Non-fuel credit of 2.5% for LPC-served large customers and all DS customers
- The credit will be applied beginning in October 2021 and will remain in effect through the end of FY22

LPCs will be encouraged to pass through the credit to consumers and TVA will support a convenient process to do so

As a part of the Community Cares Fund, TVA will also commit \$5 million in matching funds to support communities in recovery and infrastructure for more locally directed efforts

Recommendation

Recommend the Board approve the FY22 Pandemic Recovery Credit

FY22 Budget

August 18, 2021

Purpose and Background

Purpose: Action item. Seek Board approval of the FY22 budget and following related items:

- FY22 Commercial Transactions Contracting Plan
- Financing Shelf for up to \$2.0 billion of long-term bonds and associated resolutions
- Final FY21 tax equivalent payments to the states and counties
- Estimated FY22 tax equivalent payments to the states and counties
- Contribution to the Retirement System
- Projects over \$50 million
- Acquisition of Land Rights
- Regulatory Accounting
- Dodd-Frank End-User Exemption
- Retention of the entire margin of net power proceeds remaining at the conclusion of FY22

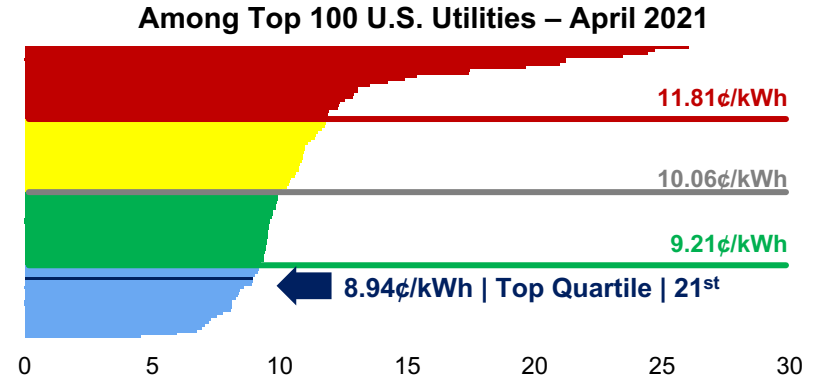
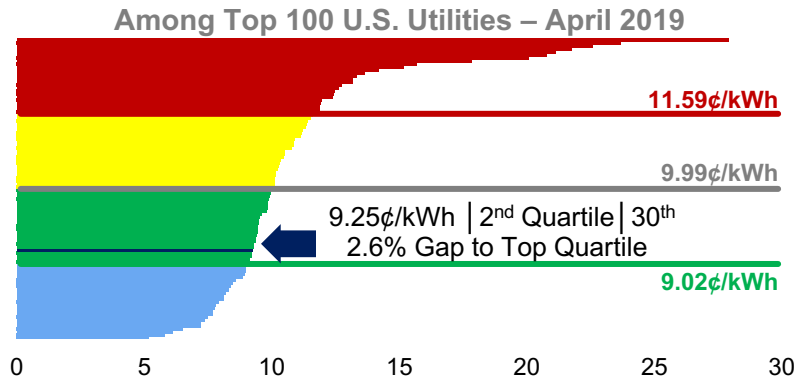
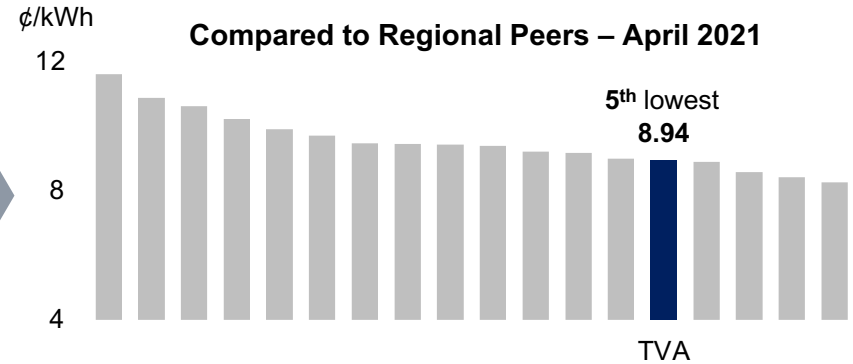
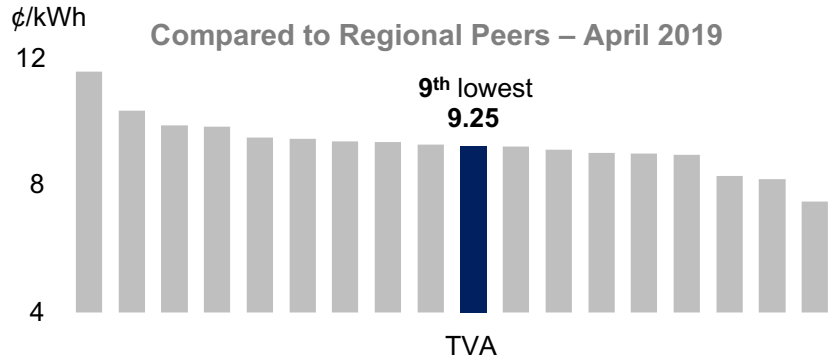
Background: The Finance, Rates, and Portfolio Committee recommends the above listed items to the full Board for approval. A formal recommendation has been made by the Committee leading up to this Board meeting.

FY30 Strategic Financial Plan

FY30 Strategic Financial Plan objectives strengthen public power model

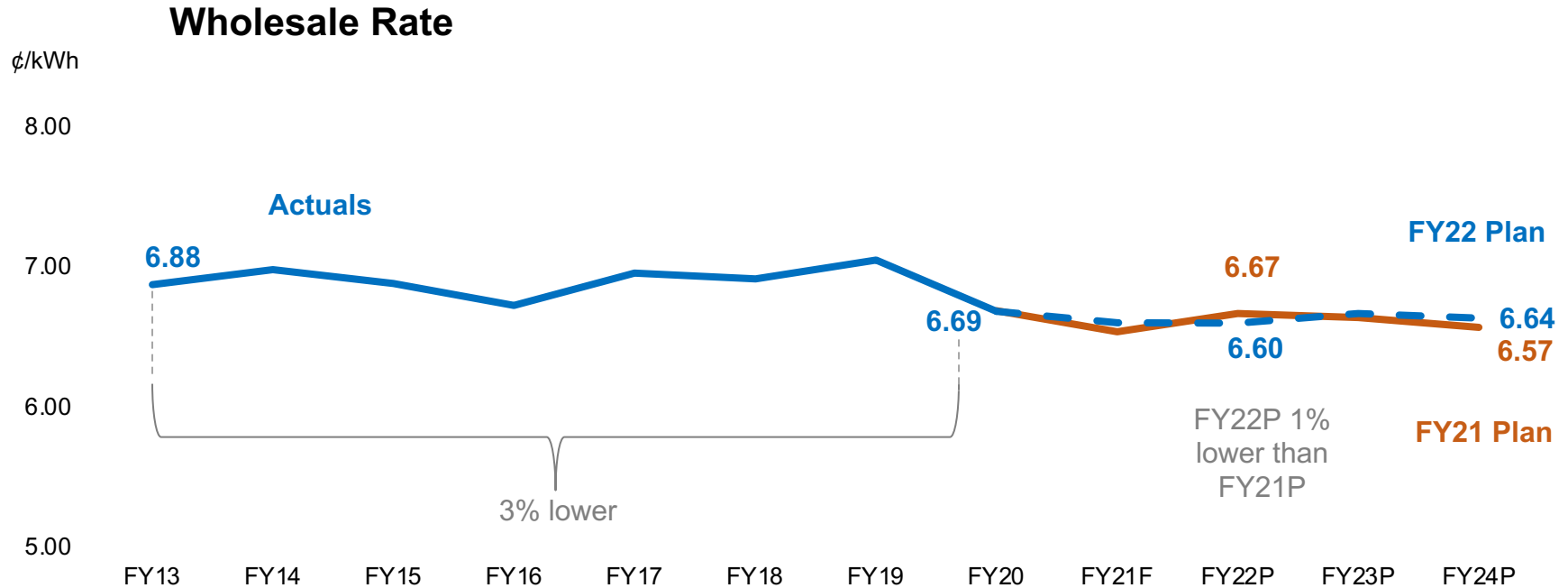
- | | |
|--------------------------------------|--|
| Maintain flat rates | <ul style="list-style-type: none">○ Stable wholesale rate○ Lower rates for long-term partners |
| Stabilize debt | <ul style="list-style-type: none">○ Maintain debt below \$24 billion○ Balance overall capital structure○ Align debt with long-term partner participation |
| Balance Net Portfolio Position | <ul style="list-style-type: none">○ Deploy commercial strategy to achieve long-term customer commitments○ Continue funding for other obligations |
| Drive efficiencies into the business | <ul style="list-style-type: none">○ Hold cost escalation below inflation○ Improve nuclear performance○ Utilize innovation to improve performance |
| Advance the public power model | <ul style="list-style-type: none">○ Deliver differentiated products and solutions○ Consider risk tradeoffs○ Enable future business development |

Retail Rate Competitiveness



12-Month Rolling Average (¢/kWh) – Sources: U.S. Energy Information Administration-861M and Electricity Sales Statistics

Maintaining Low Rates



Key Planning Assumptions

Load forecast effectively flat (0.5% CAGR FY19-24, 0.6% 10-year CAGR)

Pandemic Recovery Credit of 2.5% at wholesale for FY22

No base rate actions FY22-24

Assumes 142 LPC partners (two new LPC partners added in July and August)

