



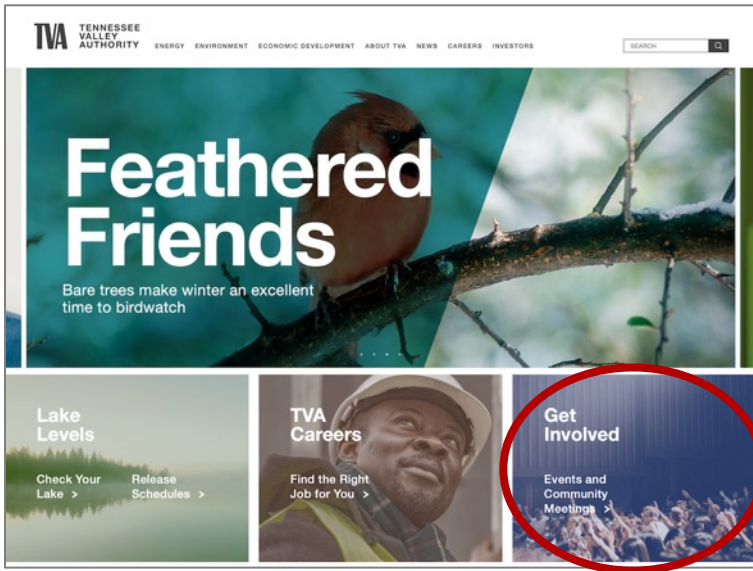
Board Meeting

February 10, 2022
Bowling Green, Kentucky



Public Input

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



Board Meeting

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Bowling Green, Kentucky



President's Report

Jeff Lyash
President and CEO

February 10, 2022







President's Report

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February 10, 2022

Long-Term Partners

146 LPCs

95% of LPCs

20-Year Partnership

To Plan and Work Together

3.1% Bill Credit

Totaling

\$43 Million

For 1st Quarter of FY22

Pandemic Response

FY22

2.5% Pandemic Recovery Credit

On Monthly Wholesale Bills

\$220 million back into Valley communities

Pandemic Response

Community Care Fund

\$10.9 Million

In Total Donations Since April 2020

Partnering with 138 LPCs to support nonprofit and community programs.



2022 Ike Zeringue Engineer of the Year

2022 Ike Zeringue Engineer of the Year



Chris Saucier
TVA's Technical Director
Boone Dam Remediation Project

President's Report

Jeff Lyash
President and CEO

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Audit, Finance, Risk, and Cybersecurity Committee

A.D. Frazier, Chair

Financial Update

John Thomas
Executive Vice President
Financial Services

February 10, 2022

Q1 Fiscal Year 2022

Net Income of \$11M was \$45M favorable to budget

Base Revenue of \$1.7B was \$23M favorable to budget

Total Financing Obligations (TFO) were \$29M favorable to budget

Diverse power system helping to offset rising energy prices

Total effective power rates remain on trend

Q1 Summary Income Statement

\$ million	FYTD22			FYTD21	
	Actual	Budget	Variance Fav/(Unfav)	Actual	'22 v '21 Fav/(Unfav)
Base Revenue	\$ 1,736	\$ 1,713	\$ 23	\$ 1,727	\$ 9
Fuel Revenue*	802	596	205	543	259
Other Revenue	45	33	12	34	11
Total Operating Revenue	\$ 2,583	\$ 2,342	\$ 240	\$ 2,304	\$ 279
Fuel & Purchased Power	835	642	(193)	575	(260)
Total O&M	780	770	(9)	715	(65)
Taxes, Depreciation, Other	694	693	(1)	549	(145)
Interest	263	271	8	281	18
Net Income (Loss)	\$ 11	\$ (34)	\$ 45	\$ 184	\$ (173)

* Includes off-system sales

Q1 Summary Cash Flow Statement

\$ million

Net Cash Provided by / (Used in)

	FYTD22			FYTD21	
	Actual	Budget	Variance	Actual	'21 v '20
Operating Activities	\$ 493	\$ 586	\$ (93)	\$ 595	\$ (102)
Investing Activities	(734)	(746)	12	(644)	(90)
Financing Activities	249	160	89	57	192
Net Change in Cash	\$ 8	\$ -	\$ 8	\$ 8	\$ -

Beginning Total Financing Obligations	\$ 20,543	\$ 20,660	\$ 117	\$ 21,421	\$ 878
Change in Debt and Financing Obligations	264	176	(88)	54	(210)
Ending Total Financing Obligations	\$ 20,807	\$ 20,836	\$ 29	\$ 21,475	\$ 668

Q1 Summary

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Audit, Finance, Risk, and Cybersecurity Committee

