

No. 25-03

Approved by the Board of Directors  
at its November 6, 2025, meeting:



Executive Vice President, General  
Counsel and Corporate Secretary

MINUTES OF MEETING  
OF  
THE BOARD OF DIRECTORS  
TENNESSEE VALLEY AUTHORITY  
August 21, 2025

A meeting of the Board of Directors of the Tennessee Valley Authority was held at TVA's Knoxville Office Complex, 400 West Summit Hill Drive, Knoxville, Tennessee, on August 21, 2025. The meeting was called to order at 9:00 a.m. (ET). The meeting agenda was announced to the public on August 14, 2025. The meeting was open to public observation.

Board members in attendance were Director and Chair William (Bill) Renick and Directors Robert (Bobby) Klein and Wade White.

Also present were TVA officers, including Don Moul, President and Chief Executive Officer; Thomas C. Rice, Executive Vice President and Chief Financial Officer; Tim Rausch, Executive Vice President and Chief Nuclear Officer; Jeannette Mills, Executive Vice President and Chief Administrative Officer; Allen Clare, Senior Vice President, Generation Projects and Fleet Services; and Rebecca Tolene, Executive Vice President, General Counsel and Corporate Secretary. Rebecca Tolene served as the Board's parliamentarian.

Chair Renick presided over the meeting, which was duly called, notice to each Director having been delivered pursuant to Section 1.2 of the Bylaws governing meetings of the Board of Directors of the Tennessee Valley Authority. A quorum was not present.

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**25-03-1        Welcome**

Chair Renick began the meeting by calling on Randy Boyd, President of the University of Tennessee System. Mr. Boyd shared statements with the Board expressing his appreciation for the partnership the University of Tennessee System shares with TVA and the accomplishments they have attained together.

Chair Renick continued the meeting and expressed his appreciation for the service of former Director Beth Greer, who transitioned off the TVA Board of Directors last quarter. Chair Renick stated that five individuals have been nominated by the Administration to serve on the TVA Board.

The Board then heard remarks from Rebecca Tolene, Executive Vice President, General Counsel and Corporate Secretary. Ms. Tolene observed that TVA's governance framework provides clear and deliberate guidance in circumstances where there is not a quorum. Ms. Tolene explained that under Section 1.6 of the Bylaws, the Board is authorized to continue to undertake actions necessary to ensure the continuity of TVA's operations, consistent with the policies and directions established when a quorum was present. Ms. Tolene stated that there would be two substantive items presented to the Board for consideration and action at today's meeting and announced that Director Klein has begun serving on the Audit, Risk, and Cybersecurity Committee in order to meet the three-director requirement. Ms. Tolene concluded by stating that today's proceedings are properly constituted and may lawfully proceed in the absence of a

quorum. Director Klein asked Ms. Tolene if the Board would be able to approve end-of-year incentive program payouts if TVA meets its performance goals. Ms. Tolene responded that the non-quorum Board can approve incentive payouts after year end because the program was adopted under a compensation plan that was approved by a quorum Board.

Chair Renick proceeded by highlighting the Jackson Area Robotics Team from Jackson, Tennessee, which is a student STEM group that won first place in the VEX Robotics World Championships in Dallas, Texas. Chair Renick emphasized the importance of this groundbreaking achievement for the local robotics community.

Chair Renick asked Director White to introduce the next speaker. Director White discussed the series of wildfires in November 2016 that impacted Sevier County and Gatlinburg. Director White introduced Allen Robbins, General Manager and Chief Executive Officer of Sevier County Electric System. Mr. Robbins described the devastation that the wildfires caused, the experiences of the linemen who were in the field, and the lingering impacts of the wildfires on the community today. Chair Renick expressed his appreciation to all linemen for their service to the people of the Valley.

Chair Renick next called on Jessica Dufner, Vice President, Communications, to summarize the comments received during the Board's public listening session on August 20, 2025. Ms. Dufner summarized that the Board heard from more than 60 individuals either in person or online. Ms. Dufner reported the comments were from a cross section of Valley stakeholders including Valley residents, trade and labor unions, regional industries, TVA retirees, environmental organizations, and public power partners.

Ms. Dufner reported that the speakers discussed various themes, but the most prominent theme was support for public power. Other topics discussed included local input into the

direction of TVA's energy system, energy innovation including new nuclear power, and the stewardship of public lands and water ways.

Chair Renick expressed his appreciation to the members of the public who spoke and provided comments to the Board.

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## **Old Business**

After a motion duly made and seconded, the Board approved the minutes of its May 8, 2025, meeting.