Continued focus on achieving O&M efficiencies

Includes capital consistent with FY22 Budget Power Supply Plan

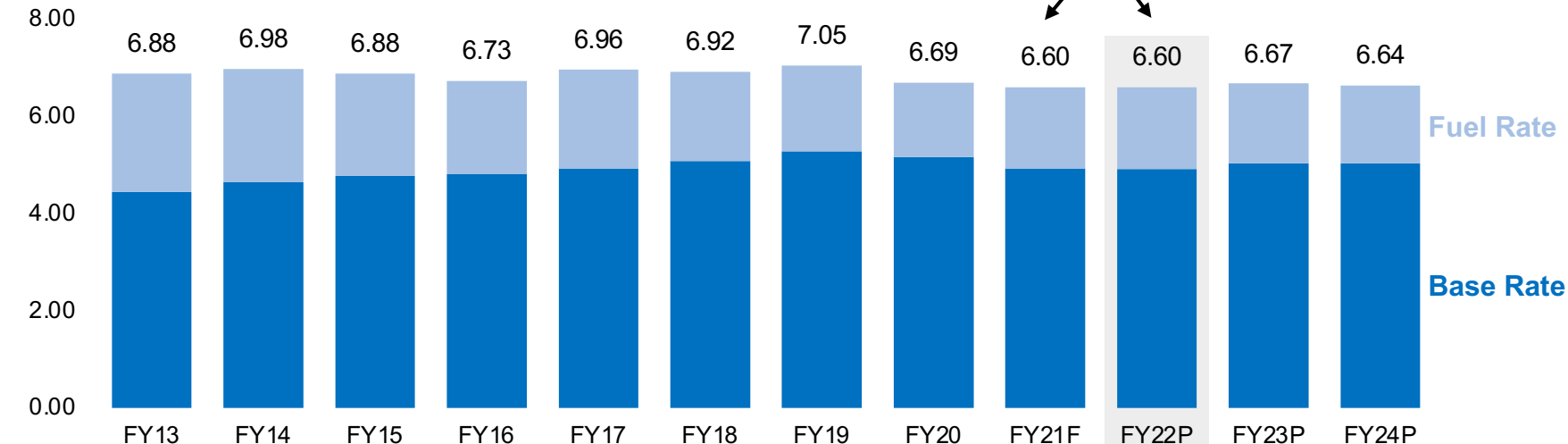
Continue optimizing lowest variable cost dispatch and improving plant availability

Target cash balance of \$500 million for end of FY21, \$300 million FY22 forward

Flat Effective Wholesale Rate

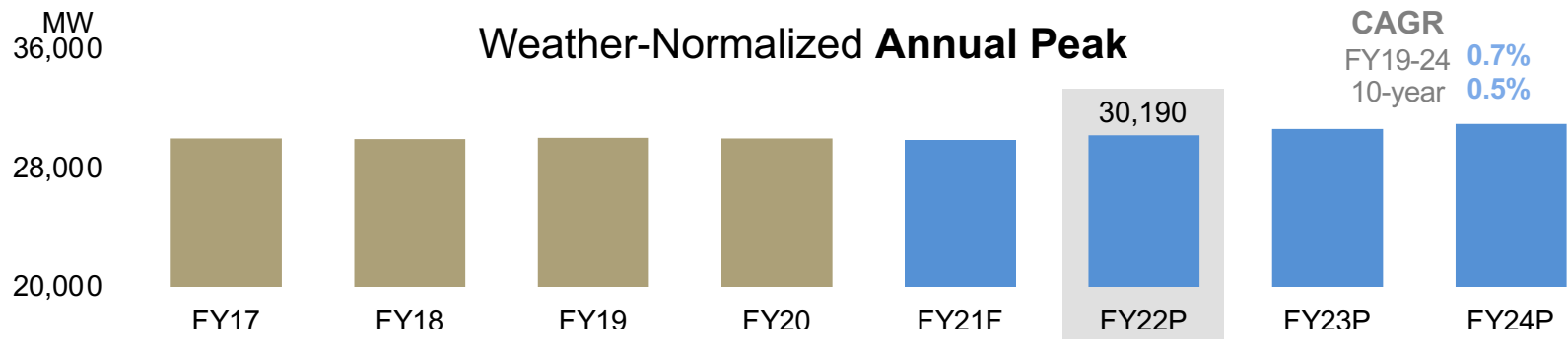
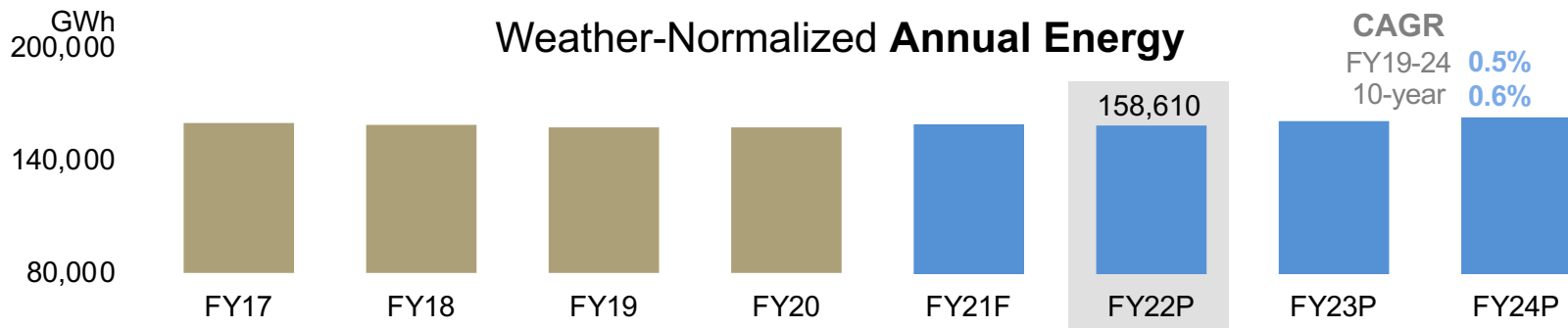
FY21-22 with Pandemic
Relief/Recovery Credit

¢/kWh

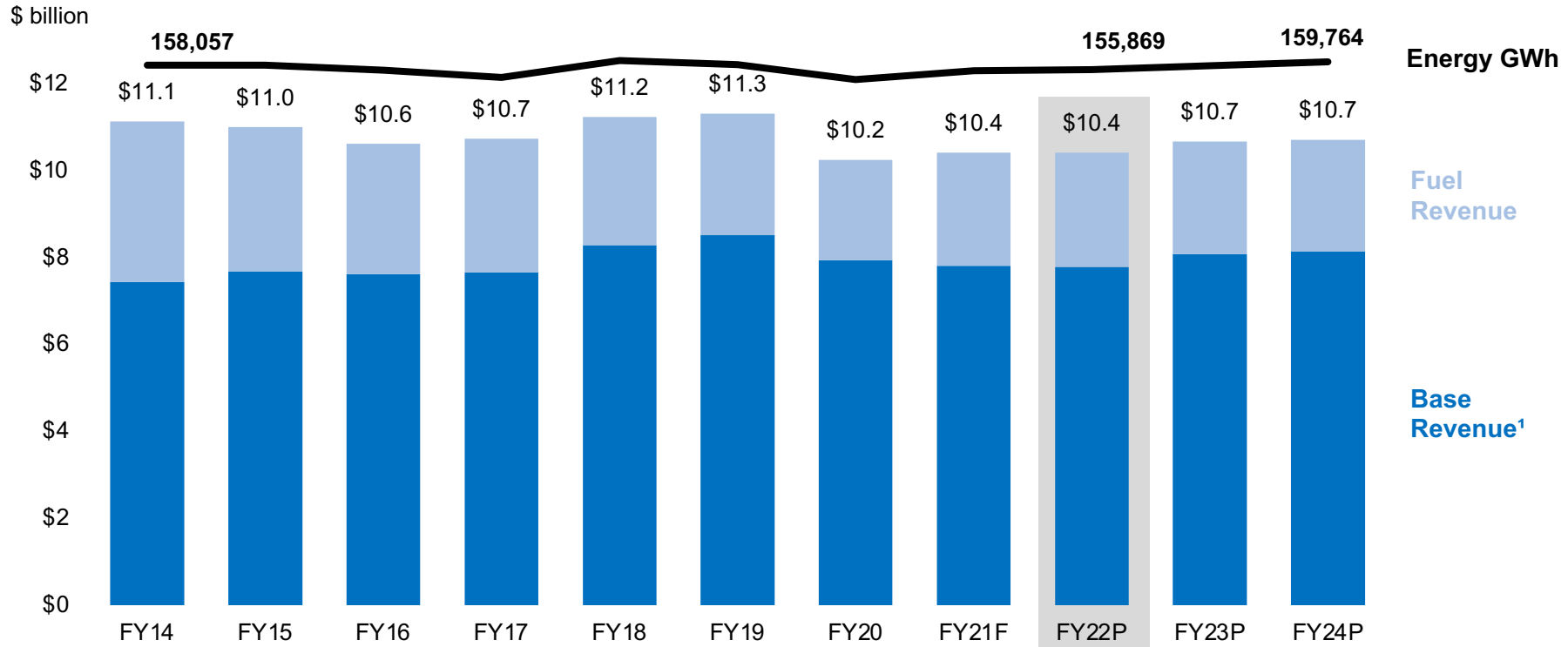


Base Rate	4.44	4.64	4.78	4.81	4.93	5.08	5.28	5.16	4.93	4.91	5.03	5.03
Fuel Rate	2.44	2.34	2.10	1.92	2.03	1.84	1.77	1.53	1.67	1.69	1.64	1.61
Wholesale Rate	6.88	6.98	6.88	6.73	6.96	6.92	7.05	6.69	6.60	6.60	6.67	6.64

