



# Board Meeting

February 11, 2026  
Hopkinsville, Kentucky

Building  
Tomorrow  
Together



# Engineer of the Year

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Honoring outstanding leadership, innovation, and service in engineering



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# Board Meeting

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# People and Governance Committee

Director Jeff Hagood

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# Audit, Risk, and Cybersecurity Committee

Director Mitch Graves

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# Operations and Nuclear Oversight Committee

Director Bobby Klein

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# Operations Quarterly Update

Bryan Williams

Senior Vice President, Generation Projects and Fleet Services

February 11, 2026

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# Operations and Nuclear Oversight Committee

Director Bobby Klein

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# Nuclear Quarterly Update

Matt Rasmussen  
Senior Vice President and Chief Nuclear Officer

February 11, 2026

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# Operations and Nuclear Oversight Committee

Director Bobby Klein

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# External Stakeholders and Regulation Committee

Director Randy Jones

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# Greater than 100 MW Firm Power Arrangement with CTC Property LLC (xAI)

Jeremy Fisher  
Executive Vice President and Chief Business Officer

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# Purpose and Background

## Purpose

Action Item. Seek TVA Board approval to make available firm power exceeding 100 MW to CTC Property LLC (xAI), which is a customer of Memphis Light, Gas & Water (MLGW).

## Background

TVA Board approval is required to authorize TVA to make available additional amounts of firm power exceeding 100 MW. CTC Property LLC (“Company”) requests approximately 150 MW to support its growth. The requested approval is contingent on the Company satisfying, for its full load, certain contractual, financial, and operational requirements determined by TVA to be necessary to protect grid reliability and provide for appropriate cost recovery.

Board approval is also required to delegate authority to the Executive Vice President & Chief Business Officer to approve the necessary contractual, financial, and operational requirements.

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# Project Considerations

Additional load requested by Memphis Light, Gas & Water (MLGW), consistent with the wholesale power contract

xAI's current load is enrolled in a TVA Demand Response program

xAI is meeting or exceeding other conditions established by MLGW

- Energy storage solution
- Recycled water solution
- Positive community impact

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# Board Action Recommendations

Recommend Board approval of 150 MW of additional power supply to the MLGW end-use customer contingent on the Company satisfying, for its full load, certain contractual, financial, and operational requirements determined by TVA to be necessary to protect grid reliability and provide for appropriate cost recovery.

Recommend Board delegation of authority to the Executive Vice President & Chief Business Officer to approve the necessary contractual, financial, and operational requirements.

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# External Stakeholders and Regulation Committee

Director Randy Jones

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# Finance, Rates, and Portfolio Committee

Director Wade White

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# Financial Update

Tom Rice  
Executive Vice President and Chief Financial Officer

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# Q1 Fiscal Year 2026

- ▶ Base Revenue was \$41 million favorable to budget
- ▶ Fuel and Purchased Power expense was \$93 million favorable to budget
- ▶ Net Income was \$207 million favorable to budget
- ▶ Total Financing Obligations (TFO) were \$321 million favorable to budget

# Sales and Revenue

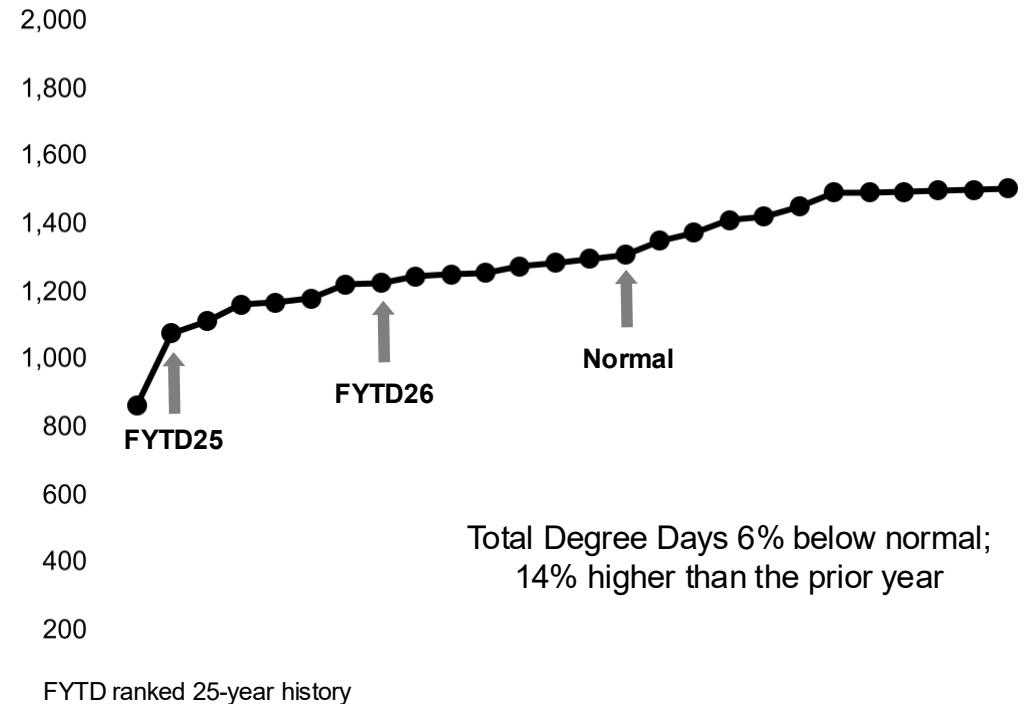
Power sales lower compared to budget due to milder weather

