

BOARD RESOLUTION
(2026 Integrated Resource Plan)

WHEREAS TVA issued an Integrated Resource Plan ("IRP") and supporting Environmental Impact Statement ("EIS"), in 2019; and

WHEREAS the 2019 IRP provided TVA the strategic direction to make energy resource decisions over a 20-year period; and

WHEREAS TVA initiated the IRP process in 2023 due to changes in key signposts, such as increased demand for electricity driven by residential in-migration to the TVA region, increased economic development, stakeholder expectations, changing regulatory requirements, and changing operating costs for existing and emerging resource options; and

WHEREAS in updating the IRP, TVA again voluntarily used a comprehensive planning process, in addition to the legally required process, including multiple opportunities for public review and comment; and

WHEREAS important components of the public involvement process included review by and recommendations from TVA's Regional Energy Resource Council ("RERC") and frequent interaction with members of an IRP working group, consisting of over 20 members, and their delegates, representing TVA local power companies and direct served customers, research and academia, energy and environment non-governmental organizations, government, and community and economic development leaders ("IRP Working Group"), to obtain input throughout the planning process; and

WHEREAS in accordance with the requirements in Section 113 of the Energy Policy Act of 1992, TVA employs a planning process that evaluates resource options to provide adequate and reliable service at the lowest "system cost," as defined in Section 113; and

WHEREAS TVA used an integrated, least-cost system planning process that considered necessary features for system operation, including diversity, reliability, dispatchability, and other factors of risk; the ability to verify energy savings achieved through energy conservation and efficiency; and demand and supply resources on a consistent and integrated basis; and

WHEREAS to support the 2026 IRP, TVA prepared an [EIS](#) to analyze potential environmental impacts (at the programmatic level) of the various scenarios and strategies considered in the 2026 IRP, which has been reviewed and considered by the Board, and identifies the preferred alternative as the (1) 2026 IRP power supply mix ranges through 2040 and 2050, (2) strategic portfolio direction, and (3) key signposts to monitor and their associated implications; and

WHEREAS Section 2(g)(1) of the TVA Act states that the Board shall establish the broad goals, objectives, and policies of TVA, and shall develop long-range plans to guide TVA and assist the Chief Executive Officer in achieving those goals, objectives, and policies; and

WHEREAS as set out in the attached memorandum to the Board, dated July 20, 2026, the Executive Vice President and Chief Financial Officer believes the recommended planning direction in the IRP is in the best interest of TVA and the public it serves;

BE IT RESOLVED, That the Board expresses its sincere appreciation for the hard work of the members of the IRP Working Group during the planning process and engagement and advice statement from the RERC;

RESOLVED further, That the Board finds the 2026 IRP planning process is in accordance with the requirements of Section 113 of the Energy Policy Act of 1992, and that TVA used a multi-factor, least-cost system planning process to guide the selection of future energy resources;

RESOLVED further, That the Board affirms the merits of a diverse energy resource portfolio and of maintaining the flexibility to make energy resource decisions consistent with least-cost planning, and the Board approves the recommendations in Volume 1, Chapter 4 of the 2026 IRP, which include the (1) power supply mix ranges through 2040 and 2050; (2) strategic portfolio direction; and (3) key signposts to monitor and their associated implications;

RESOLVED further, That the Board directs TVA to monitor future developments that would serve as signposts to guide actions within the applicable resource ranges of the 2026 IRP, including those that relate to changing market conditions, evolving policy and regulations, and emerging technologies; and

RESOLVED further, That no action taken by the Board herein commits TVA to any individual resource decisions or projects because such decisions are subject to future Board consideration or approval as required by TVA policies, procedures, and budgeting requirements and then-current circumstances, technology, and expectations, and applicable environmental reviews;

**Approved by TVA Board of
Directors**

August 20, 2026

ECM

ASSISTANT SECRETARY

July 20, 2026
Finance

TVA Board of Directors

SUBJECT

The Executive Vice President and Chief Financial Officer, Finance, requests that the Board approve the recommendations set forth in Volume 1, Chapter 4 of the 2026 Integrated Resource Plan ("IRP").