Energy and Peak

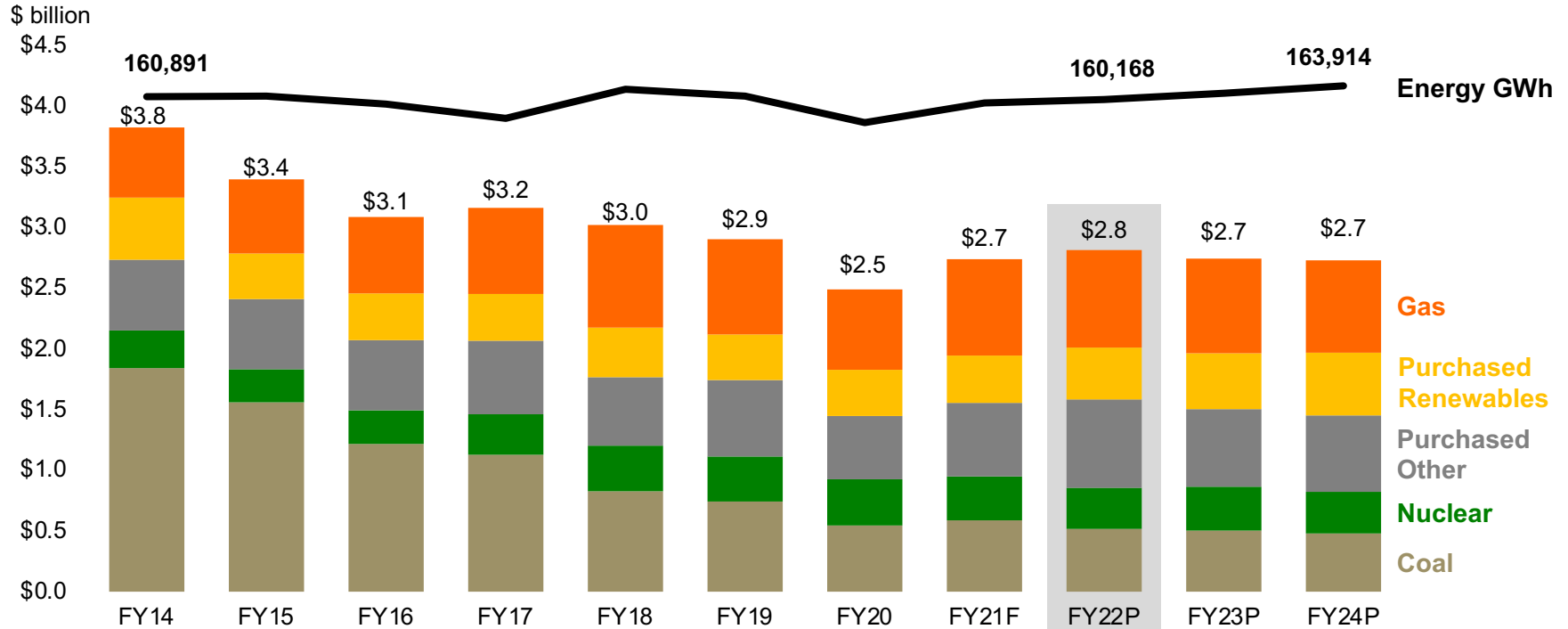


Operating Revenue



¹ Base Revenue includes "Other" revenue

Fuel and Purchased Power



*Totals include FCA deferrals (\$4 million in FY22) and fuel handling costs (\$43 million in FY22) but excludes reagents (\$20 million in FY22)

**FY21F reflects July FCA forecast whereas FY22P-24P represents FY22 Contracting Plan (June FCA)

Generation Mix and Percent Hedged

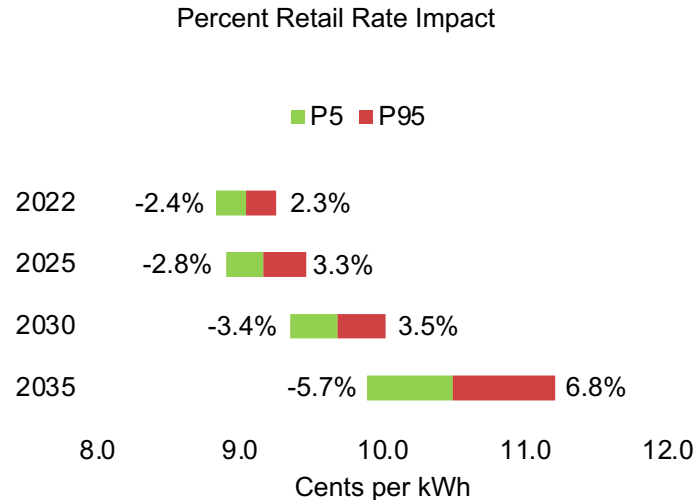
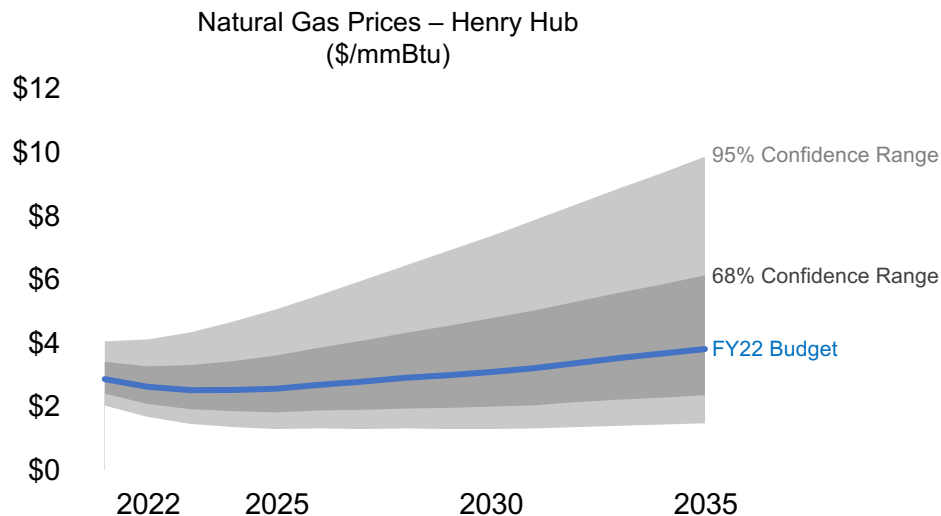
Fuel	FY22P		FY23P		FY24P	
	Generation Mix	Price Hedged	Generation Mix	Price Hedged	Generation Mix	Price Hedged
Natural Gas	23%	26%	23%	8%	23%	1%
Coal	12%	63%	12%	31%	11%	10%
Purchased Power	16%	87%	16%	82%	17%	75%
Nuclear	41%	100%	42%	99%	42%	98%
Hydro	8%	100%	7%	100%	7%	100%
Total/Weighted Average	100%	77%	100%	67%	100%	63%

As Natural Gas becomes a larger portion of the portfolio, the volatility of natural gas prices becomes a greater risk

Natural Gas Prices and Fuel Cost Uncertainty

Fuel cost uncertainty stresses planning assumptions

- Volatility in commodity prices and fixed price percentage of portfolio
- Asset mix and performance assumptions



Note: P5 and P95 denote the 5th and 95th confidence intervals

Purpose and Background

Purpose: Action item. Seek Board approval of the FY22 Commercial Transactions Contracting Plan.

Background: The FY22 Commercial Transactions Contracting Plan is the basis for approving the commercial transactions portion of the annual budget and becomes the foundation for the delegated authority under which the CEO, executives, and staff execute fuel, purchased power, and commercial transaction contracts. The package this year will include funding for the acquisition of options on or interests in real property to support TVA's strategic solar strategy. By approving the Contracting Plan, the Board is also approving an amendment to the definition of Commercial Energy Agreements, Programs, and Related Contracts (in the Board Practice of the same name) to include such options on or interests in real property.

Fuel and Purchased Power Executive Summary

Fuel and purchased power

- Expected 160,168 GWh
- \$2.8 billion fuel and purchased power

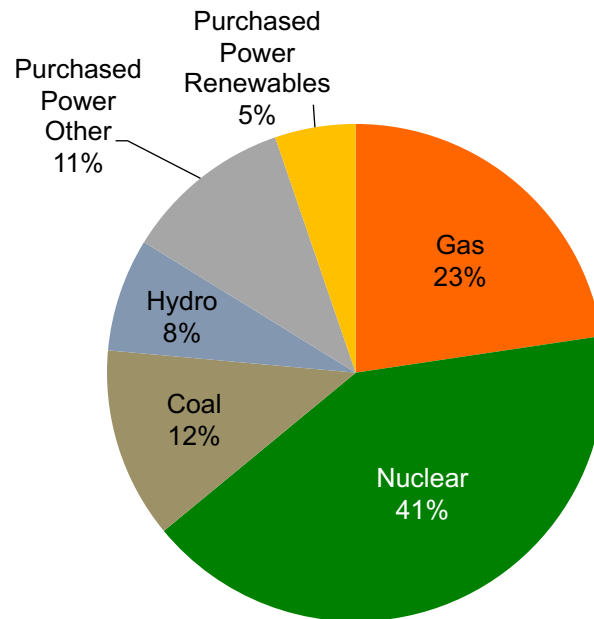
Renewable commercial transactions

- TVA is partnering with customers to meet their long-term sustainability needs
- 1,600 MW delegation in FY22 for green invest and TVA strategic solar contracts