A.D. Frazier, Chair

People and Governance Committee

Brian Noland, Chair

External Stakeholders and Regulation Committee

Beth Harwell, Chair

Federal Advisory Committee Charter Renewals

RRSC 12th Term and RERC 6th Term

Jeannette Mills

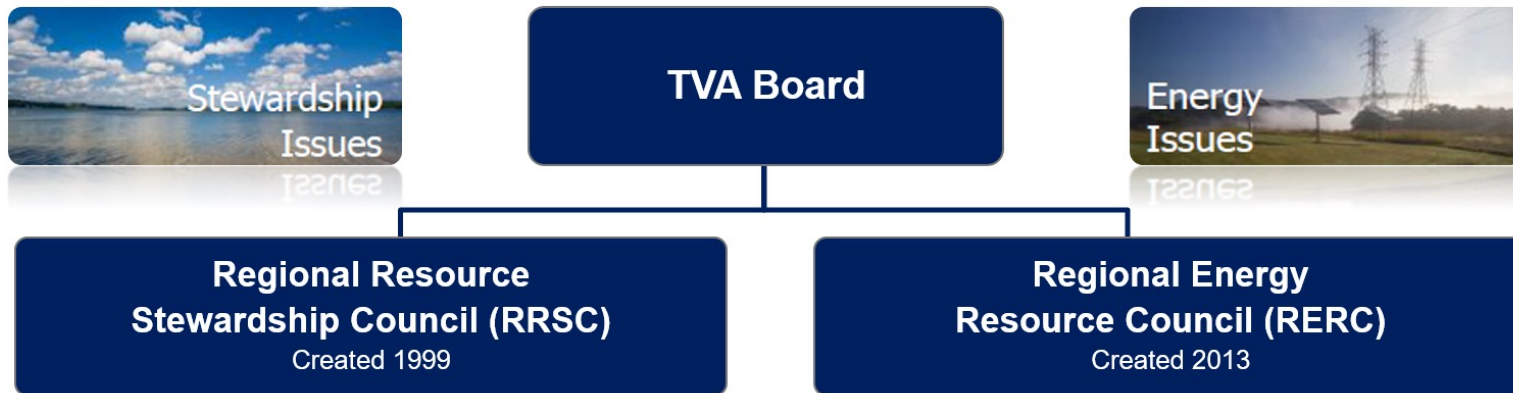
Executive Vice President & Chief External Relations Officer

February 10, 2022

Background

- TVA established two Federal Advisory Committees to gain advice from public and private sectors:
 - Regional Energy Resource Council (RERC) focuses on energy activities and priorities among competing objectives and values
 - Regional Resource Stewardship Council (RRSC) focuses on natural resource stewardship activities
- Federal Advisory Committee advice and recommendations are reported to the TVA Board of Directors, External Stakeholders and Regulations committee.
- Each council consists of up to 20 members with membership balanced to include a broad range of diverse views and interests.
- Federal Advisory Committee charters are for two years and must be renewed for committees to continue.

Overview



- Balanced stakeholder perspectives
- Meetings are open to the public and include a public listening session
- Provides specific consensus advice on topics
- Led by TVA's Designated Federal Officer

Recommendation

- Approve charter renewals for the RRSC and the RERC.
- Authorize the Vice President, External Strategy and Regulatory Oversight, to serve as Designated Federal Officer and the Senior Manager of Public and Community Engagement to serve as the Committee Management Officer for the RRSC and RERC.
- Delegate to the President & CEO the authority to approve membership and to fill vacancies that may arise during the RRSC 12th term and the RERC 6th term.

External Stakeholders and Regulation Committee

Beth Harwell, Chair

Authorization for Economic Development Programs and Contracts

Jeannette Mills

Executive Vice President & Chief External Relations Officer

February 10, 2022

Background

Board approval or review is typically necessary for new or substantially revised economic development related programs. The Board has given several of these approvals over the years. The current patchwork of delegated authority, combined with the need to seek Board approval for new or substantially revised programs, does not fully provide needed flexibility. The proposed delegation will allow TVA staff to better address existing, changing, and emerging economic development issues and to target rural, economically distressed, and diverse communities and businesses.

- Provides greater flexibility to meet emergent and changing economic needs
- Clarifies CEO authority
- Allows more capability of TVA management to run day-to-day operations
- Increases TVA's ability to target rural, economically distressed, and diverse communities
- Clear line of authority for economic development related contracts
- Economic Development Programs and Contracts are funded through the annual budgets approved by the Board and will be subject to periodic updates by management to the External Stakeholders and Regulation Committee

Recommendation

Grant authority to the CEO to develop, implement, administer, and modify programs and incentives designed to foster economic growth, investment, and/or job creation and retention in the TVA service territory, and to enter into contracts related to such programs and incentives.

External Stakeholders and Regulation Committee

Beth Harwell, Chair

Operations and Nuclear Oversight Committee

Jeff Smith, Chair

Storm Response Update

Don Moul
Executive Vice President and Chief Operating Officer

February 10, 2022

December 2021 Storm Response



A swift response by TVA employees and strong partnerships with local power company partners helped to restore power safely and as quickly as possible following the 2nd worst storm damage on record in recent history and 3rd overall.