Before moving forward to the business portion of the meeting, Chair Renick took a few minutes to speak to TVA's employees along with the people of the Valley. Chair Renick discussed the many different challenges TVA has faced over the past year including navigating power load growth, policy shifts, evolving regulations, and changes to TVA's Board. Chair Renick stated that the TVA Board has an unwavering commitment to the TVA Act and TVA's mission of service. Chair Renick concluded by highlighting a number of TVA's accomplishments and thanking TVA employees and Valley residents for their belief in TVA.

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## **New Business**

### **25-03-2 Report of the Audit, Risk, and Cybersecurity Committee**

Chair Renick called on Director Wade White, Chair of the Audit, Risk, and Cybersecurity Committee, to present the Committee's report.

Before Director White provided his report, he also shared a few comments related to TVA's mission. Director White discussed TVA's history, the importance of increasing TVA's

debt ceiling, and TVA's plans for keeping power rates low while making investments to grow its system.

Director White reported that the Committee met on July 21 in executive sessions with TVA's external auditor, Ernst and Young (EY), and with TVA's Office of the Inspector General (OIG). The Committee also met on July 28 to review TVA's quarterly report on Form 10-Q for the third quarter of FY 2025 and again on July 30 for its regular quarterly meeting.

At its July 30 meeting, the Committee consulted with the OIG and approved recommending the selection of EY as TVA's external auditor for FY 2026 along with the scope of EY's services for FY 2026.

After a motion duly made and seconded, the Board adopted the following resolution, as recommended in a memorandum from Director White, Chair of the Audit, Risk, and Cybersecurity Committee, dated July 30, 2025, and filed with the Board as Exhibit 08/21/25A.

WHEREAS in a July 30, 2025, memorandum to the TVA Board (Memorandum), the Audit, Risk, and Cybersecurity Committee recommended, in consultation with the Inspector General, that the TVA Board approve engaging Ernst & Young LLP (EY) as TVA's external auditor for fiscal year 2026;

WHEREAS approval of the engagement of EY as TVA's external auditor for fiscal year 2026 is necessary to assure the continuity of TVA's operations along the lines established while TVA was guided by a quorum of the Board, as more fully explained in the Memorandum;

BE IT RESOLVED, that the TVA Board hereby approves engaging EY as TVA's external auditor for fiscal year 2026.

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Director White also stated that the Committee received a briefing on TVA's invasive aquatic plant management program and TVA's risk mitigation activities as a part of its broader resiliency and reliability efforts.

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### **25-03-3 Report of the Finance, Rates, and Portfolio Committee**

Director White then presented the report of the Finance, Rates, and Portfolio Committee, stating that the Committee met twice this quarter, on July 23 and July 30. Director White called on Thomas C. Rice, Executive Vice President and Chief Financial Officer, to provide a financial update. Mr. Rice provided a summary of the FY 2026 expenditures and related items that were approved by the Board by notational approval as well as an update on TVA's year-to-date financial performance. In his presentation, Mr. Rice noted that for the first nine months of FY 2025, net income was \$661 million favorable to budget, cash flow from operating activities was \$773 million favorable to budget, and total financing obligations were \$1,640 million favorable to budget. A copy of the slides used by Mr. Rice in his presentation is filed with the records of the Board as Exhibit 08/21/25B.

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Director White reported that during its July 30<sup>th</sup> meeting the Committee received an update on TVA's year-to-date financial performance and TVA's on-going cost optimization program.

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### **25-03-4 Report of the People and Governance Committee**

Chair Renick called on Director Bobby Klein, Chair of the People and Governance Committee, to present the Committee's report. Director Klein reported that the Committee met on July 23, July 24, and July 30.

Director Klein reported that the Committee received updates related to TVA's safety performance, TVA's enterprise transformation efforts, and Winning Performance Team Incentive Plan and Executive Annual Incentive Plan scorecard metrics for FY 2025.

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## **25-03-5 Report of the Operations and Nuclear Oversight Committee**

Chair Renick called on Director Bobby Klein, Chair of the Operations and Nuclear Oversight Committee, to present the Committee's report. Director Klein reported that the Committee met on July 15 and reviewed TVA's operational and safety performance. Director Klein then called on Allen Clare, Senior Vice President of Generation, to provide an operational performance update. Mr. Clare noted that TVA experienced the second highest June peak in history, along with the second longest streak of consecutive days of over 30,000 megawatts at 11 days. Mr. Clare also discussed the one-year anniversary of Hurricane Helene, where TVA's reservoir system is estimated to have prevented over \$400 million of potential damage to structures across the Valley and protected the livelihood of those who otherwise would have been in the path of the deadly flood waters. Mr. Clare also discussed TVA's long-term commitment to cleanup efforts in the affected areas. A copy of the slides used by Mr. Clare in his presentation is filed with the records of the Board as Exhibit 08/21/25C.