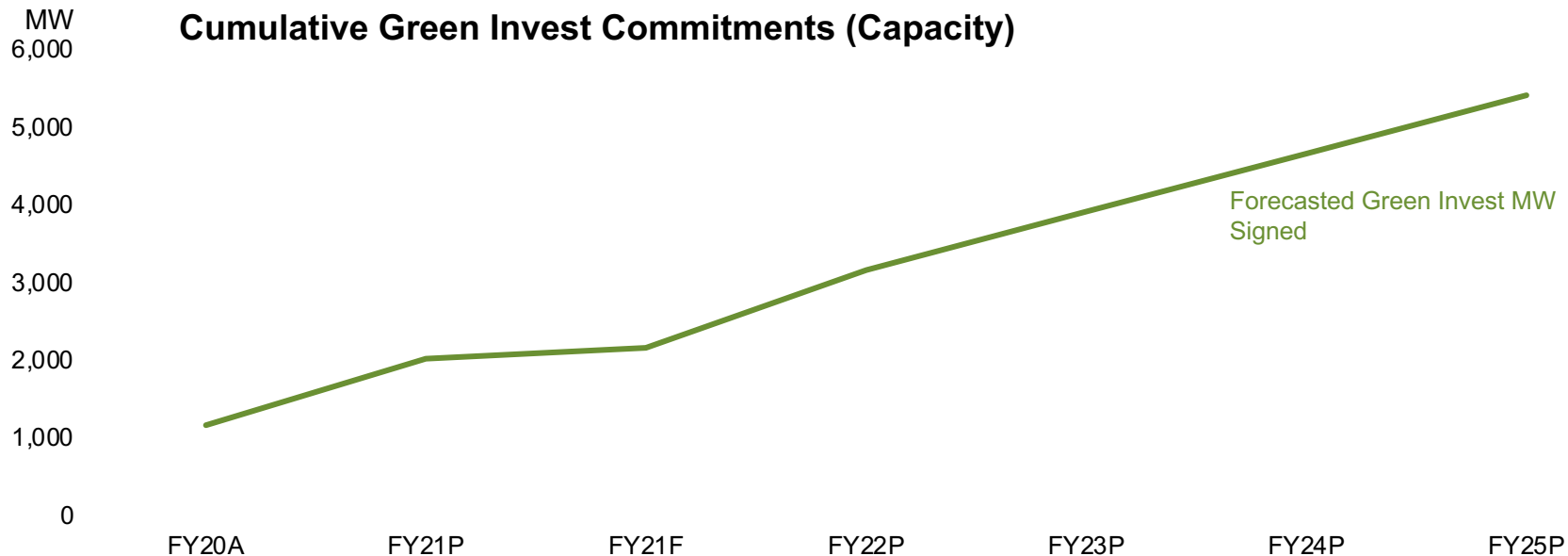
Demand-side management and other activities

- \$96 million demand response
- \$26 million electrification and innovation
- \$29 million energy efficiency
- \$7 million in federal energy services program costs
- Valley partner flexibility of 800 to 2,000 MW

Contracting Plan FY22 Energy
Total Energy 160,168 GWh



Green Invest Portfolio



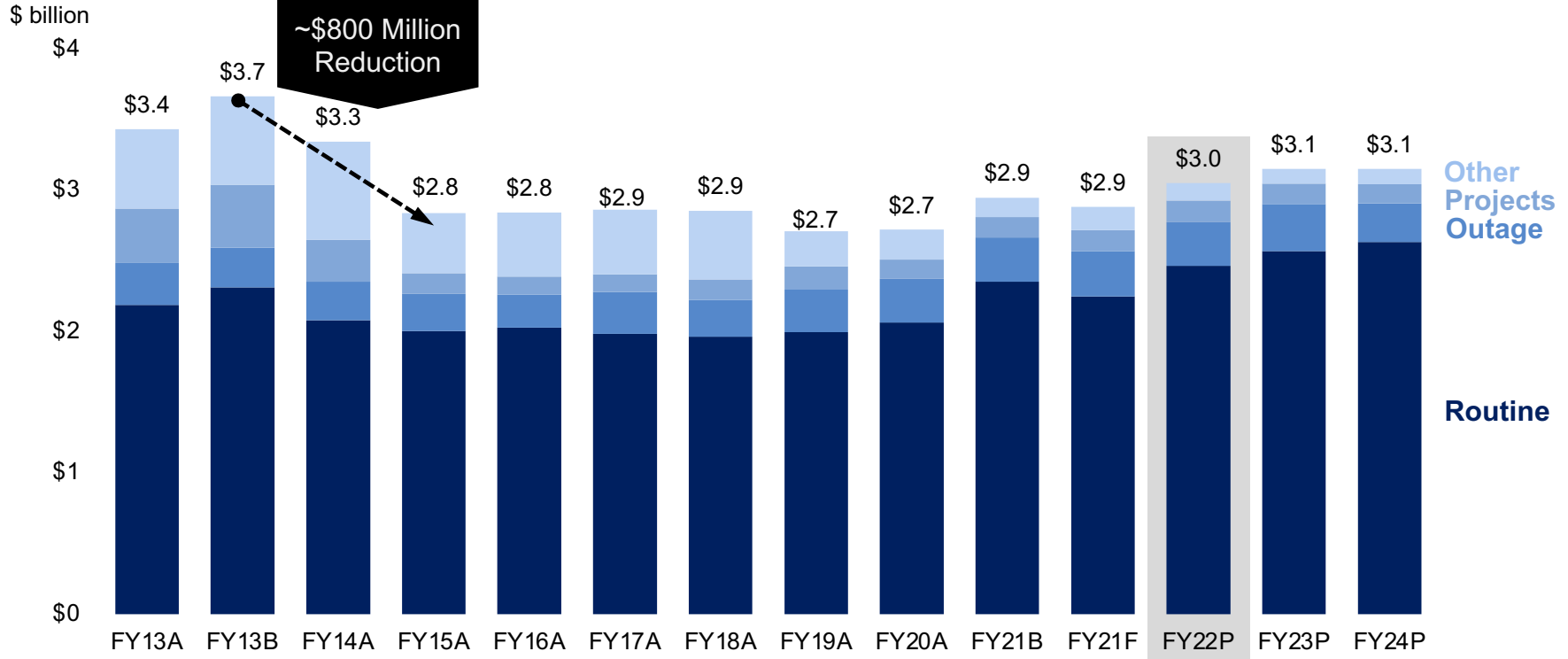
Forecasted to sign 1,000 MW of Green Invest agreements FY22; planned operation by FY25

Commercial Transactions Contracting Plan

Recommend the Board approve the FY22 Commercial Transactions Contracting Plan and delegations of authority from the Board to the CEO to enter into

1. forward capacity agreements with delivery terms of up to 20 years, limited to 2,000 MWac in the aggregate; and
2. to enter into contractual arrangements to purchase and sell renewable energy and renewable energy certificates in quantities sufficient to meet the needs of LPC-served and TVA directly-served customers up to 1,600 MWac