BACKGROUND

TVA has completed its 2026 IRP and supporting Environmental Impact Statement ("EIS"). This replaces the 2019 IRP that was approved by the Board in August 2019. TVA decided to begin the planning process in 2023 due to changes in key signposts, such as increased demand for electricity driven by residential in-migration to the TVA region, increased economic development, stakeholder expectations, changing regulatory requirements, and changing operating costs for existing and emerging resource options. In May 2023, TVA initiated the IRP and EIS process through a public request for comments on the scope of the EIS.

The 2019 IRP provided TVA the direction to make energy resource decisions over the next 20 years in a dynamic, ever-changing regulatory and economic environment. Consistent with that IRP, the 2026 IRP confirms the value of a diverse portfolio of energy resources in helping to reduce operational risks and providing the flexibility to align TVA's resource portfolio and decision-making with future developments. The 2026 IRP evaluated the long-term demand for power in the TVA region, the resource options available for meeting that demand, and the potential environmental, economic, and operating impacts of those options. To meet demand, TVA must have a system that is flexible, resilient, and diverse. Having a long-range resource plan enables TVA to make better decisions in order to continue to provide affordable, reliable and resilient energy in the future.

Section 113 of the Energy Policy Act of 1992 ("Section 113"), codified with the TVA Act, requires TVA to employ a least-cost system planning process for the selection of energy resources. TVA's IRP meets that requirement. TVA used an integrated, least-cost system planning process that takes into account the features identified in Section 113 for the purpose of providing adequate and reliable service to TVA's electric customers at the lowest "system cost," as that term is defined in Section 113. Those features include the demand for electricity, resource diversity, system reliability, dispatchability, costs, risks, and environmental compliance. TVA's goal is to identify an energy resource plan that performs well under a variety of future conditions, thereby improving the likelihood that TVA's plan will provide least-cost and reliable electricity from its power system regardless of how the future plays out.

The analysis performed in this IRP study relied on industry-standard models, considered third-party expertise, and incorporated system planning best practices, such as seasonal planning reserve margins.

Section 113 requires TVA to involve the Local Power Companies (LPC) in its IRP planning process on certain issues. TVA exceeded this requirement by providing numerous

opportunities for public education and input. Stakeholders, including LPCs and the public, provided invaluable input that helped shape the IRP. TVA formed an IRP Working Group that consisted of stakeholders, including representatives from LPCs, the Tennessee Valley Public Power Association and other customer associations, directly served customers, economic development professionals, government, and others. Individuals in this group met frequently with IRP staff to review and provide individual input into the development of the plan as the process proceeded. Input from the general public was sought in three comment periods and at open houses offered across TVA's service territory, and TVA staff provided public briefings several times during the process.

TVA briefed its Regional Energy Resource Council ("RERC") periodically and obtained its review and input on the draft and preliminary final IRP. The RERC is chartered under the Federal Advisory Committee Act for the purpose of providing TVA advice on the development and management of energy resources. After its review of the Preliminary Final 2026 IRP, the RERC developed and unanimously approved an Advice Statement for the TVA Board. In this statement, the RERC affirmed, among other things, that TVA has managed a robust and comprehensive process, and that the plan reflects TVA's obligation to implement a least-cost planning program. Further, the RERC affirmed that the boundaries of the IRP analysis are sufficient to inform a strategic portfolio direction that enables TVA to provide affordable, reliable, and resilient power across a wide range of possible alternatives. The RERC also identified several key challenges and opportunities associated with implementation of the IRP such as the need to monitor signposts so that plans can be flexible and responsive and that risks can be mitigated. The complete advice statement from the RERC is set forth in Attachment 1 to this memorandum.

To support the 2026 IRP, TVA prepared an EIS to analyze potential environmental impacts (at the programmatic level) of the various scenarios and strategies considered in the 2026 IRP. The EIS process complied with the National Environmental Policy Act ("NEPA") and applicable regulations.