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Director Klein reported that the Committee discussed the excellent performance of transmission and non-nuclear generation in meeting the demand during the hot weather events, the prioritization of dam safety, the status of the spillway remediation at Chatuge Dam, and the alternative paths forward for addressing increasing power demands.

Director Klein then called on Tim Rausch, TVA's Chief Nuclear Officer, to provide an update on nuclear fleet performance. Mr. Rausch discussed TVA's focus on fleet performance optimization, nuclear life extension, and advancing new nuclear technology and noted that the

NRC is expected to approve the Browns Ferry life extension this fall, ahead of schedule and on budget. Mr. Rausch also provided updates on the three main generator electrical rewinds scheduled for upcoming outages across TVA's fleet. A copy of the slides used by Mr. Rausch in his presentation is filed with the records of the Board as Exhibit 08/21/25D.

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**25-03-6 Report of the External Stakeholders and Regulation Committee**

Chair Renick called on himself, as Chair of the External Stakeholders and Regulation Committee, to present the Committee's report. Chair Renick reported that the Committee met on July 30 and received updates from management on Committee oversight items. In addition, Chair Renick noted that the Committee had one action item for the Board involving continued authorization of TVA's two federal advisory committees: the Regional Resource Stewardship Council and the Regional Energy Resource Council.

After a motion duly made and seconded, the Board adopted the following resolution, as recommended in a memorandum from Jeremy Fisher, Executive Vice President, Business Operations and Chief Business Officer, dated July 29, 2025, and filed with the Board as Exhibit 08/21/25E.

WHEREAS the Tennessee Valley Authority (TVA) established the Regional Resource Stewardship Council (RRSC) to advise TVA about its resource stewardship activities and the Regional Energy Resource Council (RERC) to advise TVA about its energy resource activities; and

WHEREAS these councils have proven to be effective tools in obtaining input from and achieving collaboration among the numerous public and private entities and individuals involved with and interested in natural resource stewardship activities, and in the development and management of energy resources in the Tennessee Valley region; and

WHEREAS the TVA Board approved renewal of the RRSC thirteenth term for fifteen months and the RERC sixth term for twenty-four months; and

WHEREAS extending the term from fifteen months to twenty-four months will allow the RRSC to continue its thirteenth term; and

WHEREAS continuation of the RRSC for a fourteenth term and the RERC for a seventh term will also be beneficial; and

WHEREAS the Federal Advisory Committee Act requires the designation of a federal officer or employee referred to as Designated Federal Officer (DFO) to call and attend meetings of the councils and conduct other functions; and

WHEREAS the Federal Advisory Committee Act requires the Agency Head to designate a Committee Management Officer (CMO) to oversee administration of Federal Advisory Committee Act requirements; and

WHEREAS as detailed in a July 29, 2025, memorandum, a copy of which is filed with the records of the TVA Board of Directors as Exhibit 08/21/25E (the "Memorandum"), the Executive Vice President, Business Operations, has recommended the continuation of the RRSC for the remainder of a thirteenth term and a fourteenth term and the continuation of the RERC for a seventh term, all subject to GSA consultation, and approval of certain appointments and delegations related to the administration and membership of the councils, as further described in the Memorandum; and

BE IT RESOLVED, That the TVA Board of Directors hereby approves the charters of the RRSC and the RERC, copies of which are filed with the records of the Board as Exhibits 08/21/25F and 08/21/25G; authorizes the continuation of the RRSC's thirteenth term for a total of twenty four months to expire on or around April 26, 2026 unless the fourteenth term is renewed earlier and authorizes any necessary charter updates for the thirteenth term; authorizes these councils to continue for additional two year terms for the fourteenth RRSC term and the seventh RERC term; and authorizes and directs TVA staff to complete the council charter filing process in accordance with the Federal Advisory Committee Act, all subject to GSA consultation; and

RESOLVED further, That the TVA Board of Directors hereby delegates to the Chief Executive Officer (CEO) the authority to appoint members to these councils and to fill any vacancies in council membership that may arise during the course of their terms, in each case following consultation with the External Stakeholders and Regulation Committee, or successor committee, of the TVA Board of Directors; and

RESOLVED further, That the TVA Board of Directors hereby delegates to the CEO the authority to designate the DFO and CMO for the councils, which authority may be exercised as and when the CEO deems necessary, including upon the occurrence of a vacancy in those positions due to organizational changes or otherwise; and

RESOLVED further, That the TVA Board of Directors expresses its gratitude to the members of the thirteenth term of the RRSC and the sixth term of the RERC for their service to TVA and the Tennessee Valley region.