	FYTD26			FYTD25	
	Actual	Budget	Variance	Actual	'26 v '25
Power Sales (GWh)	39,577	40,737	(1,160)	38,031	1,546
Total Operating Revenues (\$ million)	\$ 3,049	\$ 3,094	\$ (45)	\$ 2,920	\$ 129
Base Revenue (\$ million)	2,197	2,156	41	2,045	152
Fuel Cost Recovery (\$ million)	802	894	(92)	830	(28)
Average Base Rate (¢/kWh)	5.6	5.3	0.3	5.4	0.2
Average Fuel Rate (¢/kWh)	2.0	2.2	(0.2)	2.2	(0.2)
Total Effective Rate* (¢/kWh)	7.6	7.5	0.1	7.6	—

Calculations may be impacted by rounding

\*Excludes other revenue and off-system sales impact; total effective rate numbers based on unrounded base and fuel rates

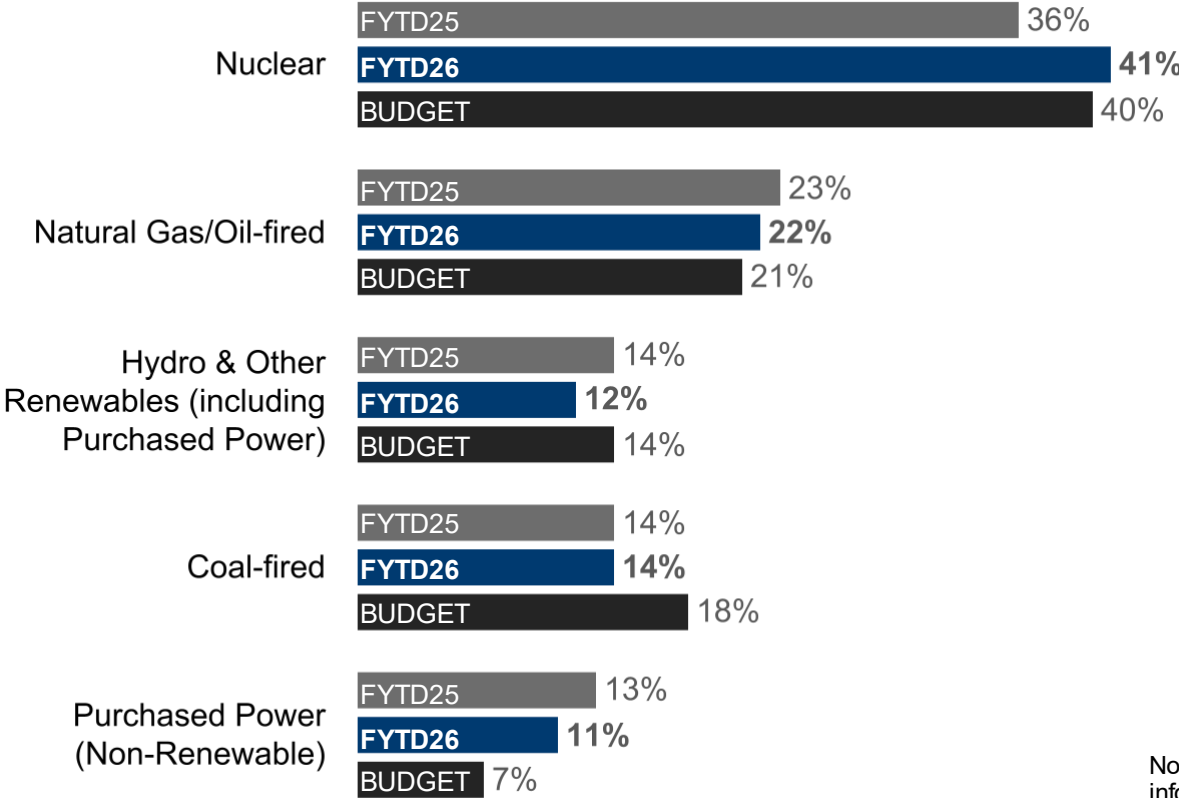
## Total Degree Days



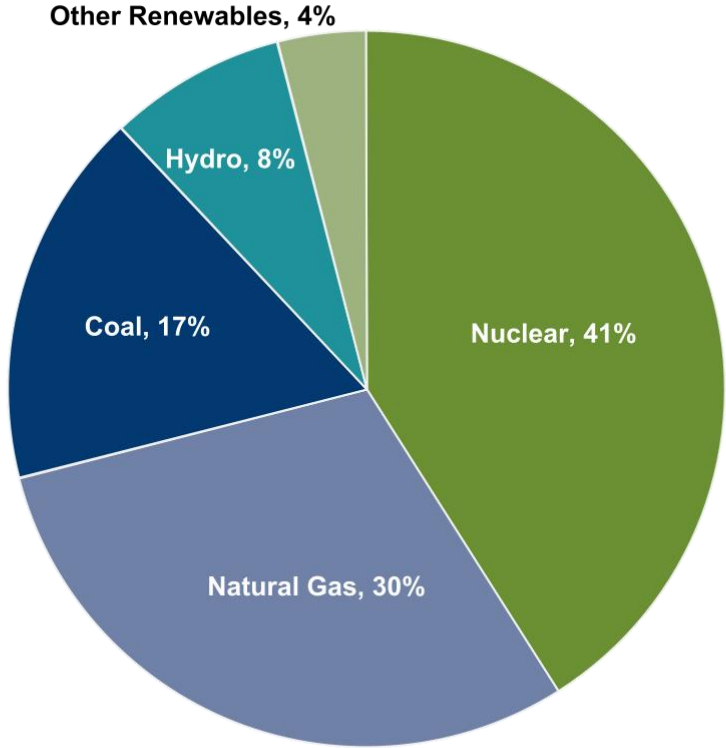
# Power Supply Summary

Benefiting from a diverse power system

## Power Supply by Source



## Power Supply FYTD 2026



Note: Chart depicts both generated and purchased power within respective resource types. For additional information, please see Total Power Supply by Generating Source in TVA's Quarterly Report on Form 10-Q.

# Q1 Summary Income Statement

\$ million	FYTD26			FYTD25	
	Actual	Budget	Variance	Actual	'26 v '25
Base Revenue	\$ 2,197	\$ 2,156	\$ 41	\$ 2,045	\$ 152
Fuel Revenue	802	894	(92)	830	(28)
Other Revenue*	50	44	6	45	5
<b>Total Operating Revenue</b>	<b>3,049</b>	<b>3,094</b>	<b>(45)</b>	<b>2,920</b>	<b>129</b>
Fuel & Purchased Power	924	1,017	(93)	899	25
Operations & Maintenance	849	940	(91)	905	(56)
Taxes, Depreciation, Other	701	752	(51)	711	(10)
Interest Expense	309	326	(17)	280	29
<b>Net Income</b>	<b>\$ 266</b>	<b>\$ 59</b>	<b>\$ 207</b>	<b>\$ 125</b>	<b>\$ 141</b>