ALTERNATIVES CONSIDERED

Three alternative energy resource strategies were evaluated in the IRP process: (1) a "No Action" alternative, Baseline Utility Planning, (2) Innovation, and (3) Distributed. The Baseline Utility Planning provides the baseline from which environmental impacts are measured in the EIS. All of the strategies are formulated to be least-cost, but some of their elements are varied to emphasize different features that TVA is required to consider under the least-cost system planning mandate in Section 113. The three planning strategies are:

- Baseline Utility Planning: Represents TVA's current outlook based on least-cost planning, incorporating existing programs and a planning reserve margin target.
- Innovation: Emphasizes emerging, firm and dispatchable technologies such as advanced nuclear and long-duration storage through innovation, continued R&D, and partnerships.
- Distributed: Emphasizes distributed technologies such as batteries, renewables, and demand-side programs to reduce reliance on central station generation and utilize virtual power plants.

These alternative strategies were analyzed in the context of the following scenarios that were determined to be reasonably possible to occur:

- Reference: Represents TVA's current forecast that reflects moderate population, employment, and industrial (primarily data center) growth, weather-normal trends, growing electrification, and increasing efficiencies.
- High Growth: Reflects a technology-driven increase in U.S. productivity growth that stimulates the national and regional economies, resulting in substantially higher demand for electricity.
- Carbon Legislation: Reflects the impact of potential future carbon legislation designed to reduce power sector emissions.

Analyzing the strategies in the context of a particular scenario is considered a best practice for predictive analyses. This lets TVA compare how well strategies perform across a varied set of scenarios and identify the "robustness" of the competing strategies. In total, TVA evaluated nine core portfolios, reflective of the three strategies studied within each of the three scenarios.

To further test the strategies and the boundaries of the IRP, TVA conducted additional sensitivity analyses to test the impact of changes in key assumptions on portfolio results. These analyses were also performed in response to comments from stakeholders. The sensitivity results supported, and in some cases expanded, the resource ranges initially identified.

RECOMMENDATIONS

In developing the IRP recommendations, TVA considered results from the nine core portfolios, metrics, sensitivities, and the EIS analysis. TVA first summarized the power supply mix ranges by resource type from the comprehensive IRP analysis. Next, a strategic portfolio direction was developed, including a set of recommended actions. Finally, TVA identified the key signposts to monitor to understand potential implications to recommended actions and evolution of the power system over the long term.

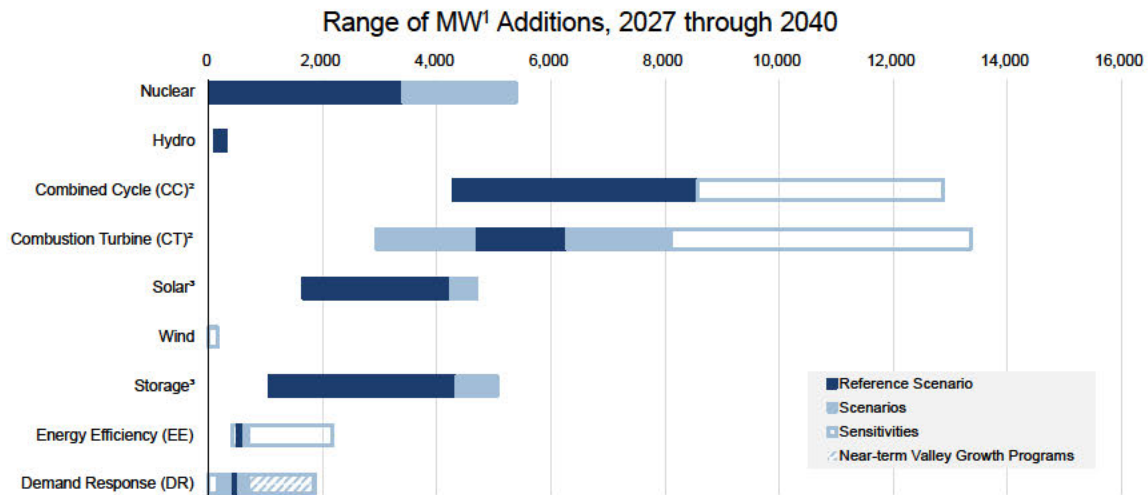
TVA staff requests the Board approve the recommendations in Volume 1, Chapter 4 of the 2026 IRP, which includes (1) 2026 IRP power supply mix ranges through 2040 and 2050, (2) strategic portfolio direction, and (3) key signposts to monitor and their associated implications.