O&M Expense

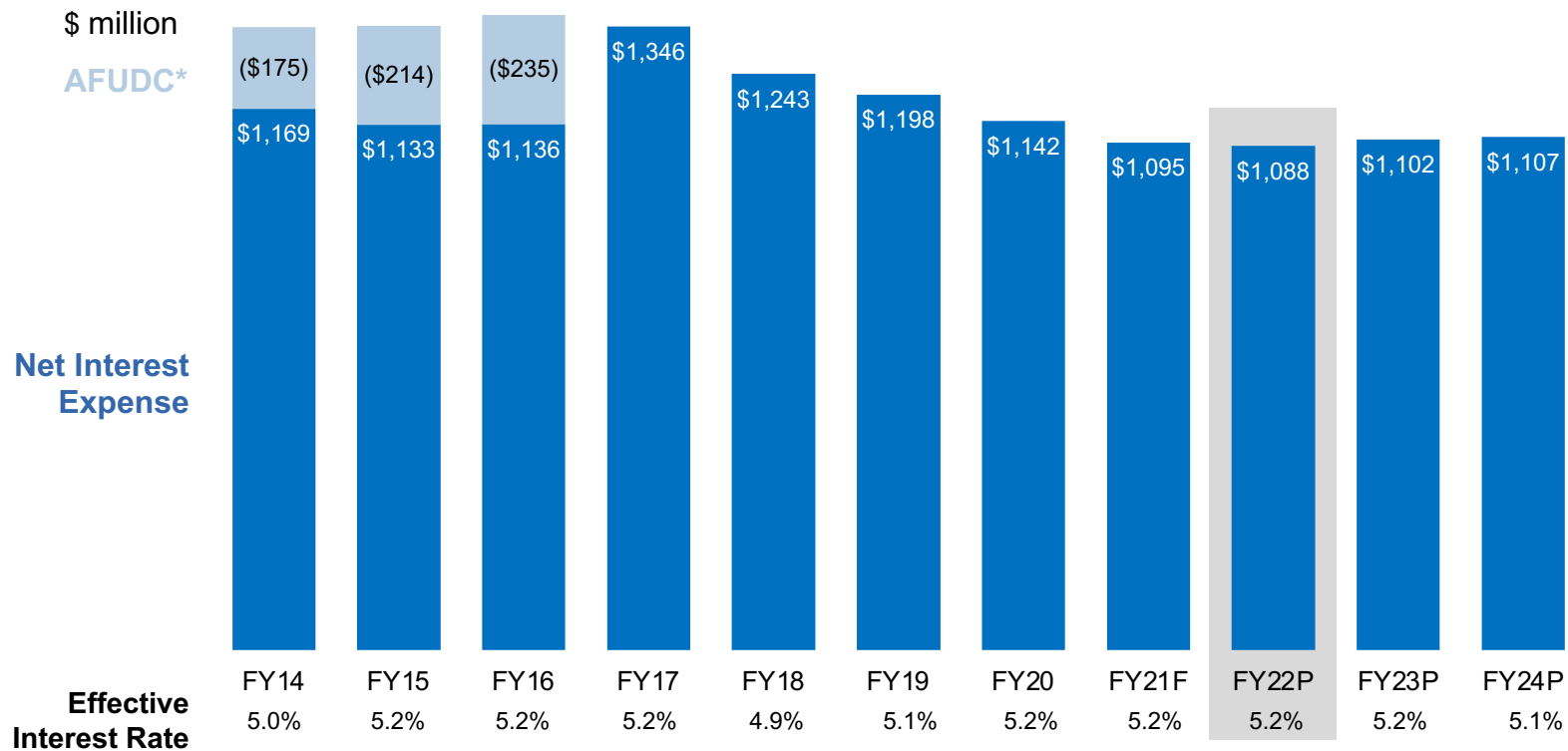


Excludes FY17 and FY19 unusual items – Discretionary pension contribution, Bull Run and Paradise write-offs, and Kingston Regulatory Asset amortization

Tax Equivalents by State

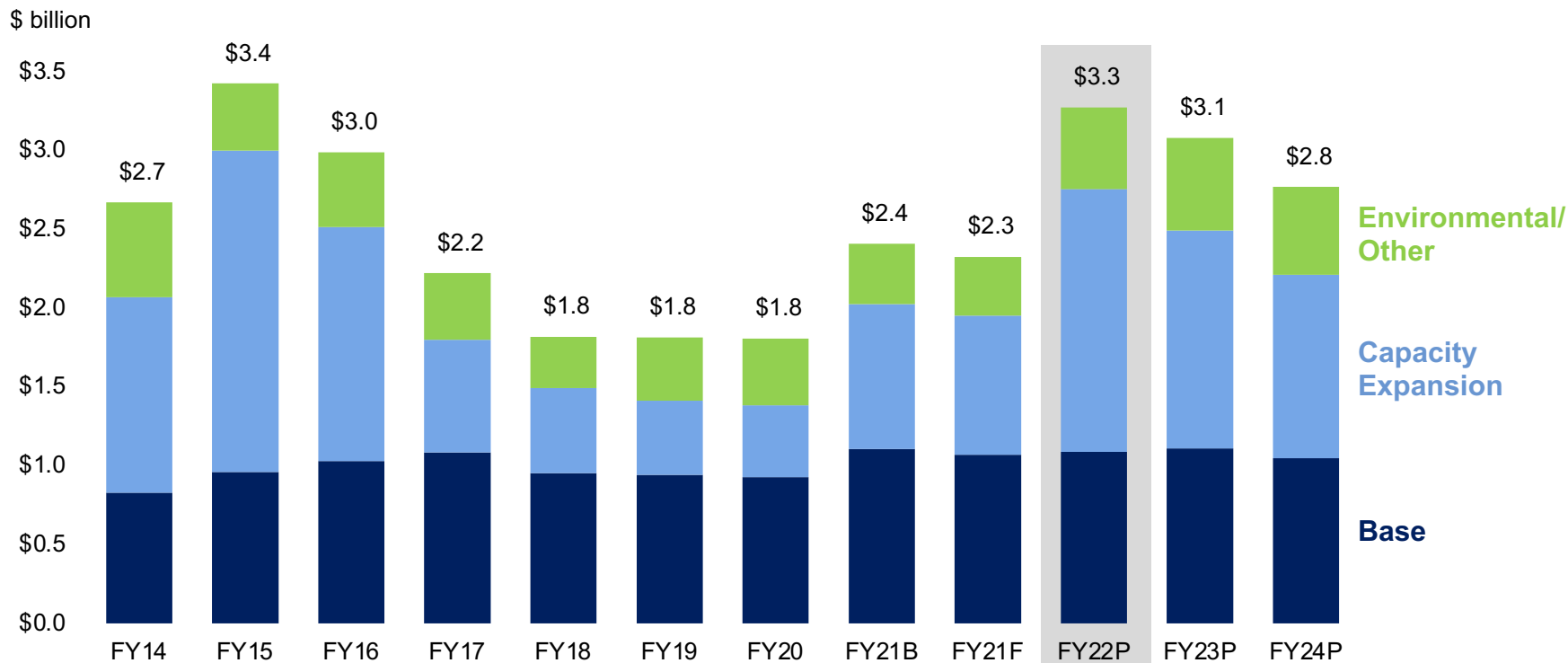
\$ million	FY20 Final	FY21 Final	Delta
Tennessee	\$373	\$340	\$ (33)
Alabama	88	79	(9)
Mississippi	43	38	(5)
Kentucky	34	30	(4)
Georgia	9	8	(1)
North Carolina	3	3	-
Virginia	1	1	-
Illinois	1	1	-
Total Payments	\$552	\$500	\$ (52)
Fuel Cost Adjustment	(24)	6	30
Total Expense	\$528	\$506	\$ (22)

Interest Expense



*AFUDC: "Allowance for Funds Used During Construction" related to the cost of borrowed funds for new builds that is capitalized