\*Includes off-system sales and pre-commercial operations

# Q1 Summary Cash Flow Statement

\$ million	FYTD26			FYTD25	
	Actual	Budget	Variance	Actual	'26 v '25
<b>Net Cash Provided by / (Used in)</b>					
Operating Activities	\$ 330	\$ 434	\$ (104)	\$ 450	\$ (120)
Investing Activities	(1,208)	(1,259)	51	(1,378)	170
Financing Activities	(197)	121	(318)	958	(1,155)
<b>Net Change in Cash</b>	<b>(1,075)</b>	<b>(704)</b>	<b>(371)</b>	<b>30</b>	<b>(1,105)</b>
<b>Beginning Cash, Cash Equivalents, and Restricted Cash</b>	<b>1,597</b>	<b>1,224</b>	<b>373</b>	<b>523</b>	<b>1,074</b>
Net Change in Cash, Cash Equivalents, and Restricted Cash	(1,075)	(704)	(371)	30	(1,105)
<b>Ending Cash, Cash Equivalents, and Restricted Cash</b>	<b>522</b>	<b>520</b>	<b>2</b>	<b>553</b>	<b>(31)</b>
<b>Beginning Debt and Financing Obligations</b>	<b>23,770</b>	<b>23,770</b>	<b>—</b>	<b>21,203</b>	<b>2,567</b>
Change in Debt and Financing Obligations	(180)	141	(321)	990	(1,170)
<b>Ending Debt and Financing Obligations</b>	<b>\$ 23,590</b>	<b>\$ 23,911</b>	<b>\$ (321)</b>	<b>\$ 22,193</b>	<b>\$ 1,397</b>

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# Q1 Summary and Updates

- ▶ Milder than normal weather; high December peak
- ▶ Affordability and reliability supported by a diverse power system
- ▶ Cost discipline through Enterprise Transformation
- ▶ Capital investment program on track

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# Financial Update

Tom Rice  
Executive Vice President and Chief Financial Officer

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# Cumberland and Kingston Evaluations

Tom Rice  
Executive Vice President and Chief Financial Officer

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# Purpose and Background

## Purpose

Action items. Authorize TVA, at the direction and discretion of the Chief Executive Officer, to operate Cumberland Fossil Plant (CUF) and Kingston Fossil Plant (KIF) in accordance with all applicable laws and regulatory requirements, including all requirements imposed by any applicable permits and seek any applicable permits that may be required to continue operating CUF and KIF, along with Cumberland Gas Plant (CUG) and Kingston Gas Plant (KIG), past their retirement dates.

## Background

After completing the 2019 Integrated Resource Plan (IRP), TVA conducted an Aging Coal Fleet Evaluation (May 2021), which concluded that although no coal-fired units had reached mechanical end of life, a phased plan to retire TVA's coal fleet by approximately 2035 is aligned with least-cost planning and reduces economic, reliability, and environmental risks.

In January 2023, TVA released a Record of Decision (ROD) to retire one CUF unit by the end of 2026 and the other CUF unit by the end of 2028. In April 2024, TVA released a ROD to retire the nine KIF units by the end of 2027.

However, since these decisions, the TVA region is experiencing rapidly increasing demand for electricity that exceeded expectations at the time of the retirement decisions. Accelerated electricity demand growth is being driven by growth in data center use, population, employment, and increasing electricity demand.

# Cumberland



# Kingston



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# Recommendations for the Action Items

Authorize TVA, at the direction and discretion of the Chief Executive Officer, to operate CUF, CUG, KIF, and KIG in accordance with all applicable laws and regulatory requirements, including all requirements imposed by any applicable permits

Direct TVA staff to apply for any permits that may be applicable to CUF, CUG, KIF, and KIG for TVA to continue to operate CUF and KIF, along with CUG and KIG, beyond their currently planned retirement dates

FY26 funds needed to support the continued operation of CUF and KIF are authorized so long as the expenditures, when coupled with other FY26 expenditures, do not exceed total expenditures previously authorized in the FY26 Expenditures Approval; expenditures in later years subject to future Board-approved budgets

Approve entering into Procurement Contracts needed to support the operation of CUF and KIF with any such contracts deemed to be in conformance with the Contracting Plan approved as part of the FY26 Expenditures Approval

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# Finance, Rates, and Portfolio Committee

Director Wade White

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# President's Report

Don Moul  
President and CEO

February 11, 2026



# Winter Storm Fern Response

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**Crews worked across  
the Valley to restore  
power in icy conditions**

# Unified in Extreme Conditions

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Employees showed  
leadership, teamwork,  
and pride in service





# A Board Built for the Future

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**A clear mission guided  
by board alignment and  
regional need**

# TVA's Long-Term Trajectory

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**Clear mission, restored  
Board quorum, and a  
strong path ahead**





# Rising Energy Demand

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**TVA is preparing for 2%  
annual growth across  
the service region**

# Meeting Demand with New Generation

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6,200 megawatts in progress and more being planned