Approval of the recommendations would not commit TVA to any particular decisions about specific energy resource decisions or projects. Proposals regarding specific resources still would require approval in accordance with existing Board practices and related delegations and would necessitate additional analysis and review.

The recommendations set forth in Volume 1, Chapter 4 of the 2026 IRP are summarized in part below.

Power Supply Mix Ranges

The recommended power supply mix ranges for 2027 through 2040 are as follows:

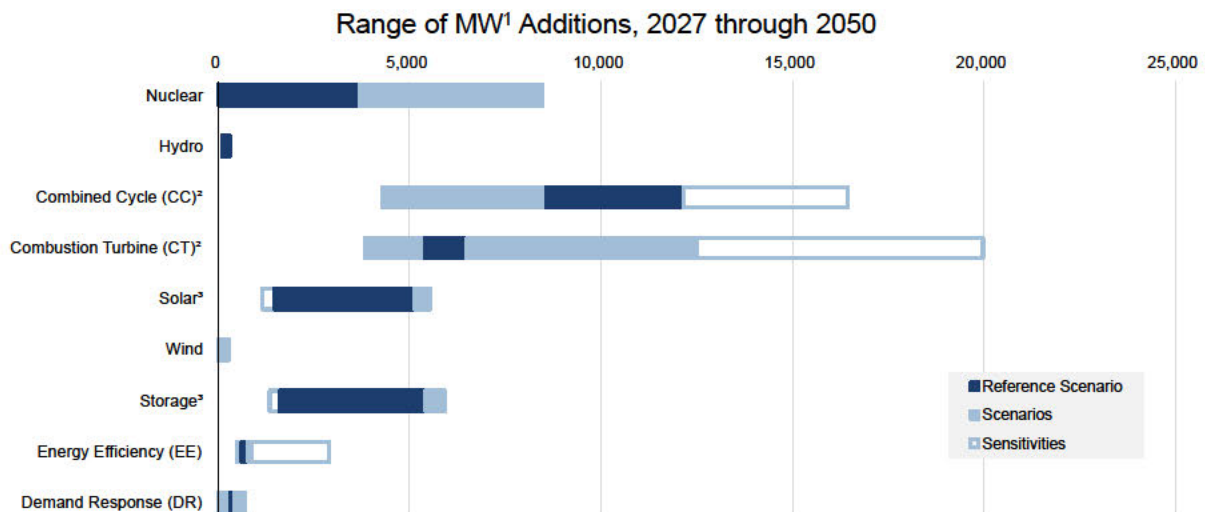


¹ MW capacity expressed in summer net dependable capacity.

² CC and CT additions could include control technologies, such as carbon capture and sequestration, alternative fuel co-firing (e.g., hydrogen), or gas re-firing of existing coal burners.

³ Solar and storage include utility-scale and distributed resource additions.

The recommended power supply mix ranges for 2027 through 2050 are as follows:



¹ MW capacity expressed in summer net dependable capacity.

² CC and CT additions could include control technologies, such as carbon capture and sequestration, alternative fuel co-firing (e.g., hydrogen), or gas re-firing of existing coal burners.