Capital Expenditures



Base Capital

\$ million

\$1,200

\$1,000

\$800

\$600

\$400

\$200

\$0

FY14

FY15

FY16

FY17

FY18

FY19

FY20

FY21F

FY22P

FY23P

FY24P

Corporate
Transmission

Nuclear

Power and
Other Operations

Power and Other
Operations

Nuclear

Transmission

Corporate

Base Capital

\$ 324

\$ 312

\$ 368

\$ 489

\$ 389

\$ 424

\$ 429

\$ 499

\$ 506

\$ 524

\$ 497

234

288

323

311

324

281

283

372

337

327

314

130

186

205

202

171

180

180

164

170

178

180

141

174

134

84

68

58

34

37

76

81

57

\$ 829

\$ 960

\$ 1,030

\$ 1,086

\$ 952

\$ 943

\$ 926

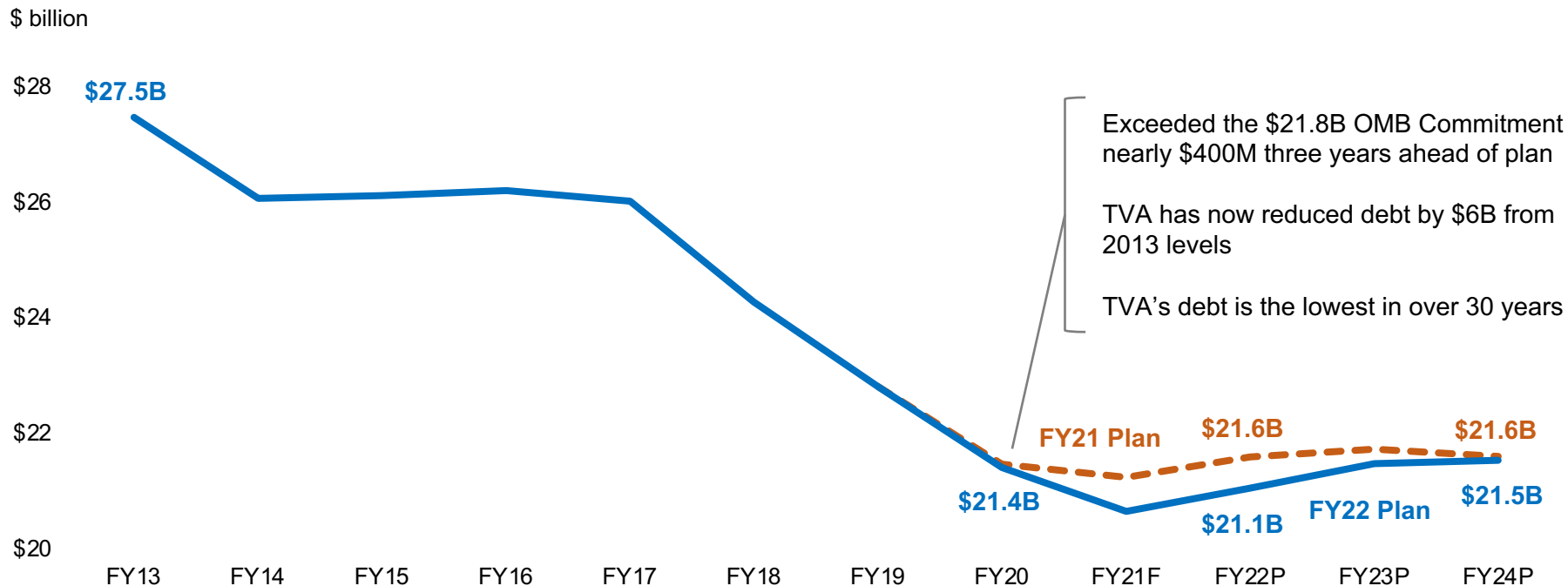
\$ 1,072

\$ 1,089

\$ 1,110

\$ 1,048

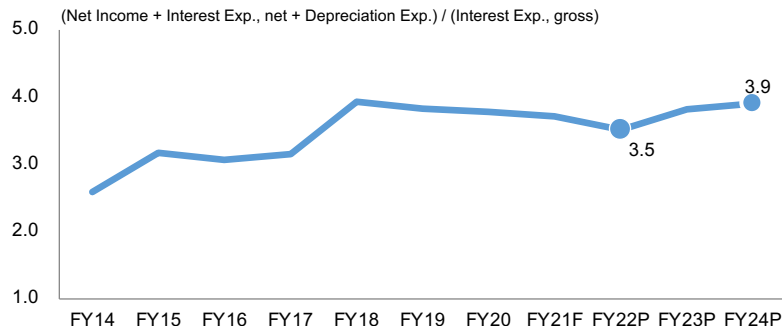
Total Financing Obligations



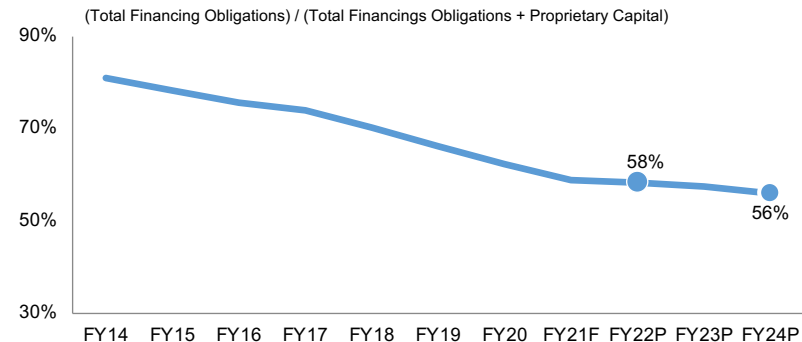
Includes 142 current partners as of 05/31/2021

Financial Health Ratios

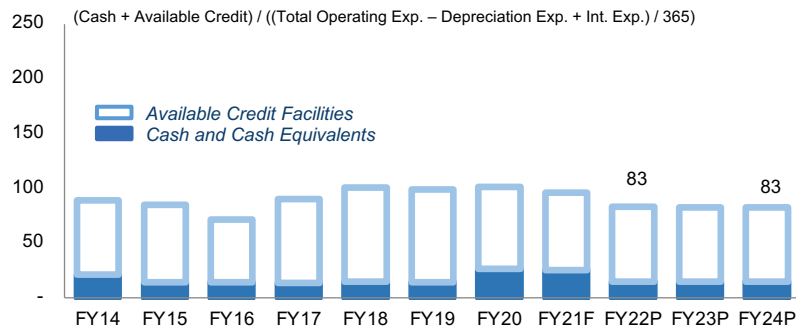
Interest Coverage ↑ Good



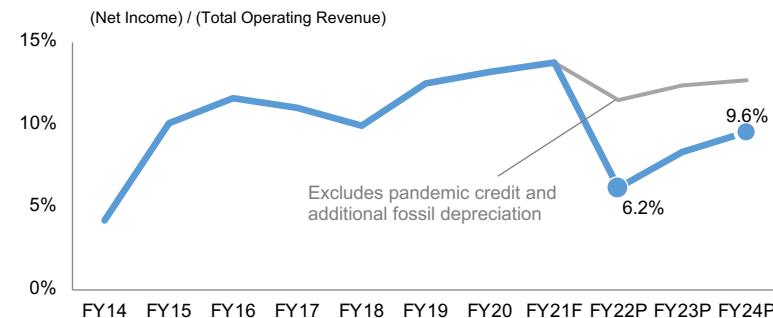
Debt to Total Capital ↓ Good



Days Liquidity Ratio ↑ Good



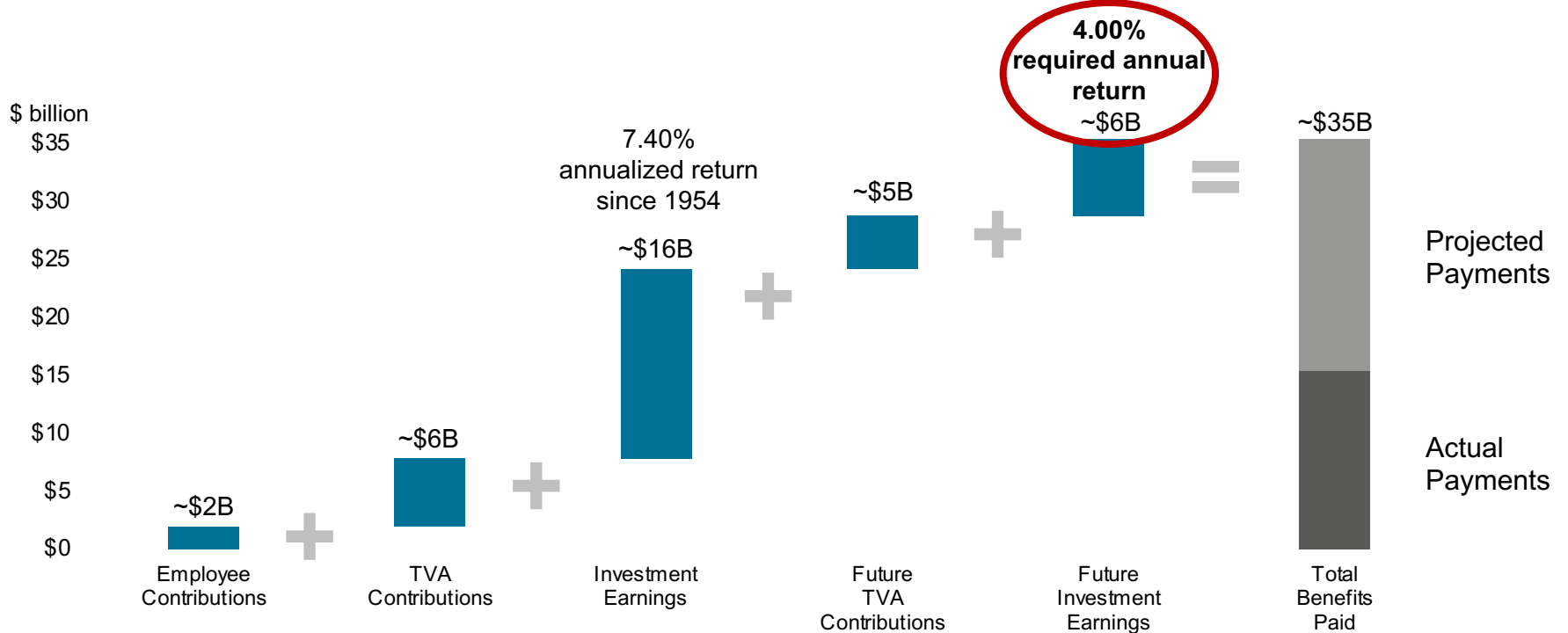
Return on Sales Ratio ↑ Good



Note: The \$500 million one-time, discretionary contribution to the pension in FY17 has been excluded from all income statement ratio components

Retirement System Performance

With current assets and TVA contributions, historical return levels are not required to meet remaining projected payments.



Actuals results reflected through 05/31/2021

Revenue Requirements

\$ million	FY21B	FY21F	FY22P	FY23P	FY24P
Base Revenues	7,627	7,883	7,879	7,946	8,007
Fuel Revenues	2,401	2,601	2,629	2,594	2,565
Rate Action Revenues	-	-	-	-	-
Pandemic Relief Credit	(209)	(214)	(220)	-	-
Total Electric Revenues	\$ 9,819	\$ 10,270	\$ 10,288	\$ 10,540	\$ 10,572
Fuel	2,557	2,736	2,815	2,745	2,731
Operating and Maintenance	2,946	2,881	3,049	3,149	3,149
Base Capital	1,108	1,072	1,089	1,110	1,048
Interest	1,100	1,095	1,088	1,102	1,107
Tax Equivalents	504	506	514	512	525
Other	275	(33)	149	376	350
Total Operational Spend	\$ 8,490	\$ 8,257	\$ 8,704	\$ 8,994	\$ 8,910
Funds Available for Debt Paydown	\$ 1,329	\$ 2,013	\$ 1,584	\$ 1,546	\$ 1,662
Strategic Capital	1,303	1,253	2,187	1,971	1,721
Change in Cash	(200)	-	(200)	-	-
Debt Paydown	(1,329)	(2,013)	(1,584)	(1,546)	(1,662)
Change in TFO*	\$ (226)	\$ (760)	\$ 403	\$ 425	\$ 59
Ending TFO Balance	\$ 21,249	\$ 20,660	\$ 21,063	\$ 21,488	\$ 21,547

*TFO includes statutory and other debt issuances

Summary Income Statement

\$ million	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21B	FY21F	FY22P	FY23P	FY24P
Operating Revenue	\$ 11,137	\$ 11,003	\$ 10,616	\$ 10,739	\$ 11,233	\$ 11,318	\$ 10,249	\$ 9,962	\$ 10,415	\$ 10,421	\$ 10,674	\$ 10,709
Fuel and Purchased Power	3,824	3,394	3,090	3,160	3,022	2,903	2,464	2,557	2,736	2,815	2,745	2,731
Operating and Maintenance	3,341	2,838	2,842	3,362	2,854	3,090	2,720	2,946	2,881	3,049	3,149	3,149
Depreciation and Amortization	1,843	2,031	1,836	1,717	2,527	1,973	1,826	1,600	1,540	2,097	2,216	2,193
Taxes	540	525	522	525	518	541	528	504	506	514	512	525
Operating Expenses	9,548	8,788	8,290	8,764	8,921	8,507	7,538	7,607	7,663	8,475	8,622	8,598
Operating Income	1,589	2,215	2,326	1,975	2,312	2,811	2,711	2,355	2,752	1,946	2,052	2,111
Other Income / (Expense)	49	29	43	56	50	62	36	19	36	24	19	17
Other Net Periodic Benefit Cost						(258)	(253)	(264)	(258)	(237)	(77)	3
Interest Expense	1,344	1,347	1,371	1,346	1,243	1,198	1,142	1,100	1,095	1,088	1,102	1,107
AFUDC Borrowed Funds	(175)	(214)	(235)	-	-	-	-	-	-	-	-	-
Net Interest Expense	1,169	1,133	1,136	1,346	1,243	1,198	1,142	1,100	1,095	1,088	1,102	1,107
Net Income	\$ 469	\$ 1,111	\$ 1,233	\$ 685	\$ 1,119	\$ 1,417	\$ 1,352	\$ 1,010	\$ 1,435	\$ 645	\$ 892	\$ 1,024