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Chair Renick reported that the Committee received updates from management on TVA's government and community relations strategy, reorganization efforts by TVA's Federal Affairs function with state and local officials, and meetings with customers. Chair Renick expressed the importance of the meetings to provide opportunities for engagement on strategic issues affecting TVA and its customers. Additionally, the Committee received an update related to TVA's tribal and federal preservation activities, along with the Committee's annual update on TVA's local power company regulatory strategy.

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#### **25-03-7      President's Report**

Chair Renick called on Don Moul to provide the President's report. Mr. Moul began his report by expressing gratitude to the TVA Board of Directors for their continued support in working together to deliver TVA's mission every day. Mr. Moul continued by expressing appreciation for Allen Robbins, General Manager and Chief Executive Officer of Sevier County Electric System, for sharing the story of how his team responded to the 2016 Smoky Mountain wildfires. Mr. Moul also congratulated the Jackson Area Robotics team for winning the VEX Robotics World Championship. Mr. Moul concluded his honorable mentions by extending congratulations to members of his leadership team who recently announced their retirements: Tim Rausch, John Bradley, and Jeannette Mills.

Mr. Moul began the business portion of his report by stating that one of the main questions he hears among TVA's partners and stakeholders is how does TVA plan to meet growing energy demands and expand TVA's regional economy while continuing to stay true to TVA's mission of delivering affordable and reliable energy to the people of the Tennessee

Valley. Mr. Moul stated that throughout TVA's history, TVA has always been able to rise to the occasion to meet difficult challenges or unanticipated changes. Mr. Moul proceeded to state that TVA is building for the future by building new generation and investing in the current TVA system.

Mr. Moul continued by discussing TVA's effective responses to challenges by highlighting Allen Clare's earlier presentation, where Mr. Clare provided a summary of the response work of the team of TVA employees before, during, and after Hurricane Helene, where TVA demonstrated long-term commitment by investing in spillway work at Nolichucky Dam and removing tons of debris from Douglas Lake. Mr. Moul noted that Mr. Clare's presentation also acknowledged the seasonal heatwave the Valley region faced during July 2025.

Mr. Moul stated that in order for TVA to face the rising challenge of growing power demand and economic growth throughout the Valley in the long term, TVA must build new assets and invest in its current generation. TVA is actively building or developing 6,200 megawatts of new generation and is working with direct serve customers to implement demand response programs to reduce peak demand and lower energy bills. TVA also continues to invest in its current asset portfolio by taking the appropriate actions to extend the necessary licenses on current generation throughout the Valley. Mr. Moul stated that a primary focus of TVA is to identify communities that welcome TVA and its investment in new generation assets.

Mr. Moul continued by stating that TVA is working with partners to help power new technologies such as the rapid deployment of AI and supercomputing sites. These efforts help ensure that TVA will be able to provide power to these types of data centers, which will provide economic growth across the Valley region.

Mr. Moul continued by providing an update related to U.S. nuclear innovation. TVA has submitted a construction permit application for a small modular reactor (SMR) at the Clinch River Site, which has been accepted and is under review with the NRC on an accelerated timeline, and should be completed by 2027. Mr. Moul stated that TVA has committed \$350 million to the development of SMRs and is seeking to partner with private financial partners to continue its work and not place the full cost and risk of this energy advancement on electric rate payers. Mr. Moul stated that along with TVA's nuclear advancement, TVA has signed a commercial contract with Type One Energy under which TVA's power service shops will provide the welding and fabrication support for the Type One prototype stellarator machine at TVA's Bull Run site. TVA has also signed a new power purchase agreement with Kairos and Google as they develop their Hermes Reactor.

Mr. Moul concluded his report by stating that TVA is built for the people of the United States of America and is dedicated to tackling large-scale issues such as flood control, national security, energy security, and economic development to benefit the people of the Tennessee Valley.

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#### **25-03-7 Information Items**

The Board notationally approved the following items between its May 8, 2025, and August 21, 2025, Board meetings, and copies of the resolutions and related memoranda have been filed with the records of the Board:

- Increase in Budget for Two Capital Projects (Exhibits 08/21/25H and 08/21/25I)
- Committee Assignments (Exhibit 08/21/25J)
- Delegation of Authority to CEO (Exhibit 08/21/25K)

- FY 2026 Expenditures and Related Items, FY 2026 Annual Measures and Goals, and FY 2026-FY 2028 Long-Term Measures and Goals (Exhibits 08/21/25L, 08/21/25M, 08/21/25N, 08/21/25O, and 08/21/25P)
- CEO Compensation (Exhibit 08/21/25Q)

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Chair Renick closed the meeting by echoing Mr. Moul's congratulations and expressing his appreciation to Jeanette Mills, Tim Rausch, and John Bradley on their retirements and introducing a video highlighting a TVA employee on how he is working to make things better for generations to come.

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The meeting was adjourned at 10:55 a.m. (ET).