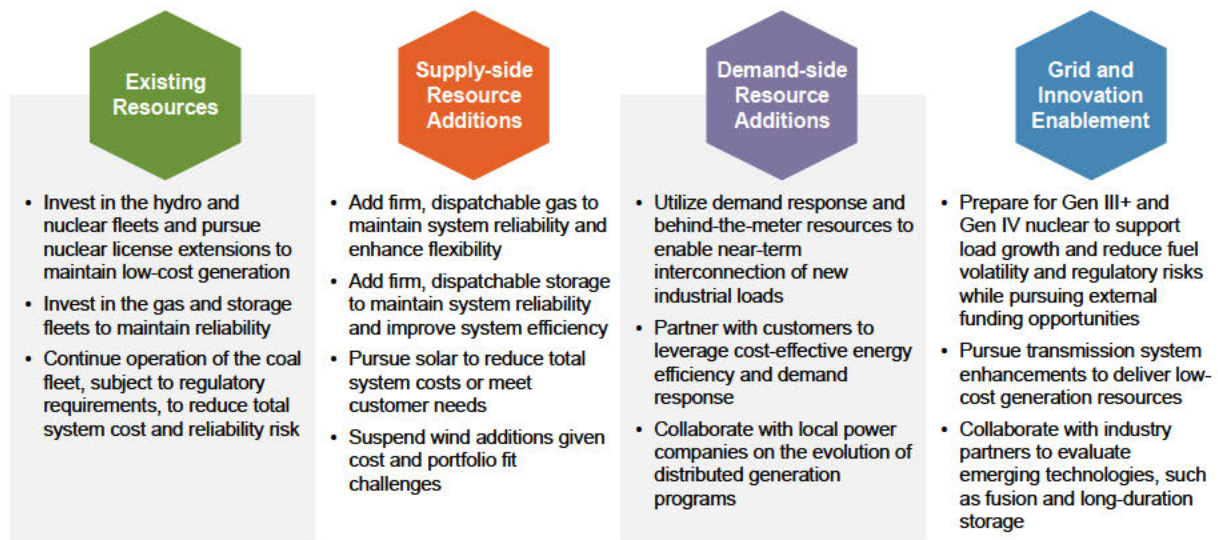
³ Solar and storage include utility-scale and distributed resource additions.

The IRP does not make individual resource decisions. Specific resource decisions are subject to future Board consideration or approval as required by TVA policies, procedures, and budgeting requirements and the then-current circumstances, technology, and regulatory expectations.

Strategic Portfolio Direction

TVA's IRP analysis reaffirms the importance of adhering to least-cost planning principles to ensure the continued delivery of affordable, reliable, and resilient power to the Tennessee Valley. The results underscore that no single resource will fully meet future system needs; rather, maintaining a diverse portfolio remains essential. In the near-term, TVA should prioritize the addition of firm, dispatchable resources, particularly natural gas and storage, to address capacity requirements. TVA should also continue collaborating with industry and federal partners to prepare for the potential deployment of firm, dispatchable advanced nuclear technologies, which could support long-term load growth while mitigating fuel volatility and regulatory risks. Finally, complementary deployment of solar, demand-side, and distributed generation resources should be used to satisfy capacity requirements, provide economic energy, and/or meet customer needs.

The 2026 IRP's strategic portfolio direction includes the following recommended actions:



Within Chapter 4 of Volume 1, the Strategic Portfolio Direction also includes two sets of tables which provide additional commentary on each of the resources and recommended actions in the figure above.

Key Signposts and Implications

TVA will monitor the following key signposts to provide insights into potential impacts to recommended actions between now and 2040 and will ultimately guide future portfolio decisions.

Theme	Signpost
 Changing Market Conditions	Electricity demand
	Natural gas prices
	Customer needs
	Resource costs
 Evolving Policy and Regulations	Shifts in U.S. energy policy
	Tax credits and incentives
	Regulatory requirements
	Permitting and siting challenges
 Emerging Technologies	Advanced nuclear technologies
	Advanced storage technologies

As with any long-term plan, TVA's IRP reflects reasonable assumptions based on current and potential future conditions. In an ever-changing world, this IRP will allow TVA to continue to serve the people of the TVA region by providing low-cost, reliable, and resilient power through 2040 and beyond.

I request that the Board approve the recommendations set forth in Volume 1, Chapter 4 of the 2026 IRP, which are summarized above.



Thomas C. Rice
Executive Vice President
and Chief Financial Officer



August 5, 2026

Edward C. Meade
Executive Vice President and
General Counsel (Interim)

Date



August 6, 2026

Michael D. Skaggs
President and Chief Executive Officer
(Interim)

Date

ATTACHMENT 1

Tennessee Valley Authority Regional Energy Resource Council (RERC)

July 14, 2026 Meeting Advice Statement on the 2026 Integrated Resource Plan

As a diverse set of stakeholders brought together to offer advice on the development and management of energy resources in the Tennessee Valley, the Regional Energy Resource Council (RERC) appreciates the opportunity to be meaningfully involved in the development of the 2026 Integrated Resource Plan (IRP). Since 2023, the RERC has heard updates on the IRP at multiple milestones and has built a general understanding of the purpose, methodology, scenarios, strategies, and assumptions underlying the preliminary final IRP recommendations.