Summary Cash Flow Statement

\$ million	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21B	FY21F	FY22P	FY23P	FY24P
Cash Flows from Operating Activities	\$ 2,980	\$ 3,315	\$ 3,042	\$ 2,736	\$ 3,955	\$ 3,720	\$ 3,636	\$ 2,707	\$ 3,252	\$ 2,643	\$ 2,636	\$ 2,633
Cash Flows from Investing Activities	(2,756)	(3,585)	(3,113)	(2,536)	(2,269)	(2,243)	(2,015)	(2,649)	(2,440)	(3,165)	(2,980)	(2,613)
Cash Flows from Financing Activities	(1,326)	70	71	(200)	(1,687)	(1,477)	(1,422)	(258)	(812)	322	344	(20)
Net Change in Cash	(1,102)	(200)	-	-	(1)	-	199	(200)	-	(200)	-	-
Beginning Cash Balance	1,602	500	300	300	300	299	299	500	500	500	300	300
Balance Excluding Restricted Cash	500	300	300	300	299	299	500	300	500	300	300	300
Restricted Cash Balance	31	26	10	11	23	23	21	22	19	19	19	19
Ending Total Cash Balance	\$ 531	\$ 326	\$ 310	\$ 311	\$ 322	\$ 322	\$ 521	\$ 322	\$ 519	\$ 319	\$ 319	\$ 319

Summary Balance Sheet

\$ million	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21B	FY21F	FY22P	FY23P	FY24P
Assets:												
Current Assets	\$ 3,788	\$ 3,506	\$ 3,644	\$ 3,446	\$ 3,417	\$ 3,278	\$ 3,246	\$ 3,062	\$ 3,299	\$ 3,088	\$ 3,164	\$ 3,191
Property, Plant and Equipment	30,350	32,407	34,043	34,947	35,414	35,133	35,579	35,745	36,353	37,211	37,617	37,800
Investments	1,981	2,011	2,257	2,603	2,862	2,968	3,198	3,248	3,835	4,004	4,182	4,354
Regulatory and Other Long-Term Assets	9,477	10,821	10,550	9,021	6,974	9,088	10,802	10,334	8,022	7,592	7,297	7,047
Total Assets	45,596	48,745	50,494	50,017	48,667	50,467	52,825	52,389	51,509	51,895	52,260	52,392
Liabilities and Capitalization:												
Short-Term Debt	596	1,034	1,407	1,998	1,216	922	57	986	397	900	1,395	1,367
Current Maturities of Long-Term Debt	1,032	32	1,555	1,728	1,032	1,030	1,787	1,028	1,028	29	1,022	1,022
Other Current Liabilities	2,821	2,869	2,900	2,675	2,606	2,360	2,867	2,679	2,921	2,960	2,877	2,831
Other Liabilities	11,816	13,757	14,064	13,045	12,223	14,347	16,178	15,002	13,815	13,092	12,229	11,483
Long Term Debt	23,227	23,850	22,148	21,438	21,307	20,183	19,004	18,924	18,972	19,896	18,831	18,765
Total Liabilities	39,492	41,542	42,074	40,884	38,384	38,842	39,893	38,619	37,133	36,877	36,354	35,468
Proprietary Capital	6,104	7,203	8,420	9,133	10,283	11,625	12,932	13,770	14,376	15,018	15,906	16,924
Total Liabilities and Proprietary Capital	\$ 45,596	\$ 48,745	\$ 50,494	\$ 50,017	\$ 48,667	\$ 50,467	\$ 52,825	\$ 52,389	\$ 51,509	\$ 51,895	\$ 52,260	\$ 52,392

Meeting Financial Objectives

FY30 Strategic Financial Plan remains on track

Lower effective rates based on strong financial performance

Stronger public power model with 144 LPC partners

Approximately \$220 million of performance-related savings to be returned to customers in FY22

Debt remains stable and below \$21.8 billion through FY24

Opportunity to advance the public power model

Recommendation

Recommend the Board approve the FY22 Budget and following related items:

- FY22 Commercial Transactions Contracting Plan
- Financing Shelf for up to \$2.0 billion of long-term bonds and associated resolutions
- Final FY21 tax equivalent payments to the states and counties
- Estimated FY22 tax equivalent payments to the states and counties
- Contribution to the Retirement System
- Projects over \$50 million
- Acquisition of Land Rights
- Regulatory Accounting
- Dodd-Frank End-User Exemption
- Retention of the entire margin of net power proceeds remaining at the conclusion of FY22

Finance, Rates, and Portfolio Committee

A.D. Frazier, Chair

People and Performance Committee

Kenny Allen, Chair

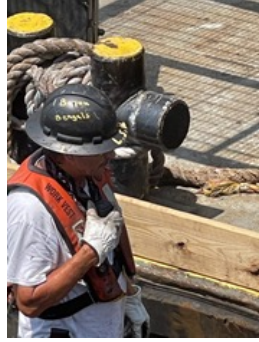
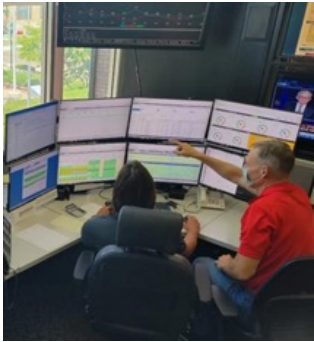
2021 Summer Peak

Don Moul,
Executive Vice President
and Chief Operating Officer

August 18, 2021

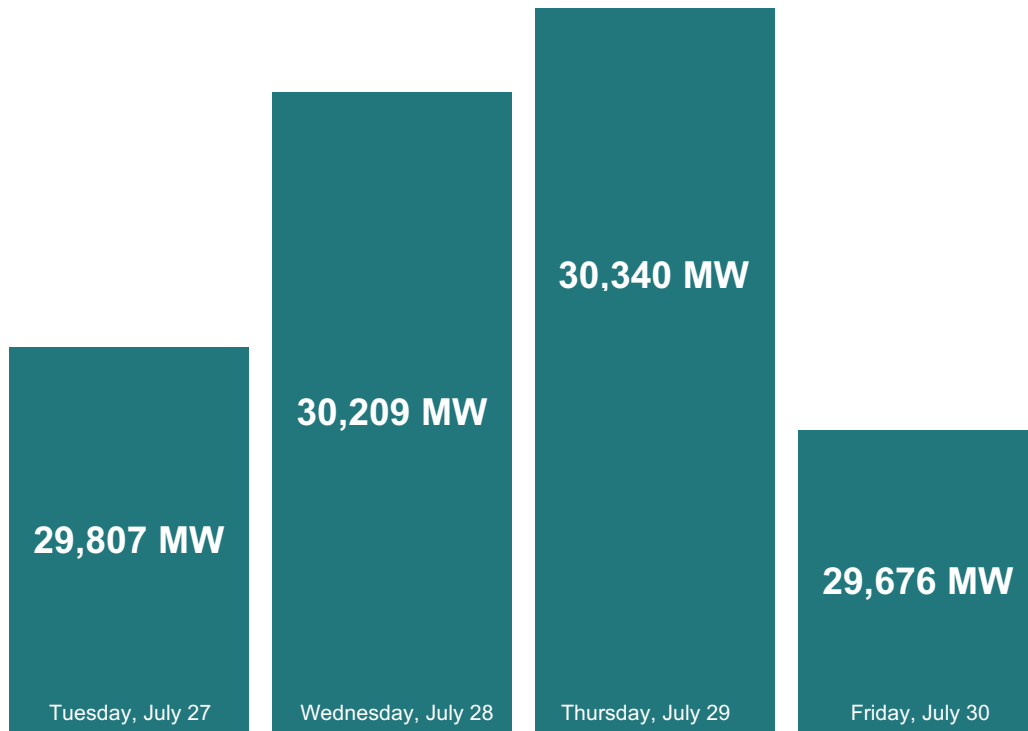
Summer Peak 2021 Overview

**TVA's investments in reliability
and commitment to a diverse portfolio
gave our team the tools needed to meet
customer needs during a high demand period in July.**



2021 Summer Peak Overview

- Highest summer peak since 2012
- First time since 2018 that loads were greater than 30,000 megawatts (MW)
- First time since 2017 that loads were greater than 29,000 MW for four consecutive days



Key to Meeting Demands







- Talented, dedicated workforce
- Customer partnerships and support
- Diverse generation portfolio
- Strong asset performance
- Reliable transmission
- Frequent communications with stakeholders



Heat Wave Alert

July 28 – 30 from 2 pm – 5 pm

TVA

 <p>Unplug electronics when not in use</p>	 <p>Set the thermostat 75° or higher if possible</p>	 <p>Use major appliances early in the morning or late at night</p>
 <p>Keep blinds and curtains closed on the sunny side of your home</p>	 <p>Use ceiling and floor fans to keep air moving in your home</p>	 <p>Fire up the grill. Use your grill outside for cooking rather than indoor kitchen appliances</p>