December 2021 Storm Overview

- 254,000 Valley residents without power
- 86 TVA customer connection points interrupted
- 102 transmission structures damaged or destroyed
- 31 transmission lines out-of-service



December 2021 Storm Response



- Emergency Response Task Force mobilized
- 300 Transmission employees responded
- Visits made and support provided to local power companies
- Assistance provided to affected communities

85% of impacted customer
delivery points
Reestablished in 3 days

All delivery points restored in
Under 6 Days

Storm Response Review

- Evaluating overall response
- Soliciting feedback from local power companies
- Committed to furthering improve response processes and actions – here to serve and support



Operations and Nuclear Oversight Committee

Jeff Smith, Chair



Board Meeting

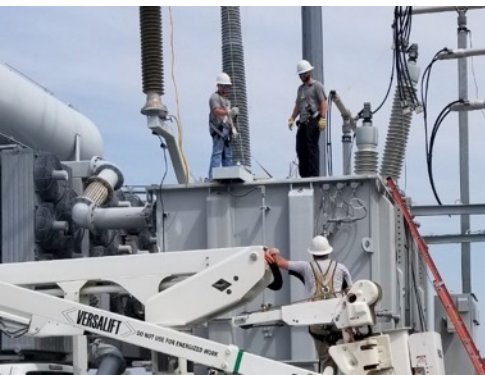
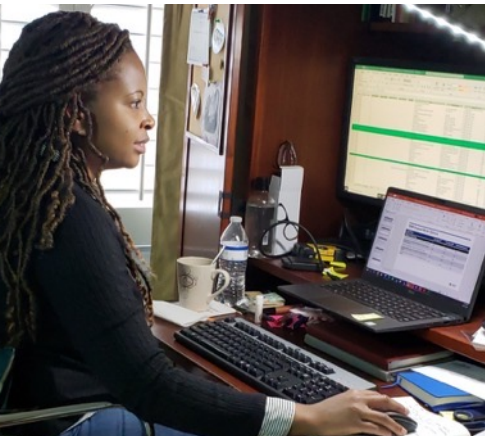
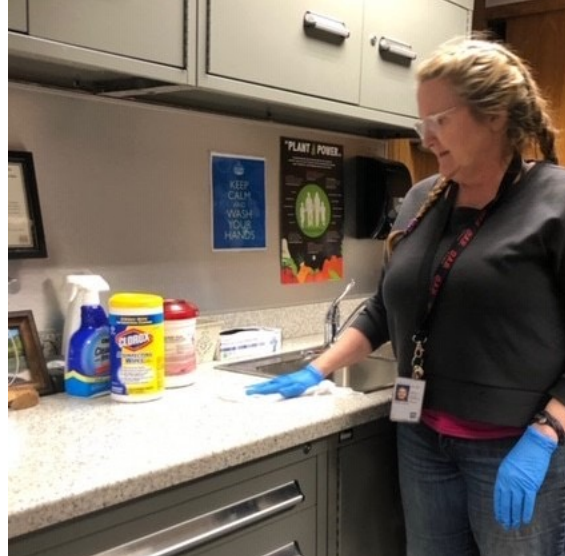
February 10, 2022
Bowling Green, Kentucky



President's Report

Jeff Lyash
President and CEO

February 10, 2022



Power Demand

Multiple days over

30,000
Megawatts

Including the highest
summer peak since 2012



The background of the slide features a blue-tinted photograph. In the center-right, a large metal power line tower stands prominently. To the left of the tower, another smaller tower is partially visible. The foreground is filled with a dense network of branches heavily laden with white ice, suggesting a winter or freezing weather context. The overall scene conveys a message about power demand during cold weather.

January 2-3, 2022

105%

**Increase in
Power Demand**

12,498 Megawatt Swing

President's Report

Jeff Lyash
President and CEO

February 10, 2022

Energy Efficiency



Home Uplift

Partnership among TVA,
MLGW and the City of Memphis

Weatherized

500 Homes

At no cost to homeowners



President's Report

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President and CEO

February 10, 2022

Economic Development

Over the Past Five Years

Attracted or retained

350,000 Jobs

and over

\$45.9 Billion


in capital investment



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President and CEO

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Solar Generation Expansion

Targeting

10,000 MW

by 2035

Carbon Reduction



President's Report

Jeff Lyash
President and CEO

February 10, 2022

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

Investing in Our System



System Operations Center



Renewable



Coal



Natural Gas



Nuclear



Hydro

President's Report

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President and CEO

February 10, 2022

Electric Energy Consumption

*U.S. National Electrification Assessment
by the Electric Power Research Institute*

1950
3%

Of Total Energy Consumed

Today
21%

Of Total Energy Consumed

2050
50%

Of Total Energy Consumed

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President and CEO

February 10, 2022

New Nuclear Program

Accelerate progress toward our aspiration of net-zero carbon.

Designed to develop, deploy and safely and economically operate viable advanced nuclear reactors

Develop a roadmap for our exploration of advanced nuclear technologies

Nuclear Innovation

An aerial photograph of a rural landscape featuring a winding river, green fields, and a small industrial or utility site with a building and a tall chimney. The image is overlaid with a semi-transparent green filter.

Clinch River Site

Nation's Only

NRC-Approved Early Site Permit
Small Modular Reactor



Small Modular Reactors

Could be ready for
commercial deployment
within a decade.

President's Report

Jeff Lyash
President and CEO

February 10, 2022



TENNESSEE
VALLEY
AUTHORITY