The RERC considered three questions at its July 14, 2026 meeting:

1. Did the IRP process meet TVA's obligation to "implement a least-cost planning program?
Yes. Additional perspective is provided below.
2. Are the boundaries of the IRP analysis sufficient to inform a strategic portfolio direction that enables TVA to provide affordable, reliable, and resilient power?
Yes. Additional perspective is provided below.
3. What do you see as challenges and opportunities for TVA as recommended actions are implemented and signposts are monitored?
Perspective on opportunities and challenges is provided below.

While acknowledging this group's high-level advisory role, having reviewed the preliminary final IRP, the RERC affirms that TVA has managed a robust and comprehensive process, and that the plan reflects TVA's obligation to implement a least-cost planning program. To avoid undermining the intent of a least-cost planning directive, TVA will need to carefully monitor signposts, benchmarked against regional peer utilities and best-available information, to manage for this long-term risk as it moves in the near-term to implement various recommended actions.

The RERC also affirms that the boundaries of the IRP analysis are sufficient to inform a strategic portfolio direction that enables TVA to provide affordable, reliable, and resilient power across a wide range of possible alternatives. The IRP sets wide guardrails within which TVA can optimize resource deployment to match Valley energy needs and adequately understand tradeoffs as it makes resource decisions. Generally, the RERC recognizes the urgency of TVA utilizing the IRP direction to respond quickly to the current and projected energy demands of the Valley through a diverse energy portfolio.

The preliminary final IRP is an impressive deliverable of a well-managed process that reflects the expertise of TVA's staff and robust stakeholder engagement. While a strong product, the IRP will be implemented in a time of tremendous uncertainty and rapid change that will challenge TVA as it works to balance risk, affordability, reliability, and other critical metrics. RERC encourages the TVA Board to align closely with the guidance offered by the IRP as it shapes TVA's specific asset decisions. The RERC encourages TVA to utilize the IRP as a dynamic reference, and to remain open to iterating on and modernizing its IRP approach to increase agility and streamline future planning. Leadership stability at TVA will be helpful as the organization manages the inherent

instability of the current energy landscape.

In particular, the IRP identifies the financial risks reflected in portfolios with higher reliance on gas resources. Given the inherent uncertainty of key assumptions driving model outcomes (including those relating to demand, fuel costs, overnight capital costs, annual build limits and more), it will be critical that TVA protects its ability to be flexible and responsive, rather than rigid and static. The close tracking and transparent reporting of how reality matches with IRP assumptions and signposts across scenarios will help TVA mitigate risks and remain responsive and agile in a rapidly evolving energy landscape. RERC members reiterated the importance of sharing the impacts of energy resource decisions on end-use customers in terms of energy affordability and reliability.

At a practical level, the RERC recognizes tremendous upside opportunities to increase the positive impacts of a growing and evolving energy portfolio. This includes partnerships upstream with states and the Federal government, as well as downstream with wholesale customers and LPCs, to accelerate deployment and unlock benefits for economic development, workforce development, technology innovation, grid modernization, and affordability and reliability benefits for customers.

On the flip side, TVA is likely to face acute and potentially impactful local concerns about siting specific assets that could prevent, delay, or increase the total costs of implementation. Early and transparent engagement with partners at all stages of the resource development pipeline is meaningful to building trust and understanding that ultimately facilitates the deployment of new resource types. Strategic and integrated transmission planning can strengthen TVA's ability to implement a variety of resources and ensure that transmission enables, rather than constrains, TVA's ability to pursue the resources it needs.

On the whole, the RERC recognizes the importance of finalizing the IRP in August so that TVA may move forward in meeting the region's evolving energy needs, while remaining committed to least-cost principles and TVA's mission in service to the people of the Tennessee Valley.