Going Forward

- **Evaluate performance to identify future potential improvements**
- **Continue executing the asset strategy in alignment with our robust integrated resource planning process**
- **Ensure we retain the generation and fuel diversity that gives TVA a competitive advantage and delivers on its Mission**
- **Continue to engage customers and stakeholders as we make decisions to support TVA's future success**



#ReliabilityMatters

People and Performance Committee

Kenny Allen, Chair

Audit, Risk, and Regulation Committee

Bill Kilbride, Chair

Nuclear Oversight Committee

Jeff Smith, Chair

External Relations Committee

Beth Harwell, Chair

Board Public Listening Session

Wilson Taylor
Vice President,
People First Solution Center

August 18, 2021

Overview

The TVA Board welcomes input to TVA

TVA has several opportunities for the public to offer input:

- Board Listening Sessions
- TVABoard.gov
- board@tva.gov
- Regional Resource Stewardship Council (RRSC)
- Regional Energy Resource Council (RERC)
- Public Land Information Line (PLIC)
- Complaint Resolution Hotline
- Social Media
- TVA Ombudsman
- NEPA Process

Listening Session Changes

Prior to March 2020

May 2020 – August 2021

In-person comments

- Public comments to the Board on the day before the Board Meeting

Written comments

- Due to COVID-19 restrictions, public comments were submitted electronically
- Comments reviewed by the Board prior to the Board Meeting
- Board Chair summarized public input at the Board Meeting; staff address comments as appropriate

Beginning in FY22, TVA Board Listening Sessions will both:

- ***Resume in-person*** sessions as soon as public and employee health can be assured following CDC COVID guidance and
- ***Continue written comment*** opportunity
 - Open for comments week prior to every Board meeting

External Relations Committee

Beth Harwell, Chair



TENNESSEE
VALLEY
AUTHORITY

Board Meeting

August 18, 2021
Knoxville, Tennessee







TENNESSEE
VALLEY
AUTHORITY

Board Meeting

August 18, 2021
Knoxville, Tennessee



Committee Membership

Audit, Finance, Risk, and Cybersecurity Committee

A.D. Frazier, Chair
Beth Harwell
Bill Kilbride

External Stakeholders and Regulation Committee

Beth Harwell, Chair
John Ryder
Jeff Smith

Operations and Nuclear Oversight Committee

Jeff Smith, Chair
Kenny Allen
Brian Noland

People and Governance Committee

Kenny Allen, Chair
A.D. Frazier
Brian Noland



TENNESSEE
VALLEY
AUTHORITY

Board Meeting

August 18, 2021
Knoxville, Tennessee



President's Report

Jeff Lyash
President and CEO

August 18, 2021

Power Demand

Thursday, July 29, 2021



30,340 Megawatts

Highest summer peak since 2012

Four days this summer with
peak demand above 30,000 MW




Public Awareness







**Tennessee Valley Authority** 
Published by Hootsuite · July 28 at 10:02 AM ·

#HeatWave Alert:
It's a scorcher! From Memphis to Bristol, heat indices are exceeding 100 degrees through Friday.
We plan for extreme weather, and we are working around the clock, along with your local power company, to keep your power reliable. Still, we need you to join us in reducing electricity during the hottest parts of the day, between 2 pm - 5 pm, as the #HeatWave drives up energy demand.
Save Energy, Save Money Tips: <http://tva.me/sSsN50FESnq>

Heat Wave Alert

July 28 – 30 from 2 pm – 5 pm



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 Keep blinds and curtains closed on the sunny side of your home	 Use ceiling and floor fans to keep air moving in your home	 Fire up the grill. Use your grill outside for cooking rather than indoor kitchen appliances

Social Media Posts

Press Briefings

Customer Communications

Pandemic Credits

FY21

2.5% Pandemic Relief Credit

On Monthly Wholesale Bills

\$200 million back into Valley communities

Pandemic Credits

FY22

2.5% Pandemic Recovery Credit

On Monthly Wholesale Bills

\$220 million back into Valley communities

COVID-19 Response

FY21 Pandemic Relief Credit

\$200 Million

2.5% Rate Credit

FY22 Pandemic Recovery Credit

\$220 Million

2.5% Rate Credit

\$13 Million

In Back-to-Business Credits

\$12 Million

Community Care Fund

Long-Term Partners

3.1% Bill Credit

Long-Term Partners

144 LPCs

Nearly 95% of LPCs

20-Year Commitment

To Plan and Work Together

Multiple Benefits Including

Self Generation 3.1% Bill Credit

Public Power A Strategic Advantage

First 3 Quarters of FY 21

Attracted or retained

65,000 Jobs

and over

\$7.8 Billion

in capital investment



Four Dimensions of Value




Reliability

Resiliency

Environmental Performance

Cost



Solar Generation Expansion

Targeting

10,000 MW

by 2035

Carbon Reduction Leadership

TVA is a national leader in carbon reduction

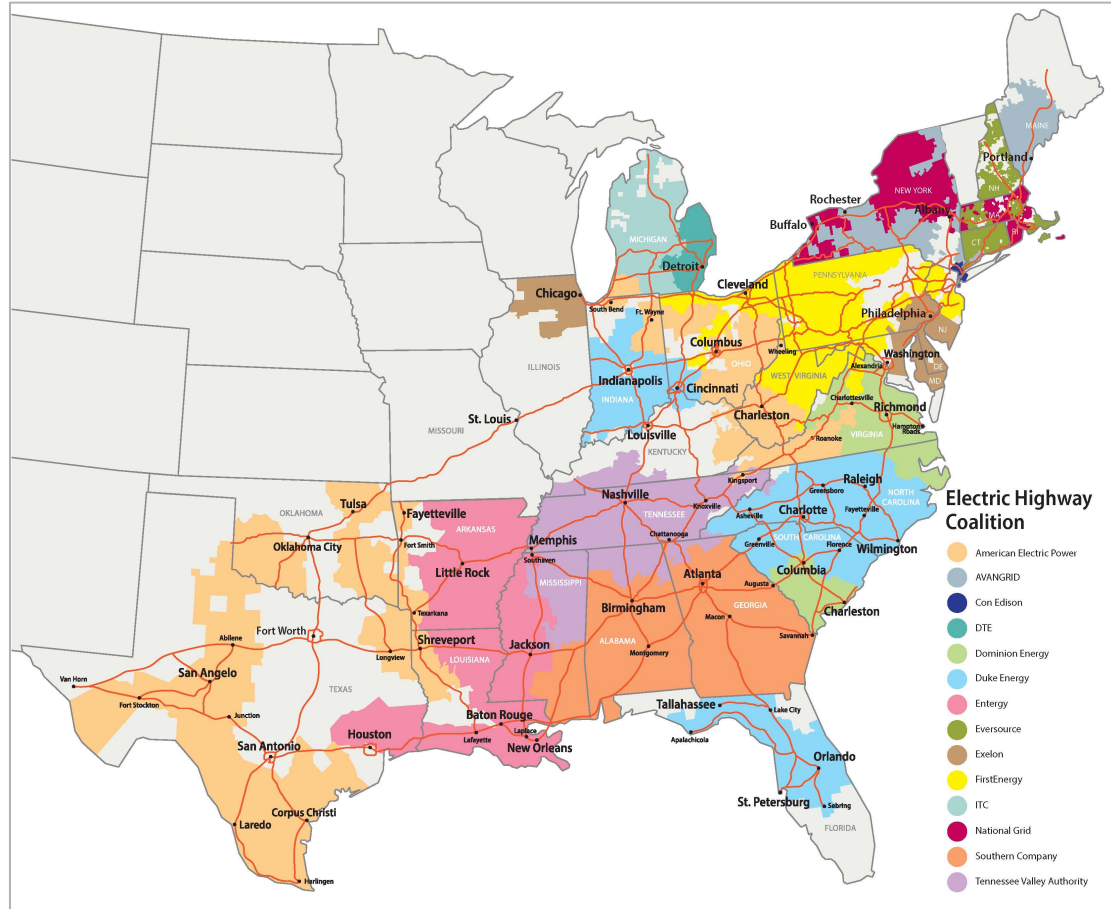
63%
Accomplished

70%
Plan by 2030

~80%
Path by 2035

Net-Zero
Aspiration by 2050

Electric Highway Coalition



Electric Vehicles

We will be bringing more EVs into our own vehicle fleet – almost 1,200 light- and medium-duty vehicles this decade



Four Dimensions of Value



Reliability

Resiliency

Environmental Performance

Cost

President's Report

Jeff Lyash
President and CEO

August 18, 2021



TENNESSEE
VALLEY
AUTHORITY

Board Meeting

August 18, 2021
Knoxville, Tennessee





TENNESSEE
VALLEY
AUTHORITY

Strategic Priorities



People Advantage

Working to be the destination for those who want to make a difference in our service to others.



Operational Excellence

Building on TVA's best-in-class reputation and performance.



Financial Strength

Carrying out TVA's mission of service today and investing in future.



Powerful Partnerships

Working hand-in-hand with customers, communities, stakeholders; promoting progress through shared success.



Igniting Innovation

Developing innovative solutions; building energy system of the future.

Core Values



Safety

Uncompromising in our commitment to safety and well-being of employees and those we serve.



Integrity

Straightforward and transparent; doing what we say.



Inclusion

Key to TVA's success in the long-term, with every individual valued every day.



Service

Central to all we do; drives team to pursue new ideas and innovative solutions.