# Investing in Nuclear Reliability

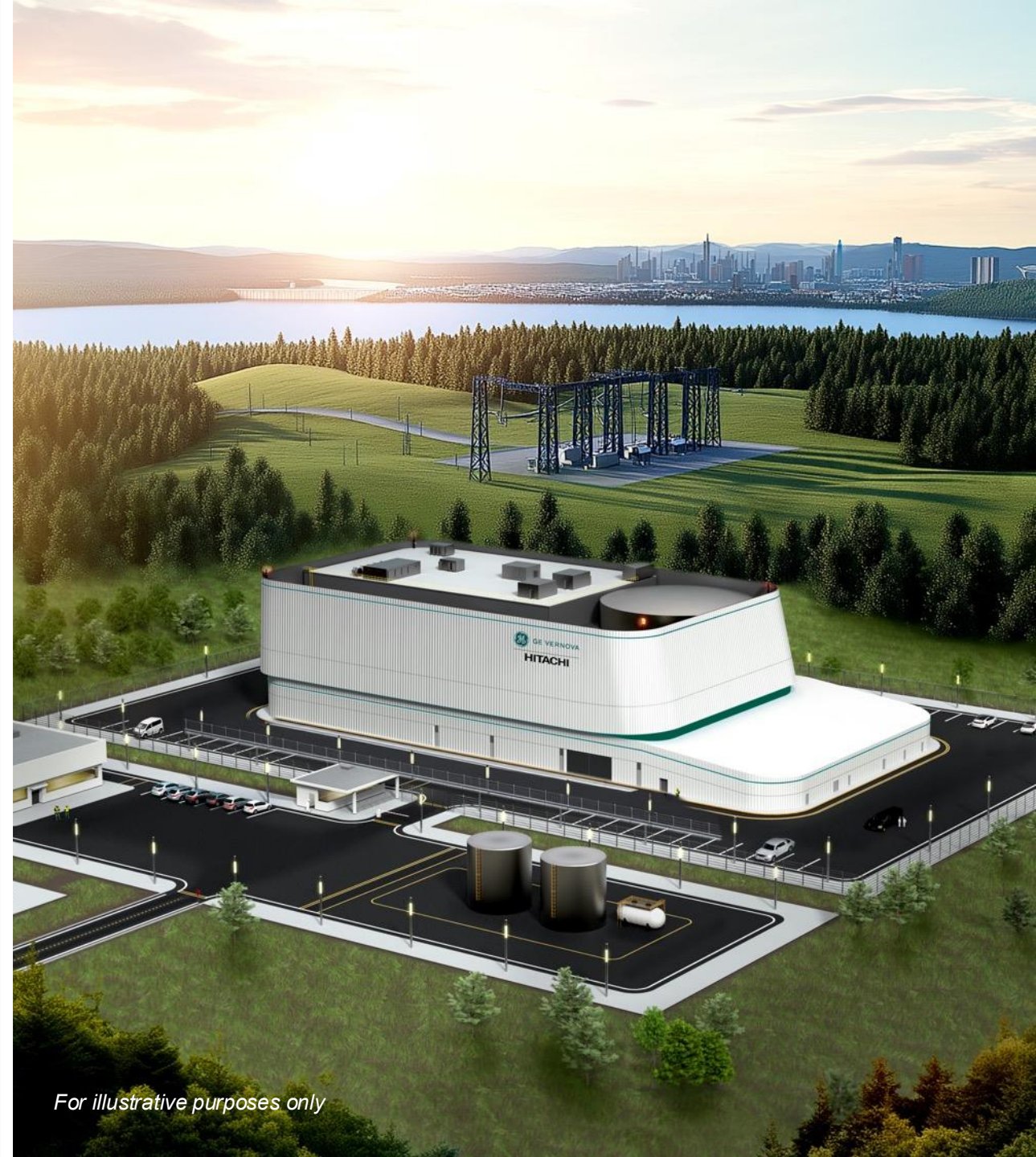
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**Browns Ferry license  
extension secures  
long-term baseload**

# Pioneering the Next Generation of Nuclear

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**Clinch River SMRs  
move ahead with DOE  
support**



*For illustrative purposes only*



# Built for the Mission

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**Delivering value while  
investing for the long  
term**

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# President's Report

Don Moul  
President and CEO

February 11, 2026

**TVA**

**TENNESSEE  
VALLEY  
AUTHORITY**